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Indian Finance

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HIGHLIGHT OF THIS ISSUE
Indications of a slowing down in the rate of growth of industrial production are discussed in World of Finance.

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by
C. S. Rangaswami

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The Pattern of Ownership

IT is learnt that the New York Stock Exchange has written to the Indian Stock Exchanges asking for information about the distribution of shares among the community of investors, to find out whether concentration obtains in any group or whether diffusion has proceeded as expected after the acceptance of economic equality as an ideal to be pursued consciously. No definite answer can yet be given to this very relevant query, as the pattern of ownership of share capital in joint stock companies has been investigated only tentatively. It is known that the middle class has emerged into view of late, and the beginnings of financial democracy have been encouraged by legal protection. Yet full data about the occupation or income of owners of shares are not available.

Many company reports furnish data about the big blocks of paid up capital and the small scattered holdings. It is known that Tisco has thousands of shareholders. So have Associated Cement and Scindia Steam Navigation. The distribution of Indian Copper shares on a very large scale among a large body of Indian investors preceded the advent of independence and the transfer of control to India. The gradual erosion of the managing agency system is reflected already in the passing of large blocks into many hands. Voting control does not rest with the managing agent. While this may help a change of control in the case of a company whose assets and income invite either jealousy or cupidity, the existence of many small shareholders who can use their proxies to good purpose, when required, is a brake on the vaulting ambitions of industrial magnates bent on diversification.

The rise to power of the institutional investor, notably the LIC, deserves notice. The LIC, habitually inclined to be neutral, is yet in a position to influence votes at company meetings, avert sudden and drastic changes in the Board and promote continuity of policy in regard to dividends. The last is the most important consideration for small investors whose plea at meetings for generosity is seldom regarded with sympathy. But the conservation of resources required for development of a business is a major aim of corporate enterprise and the attitude of managements is not always unreasonable.

The State-controlled companies in which State Governments hold a big part of the issued capital do not err on the side of liberality and it is significant that shares of companies in which Government is the predominant shareholder are not popular with the average investor today. The general view prevailing today is that when State aid was taken and Government nominees came on the board, the individual shareholder ceased to count for much. This view probably explains the limited interest taken in FACT shares even after the welcome evidence of progress in production was furnished. The prospects for fertiliser manufacture do not impress the optimists who turn away to other chemical shares, for instance, Alkali and Chemical because of the progress in management and

the important connections that support hopes of improved distribution on enlarged capital in the future.

The formal analysis of holdings can be made not only from the incometax figures but from the company registers. The Company Law Administration can usefully undertake the duty of discovering if the expansion of joint stock enterprise in recent years has resulted in the wider distribution of shares among classes other than the well-to-do capitalists whose investment income is only a means to secure accretions to capital.

The shareholders' associations existing in some cities may retain and furnish some data. But the stock exchanges can do more to secure much essential information about the Indian rentier. Nobody now subscribes to the view that the investor is functionless. He is the main source of risk capital and the success of new issues, coming in quick succession, depends on his willingness to take a view. The requirements about giving particulars regarding birth, occupation, and residence may help companies to find out if actual ownership is increasing. The companies can also indicate the ratio of women to male shareholders. The stock exchanges can, if they think it expedient, withhold names but they can ascertain easily whether family control is supreme or whether trained executives are on top, so as to energise managements. Companies too can give data about the number of small shareholders, their attitude towards management generally and the degree of vigilance shown in attending annual meetings or sending votes by proxy when called upon to do so.

The fact that the big investor is inclined to speculate and is not willing to tie up his capital for too long a period in companies that are not under his direct control may be a circumstance favourable to the small shareholder who looks to dividends and tax refunds to supplement a modest income. The preponderance of the small middle class investor today is an accepted fact because of the social and economic changes propelled by the events of 1947.

The princes and big landlords have been displaced by the entrepreneur who creates a fortune from commercial or industrial success or even success in speculation in the stock or commodity markets. The strategic control of financial institutions may be an element in the assumption of authority over varied enterprises but it may be noted that the law frowns upon accumulation of power and public policy is directed towards a dispersal of influence. The problem of reconciling ownership with control has not emerged and the managerial revolution is incomplete. But there is no doubt about the arrival of the organisation man who uses resources for industrial development and for personal power. That is perhaps as significant in its way as the distribution of shares among a large number of individuals whose stake in the company is small.

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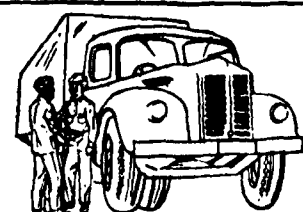
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MACHINE-BUILDING INDUSTRY Progress and Targets

THE programme of manufacture announced at the inauguration of the Development Council for the Machine-Building Industry is a revelation of the striking progress already achieved in this field of crucial importance for rapid industrialisation. A few years ago the machine-building industry in India was practically non-existent; now, there are 1,100 units engaged in the production of industrial machinery and related equipment. The total output, covering nearly twenty categories, in 1960 was valued at Rs 160 crores. The progress of the industry can also be evaluated by reference to the trend of imports.

Imports of machinery and equipment amounted to—

Rs 308.8 crores in 1957
Rs 248.4 crores in 1958
Rs 266.6 crores in 1959 and
Rs 200 crores in 1960

The steady reduction of imports during a period when the pace of industrialisation was stepped up is a measure of the growth of

indigenous manufacture. But imports still account for the larger portion of requirements of machinery and equipment.

Though imports have been steadily substituted by indigenous manufactures, there is still a wide gap between production and requirements. This will grow wider, unless special efforts are made to step up the pace of progress. The Third Plan, which the Minister for Industry has described as a 'Heavy Industries Plan,' has accorded the top-most priority for the development of the manufacture of machinery and industrial equipment.

The aim is to increase output of 23 categories of industrial machinery (other than electrical) from Rs 114.3 crores in 1960 to Rs 448.3 crores in 1965; and of five categories of electrical machinery and equipment from Rs 45.9 crores in 1960 to Rs 170.5 crores in 1965. The figures of production in 1960 and tentative estimates for 1965 in respect of particular industries are given in the table alongside.

Mr Manubhai Shah has spoken with enthusiasm of the progress already achieved and with confidence of the programme that lies ahead.

Discussions at the inaugural session of the Council, which the Minister for Industry described as the most important of the chain of 16 Development Councils so far set up by

Government, indicate the requirements for success. These are adequate supplies of working finance, electric power, raw materials like pig iron and coke, of standard quality; establishment of capacity for manufacture of high-quality castings; tariff protection for indigenous manufactures.

The Minister for Industry has given the assurance that applications for licences and those relating to foreign technical collaboration would be speedily processed and disposed of. There would also be a more flexible licensing procedure in this field, providing for bulk tonnage of goods etc., to allow scope for diversification and maximum utilisation of capacity. He has also emphasised the need for joint endeavour by the public and the private sectors for the achievement of the common objective.

A brochure brought out on the occasion of the Council's inauguration gives details of the production and targets for various types of machinery and equipment, as well as particulars of firms, engaged in their manufacture, that are on the list of the Development Wing. The detailed statistics of imports give an indication of the ground yet to be covered. But it is as well to recognise that imports will have to continue even after the development programme envisaged is successfully accomplished. As the Minister has pointed out: "Self-suffi-

ciency in these products is a far and foolish cry." The high rate of obsolescence will ensure a high level of imports until machines are not only manufactured but are also designed in the country.

MANUFACTURE OF MACHINERY AND EQUIPMENT (Progress and Targets)			
A. Industrial Machinery and Equipment Manufacturing Industries			
Industry	1960 Production (Rs crores)	1965 Tentative Estimates of Production (Rs crores)	
1 Paper making Machinery	Negl.	7.0	
2 Sugar Mill Machinery	4.2	12.6	
3 Cement Machinery	0.6	8.0	
4 Boiler Machinery	0.5	30.0	
5 Textile Machinery			
(i) Cotton Textile Machinery	11.0	21.0	
(ii) Jute Mill Machinery	2.2	2.5	
6 Coal Mining, Oil & others			
(i) Coal Mining, Oil etc.	Negl.	15.0	
(ii) Coal washeries			
7 Structural (fabrication) and cranes			
(i) Structural	20.0	100.0	
(ii) Cranes	0.5	15.0	
8 Tractors & Earth moving equipment			
(i) Agricultural Tractors & implements	0.2	15.0	
(ii) Earthmoving equipment	Nil	12.5	
(iii) Road Rollers	1.5	3.0	
9 Chemical Plants	1.4	20.0	
10 Power-driven Pumps	3.0	5.0	
11 Diesel Engines	8.2	20.0	
12 Printing Machinery	Negl.	1.6	
13 Printing Machinery	0.2	2.3	
14 Dairy Machinery	0.1	2.1	
15 Gear Industry			
16 Building & Construction Machinery	1.0	4.0	
17 Tea Processing Machinery	1.2	1.5	
18 Machine Tools	10.0	45.0	
19 Compressors	1.5	5.0	
20 Industrial Flour Mill Machinery	Nil	0.3	
21 Ceramics and Refractory Locomotives, Wagons and Railway equipment	0.1	0.6	
(i) Locomotives	13.0		
		Programme not yet fixed	
(ii) Railway wagons	8.1	20.0	
(iii) Coaches	2.9	5.7	
(iv) Stores & equipment	21.6	61.5	
22 Conveyors etc	1.3	7.7	
23 Steel Plant Machinery	Nil	5.0	
Total	114.3	448.3	
B. Electrical Machinery and Equipment			
1 Electric Motors	8.3	25.0	
2 Transformers	6.6	20.0	
3 Switch-gear & Control gear	4.0	15.0	
4 Cables and Wires	27.0	75.5	
5 Heavy Electrical Machinery & equipment	Nil	35.0	
Total	45.9	170.5	
Grand Total (A & B)	160.2	618.8	

country, had no provision for consumers' co-operative stores. This defect was however removed by the Act of 1912. But, in the subsequent quarter of a century, the movement made but slow progress. In 1938-39, there were just 396 consumers' cooperative societies in the whole country with a membership of 43,000. The movement found the opportunity for rapid expansion in the shortage of essential commodities during the war years, when the Government used the cooperative societies, either exclusively or on a preferential basis, for distribution of controlled commodities. The number of societies rose from 396 in 1938-39 to 9,757 in 1951-52 and the turnover from Rs 57.15 lakhs to over Rs 82 crores. The forced growth of the period of control could

	1938-39	1949-50	1951-52	1955-56	1933-49
Number of Primary Societies	396	8940	9757	7359	6857
Membership (lakhs)	0.43	21.55	18.46	14.14	13.76
Owned Funds (Rs lakhs)	2.46	449.46	552.70	490.00	504.87
Sales (Rs lakhs)	57.15	7045.41	8215.69	1448.00	2708.65
Profit	...	101.00	80.87	29.00	49.84
Loss	...	20.70	37.64	46.00	40.73

The Committee which was set up by the National Cooperative Development and Warehousing Board last February, to suggest measures for effective implementation of the programme, has attributed the slow progress of the movement to the following factors:

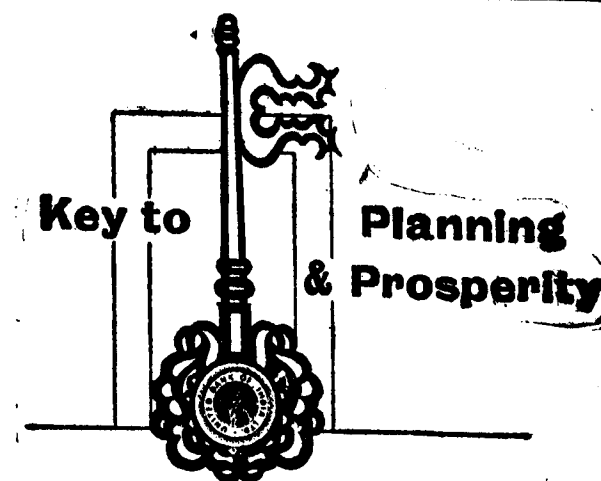
1. Weak organisational structure.
2. Small uneconomic size.
3. Dependence to a large extent on controlled commodities.
4. Inadequacy of funds and heavy working costs.
5. Lack of business knowledge or experience on the part of the managing committees.
6. Inadequate loyalty on the part of members; and lack of interest in management.
7. Lack of properly trained and equipped staff and inadequate supervision.
8. Keen competition from private traders and very low margin of profit.

The Committee has found that primary stores, by and large, are rickety organisations with a high incidence of mortality. Out of 6,857 primaries in existence in 1958-59, only 2,460 were working at a profit. Out of 1,880 stores in the States of West Bengal, U.P., Bihar, Rajasthan and Delhi, only 864 (46 per cent) were in working order. The cooperative stores are not able to retain the loyalty of the members as they are not able to meet the demand for a wide range of consumer goods. The primary stores also find difficulty in getting supplies as there are only a few well organised wholesale stores and that too only in certain States. In 1958-59, there were in all 62 wholesale stores of which 55 were in the States of Madras, Gujarat, Maharashtra, West Bengal, U.P. and Punjab. The movement has yet to develop a well-knit organisational structure at district, regional and apex levels. The societies, as the Working Group on Cooperation had noted, also find difficulty in getting working capital from financial agencies set up for the purpose, as the funds earmarked by the Reserve Bank for development of Cooperation cannot be loaned to consumer cooperatives.

The recommendations of the Committee are designed to compensate the obvious defects from which the consumers' societies are suffering. It has recommended Government participation on a matching basis in the share capital, of consumer co-operatives, and subsidies and loans for construction of godowns, as well as managerial subsidies. It has also set up standards of minimum membership and turnover for various kinds of stores to make them viable units. The Committee has also recommended that Government should bear 50 per cent of the cost of additional staff

not continue after the relaxation of controls on essential commodities. It will be seen from table A, that the year in which the First Five Year Plan was launched was also the peak year for the consumer cooperatives. The subsequent period was one of steady decline, in spite of the special emphasis on cooperation in the two Five Year Plans. Many societies ran into heavy losses and were obliged to close down. Both the First and Second Five Year Plans had stressed the need to encourage consumers' cooperatives. But up to the end of the Second Five Year Plan, no precise programme with targets had been worked out and no provision had been made for financial assistance to consumer cooperative societies.

appointed by the State Governments and give a subsidy, of up to Rs 1,800 for a primary store and Rs 12,000 for an apex wholesale store, to selected institutions, for a period of three to five years. The subsidy, which will be equally shared by the Central and State Governments, will be progressively reduced over this period. Other recommendations include help in securing shop accommodation, exemption from payment of sales tax by wholesale stores on sales effected to their primary members, concession in income-tax, assistance to Government Departments and undertakings for promotion of consumer stores amongst their employees. The Committee has also suggested that it should be obligatory on private industrialists to encourage, and assist the organisation of consumer stores for their employees as part of their welfare programme.



Individual well-being is linked with national prosperity and only planned efforts can ensure both in the shortest possible time. And planning, for its success, largely depends on savings, individual as well as national. Saving in the form of Bank Deposits provides resources for the National Plan.

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\$60 Million for India

The International Development Association (IDA), an affiliate of the World Bank, has extended a development credit amounting to the equivalent of \$60 million to India for highway development. This is IDA's third, the first and second were granted to Honduras and Sudan respectively. The credit will finance half the amount which will be spent on the National Highways during the first 3½ years of the Third Five Year Plan which began on April 1, 1961. The funds will be used mainly for the construction of about 660 miles of highways, including 19 major bridges, which will open up some of the less developed parts of India, improve connections between important agricultural and industrial centres, and relieve traffic congestion in the vicinities of the two principal cities and ports, Calcutta and Bombay.

This credit constitutes part of the funds which will be provided by IDA to help meet the external financial requirements of the Third Five Year Plan. It is for a term of 50 years, interest-free. It is repayable in foreign exchange, amortization to begin after a 10-year period of grace. Thus, the first payment will be due on August 15, 1971. Thereafter, 1% of the principal will be repayable annually for 10 years and 3% will be repayable annually for each of the final 30 years. A service charge of ½ of 1% annually on the amounts disbursed and outstanding will be made to meet IDA's administrative costs.

Demand for rail and road transport rose very rapidly with the growth of agricultural and industrial production during the Second Five Year Plan, when freight traffic on the railways increased by about 50% and passenger traffic by 15-20%. During the same time, the proportionate increase in the volume of road traffic was even greater for both freight and commercial passenger traffic.

This trend will continue during the Third Five Year Plan and substantial further investment in transport facilities will have to be made. While the railways must be expanded

to meet the growing demand for long distance and bulk movements of freight, there is also pressing need for an improved road network to enable motor vehicle transport to make the shorter hauls and to move high-value goods.

At present, India has 393,000 miles of roads consisting of National Highways, State, District and village roads. The 15,000 miles of National Highways constitute a network of main roads connecting the centres of population. About 80% of the National Highways are one-lane roads built to standards that require heavy maintenance. Numerous unbridged river crossings, congestion around cities, and the poor condition of many of these roads hamper efficient road transport.

The road works for which the IDA credit is being extended will eliminate some of the major deficiencies in the National Highways system. All the works are located in the region of the Gangetic Plains in northern India, and in coastal areas around Calcutta and Bombay where the density of population is the highest and which account for 40% of India's total vehicle registration.

The congested approaches from the two main roads into Calcutta will be completely relocated outside the thickly populated suburban areas and a new access will be opened from their point of junction at Joypurbeel to the Vivekananda Bridge into Calcutta. Complementary works will provide improved connections between Calcutta and neighbouring industrial centres. A new highway will be built to serve the fertile coastal area of West Bengal which up to now has been without road connection with neighbouring Calcutta and to link Calcutta with the rapidly growing industrial centres at Jamshedpur and Ranchi. A new road will run from Calcutta south to Cuttack in the State of Orissa, filling in a missing link in the east coast highway running south from Calcutta through Madras; this road will cross an underdeveloped area where one of the retarding factors has been the absence of adequate trunk roads.

Construction of a bridge across the, Sone River will fill in the one remaining gap in the Grand Trunk Road which runs from Calcutta westward all the way across northern India.

In North Bihar the works include two new roads under construction in a densely populated area which, until a bridge was built over the Ganges two years ago, was entirely cut off from direct communications southward to the rest of the country.

Two roads to be built in and around Bombay will relieve serious traffic congestion. One of them will be an expressway running east out of the city and the other will provide a new connection north along the coast toward Ahmedabad, opening in the immediate vicinity of Bombay a new area for industrial and agricultural development. In view of the traffic congestion in downtown Bombay, a small part of the IDA credit will finance a study of this problem by foreign consultants.

The Joypurbeel-Vivekananda Bridge access road into Calcutta and the Eastern Expressway at Bombay will be four-lane highways. All the rest of the roads will be two-lane. Improved construction standards will result in lower maintenance costs than is usual in India.

The Roads Wing of the Ministry of Transport and Communications of the Indian Government will be responsible for the design of the roads and for the supervision of their construction. The Public Works Departments of the four States concerned, Bihar, West Bengal, Orissa and Maharashtra, will be in charge of construction. The construction work will be carried out by contractors using equipment which will be leased to them by the Roads Wing. The proportion of manual labour to be used in the construction will be higher than is usual in other countries—more than 80,000 people will be employed on these road works at the peak of construction. This will result in low unit costs.

Consumer Cooperatives

THE chronic weaknesses of consumers' co-operatives in this country are highlighted by the report and, even more, by the recommendations of the Committee which was set up last February to suggest measures for their rapid development. Consumers' cooperatives share the handicaps of the other branches of the movement; in addition, they have peculiar disabilities of their own. Compared to credit societies, consumers' cooperatives had a later start and their subsequent progress has been uneven. The Cooperative Societies Act of 1904, which started the movement in the

World of Finance

SLACK SEASON

Record Fall in Advances Likely?

THE index for industrial production, with 1951 as base and seasonally adjusted, improved slightly to 183.6 for January 1961 against 182.3 for December 1960, but was nevertheless lower than the 183.9 recorded in November 1960. That the figures signify a slowing down

SECURED ADVANCES OF SCHEDULED BANKS.

Classification of Security	Variations of		1960 slack season contraction	1959 slack season contraction
	end March 1961 over end October 1960	end March 1960 over end October 1959		
Food Articles	+ 78.21	+ 69.70	-57.26	-55.12
Industrial Raw Materials	+ 88.33	+ 34.24	-53.16	-52.02
Plantation Products	- 2.26	- 2.08	+ 2.26	- 2.37
Manufactures and Minerals	+ 10.36	+ 28.09	+ 69.35	+ 10.99
Other Securities	+ 39.17	+ 50.51	+ 16.95	+ 8.62
Total Secured Advances	+ 213.81	+ 180.46	-21.86	-89.90

It will be seen that the seasonal contraction in Advances against Food Articles and Industrial Raw Materials was more or less the same in the 1959 and 1960 slack seasons; but that (Plantation Products being left out, because they are in such small amount) other types of secured Advances tended to expand in the slack seasons. Moreover, when the rise in Advances against Manufactures and Minerals was a small one (as in the 1959 slack season) the slack season was prominent in that contraction in total Advances was placed at a considerable figure. If, therefore, the rise in what may be termed industrial Advances tends in the period up to October 1961 to be a small one, the 1961 slack season should witness easy money conditions.

Again, the seasonal expansion in Advances has been larger in the 1960-61 busy season than in the previous one. As against a total expansion of Rs 104 crores in the five months ended March 1960, secured Advances in the corresponding period ending March 1961, against Food Articles and Industrial Raw Materials, increased very sharply by Rs 166 crores. Hence, it may be inferred that there is a larger quantum of seasonal finance which ought to be repaid by October 1961. That is to say, the contraction in Advances of Scheduled Banks is likely to be sharper in the 1961 slack season.

We are of the view, consequently, that the slack season contraction in Advances this year may well exceed Rs 100 crores; and if, as we suspect it has, the rate of growth in industrial production has slowed down, the fall may be even larger. Indeed, it is worth noting that Loans, Cash Credits and Overdrafts of all Scheduled Banks (excluding Advances due from banks) have declined from Rs 1,110.96 crores on the last Friday in March to Rs 1,096.32 crores on 17 June 1961. In 1960, on the other hand, Advances (excluding bills but including those due from banks) rose from Rs 951.29 crores on the last Friday of March to Rs 974.84 crores on the last Friday in June.

in the rate of growth of industrial production, we have little doubt. Though figures for subsequent months are not yet known, it seems to us strongly possible that the index has since been stagnant. For, the trend in the secured Advances of Scheduled Banks is such as to suggest that credit extended to or obtained by industry has, in the months that have elapsed thereafter, at best been stationary. Data contained in the May issue of the Reserve Bank of India Bulletin, in respect of secured Advances of Scheduled Banks, are worth studying for the light they throw on trends in production.

Money should be easy; and the call money rate, in Calcutta, did go below the 4 per cent mark. Borrowings of Scheduled Banks are below the Rs 20 crore level, and the Treasury Bill rate has declined to 2.65 per cent. But there are no indications as yet of States' borrowing programmes, which should be expected to be put through before the Government announces its second tranche; and the timing of the second tranche is linked with the maturing on 1 August 1961 of the 2½ per cent 1961.

What are money market conditions likely to be, before the next busy season starts in November? It may be stated that there is an inevitability about contraction in Advances, and, we repeat, the slack season return of funds will be pronounced if, in fact, industrial production does not soon pick up. Meantime we expect also an increase in the Deposit resources of the banking system. Soon, the new and freed resources cannot be used to reduce borrowings—since the banking system should be practically out of debt with the Reserve Bank within a month or so. Banks should then begin to feel anxiety about investment of their costly Deposits.

Already, in the latest return of the State Bank, and as we had foreseen in last week's Indian Finance, there is evidence of purchase on a considerable scale from the Reserve Bank tap. Banks other than the State Bank may hold out a little longer; and their reluctance stems of course from their apprehension that, if they should now invest in Government securities, they might be compelled to borrow at penal rates in the next busy season. But it is also inevitable, we submit, that the banking system should soon begin to evince great interest in the gilt-edged market. For a start, they would be content to put their idle resources in Treasury Bills; and this phenomenon will probably occur in July. Thereafter, a hesitant approach to the Reserve Bank tap seems more than likely.

The shrinkage in Advances may mean that banks' earnings will be somewhat cut into,

Indian Finance

especially since, at the same time, a rise in Deposits is being experienced. Although, with the Reserve Bank's directive of last autumn, banks are today earning at a higher rate of interest on their Advances, we think it unlikely that they will be content to add to their cash balances (on which their earning is nil) by as much as Rs 100 crores before the beginning of November.

BANKS

Snippets

AGGREGATE Deposits of Indian Scheduled Banks rose by almost exactly Rs 13 crores as between the last Fridays of March and April; this is net of the State Bank's loss in Deposits owing to repayment of counterpart funds, and hence the gross rise in Deposits of Indian Scheduled Banks must have been around Rs 25 crores.

In the same period, Deposits of Foreign Banks rose sharply by just under Rs 18 crores to Rs 235.76 crores.

Borrowings of State Co-operative Banks from the Reserve Bank, which are shown under the latter's portfolio of Other Loans and Advances, were placed at Rs 84.74 crores on the last Friday in April, the total of the Reserve Bank's Other Loans and Advances as on that date being Rs 125.47 crores; and all Scheduled Banks accounted for Rs 38.16 crores of the balance.

Savings Deposits of Scheduled Banks rose over the month to the last Friday in April by Rs 3.97 crores to Rs 285.78 crores.

There were 4,170 offices of Scheduled Banks in India at the end of April 1961, a rise of 7 offices over the previous month. Indian Scheduled Banks accounted for the increase and were placed at 4,100 offices; State Bank at 908 offices; and Foreign Banks at 70 offices.

In the fortnight ending 31 March 1961 secured Advances of Scheduled Banks rose by Rs 27.75 crores to Rs 1,150.17 crores. Advances against Food Articles accounted for Rs 10.45 crores of the rise; against Industrial Raw Materials for Rs 6.46 crores; against Plantation Products for Rs 2.95 crores; and against Other Securities for Rs 8.21 crores. Advances against Manufactures and Minerals (the "industrial" Advances) went down fractionally from Rs 415.84 crores to Rs 415.5 crores.

In brief, therefore, with the 1961 slack season almost certain to produce extremely easy money conditions, both because of return of seasonal funds on a larger scale and because of stagnation in industrial production the prospect is for gilt-edged to rule ver firm—and for interest rates to be pushed down.

BANK RETURNS

State Bank Buys Through RBI Tap

A further sharp contraction in currency as the first of the new tranche of State Bank purchases of gilt-edged through the Reserve Bank tap highlight the latest banking statements.

According to the returns of the Reserve Bank for 23 June, Active Note Circulation

1 July 1961

steeply lower by Rs 23.24 crores at Rs 1,945.75 crores, and there has been inflow of Rupee Coin in the considerable amount of Rs 1.52 crores. Foreign Securities are unchanged at Rs 108.01 crores, and currency has been contracted against Rupee Securities for Rs 10 crores by transfer to Investments in the Banking Department. As a result, the Reserve Bank's cash in the till has shot up by Rs 14.73 crores and is placed at the unusually high level of Rs 41.78 crores.

In the Banking Department, with Investments higher only by Rs 8.43 crores at Rs 223.09 crores and accounted for by transfer from the Issue Department, there is the implication that the Centre has avoided recourse to deficit financing. But there is clear evidence of the Centre making large payment to the States in the form of loans, advances and grants. State Governments' balances have improved by Rs 9.19 crores to Rs 14.63 crores, and their indebtedness has, at the same time, been reduced by Rs 5.59 crores to Rs 77.43 crores. Despite such payments, the Centre's Deposits are shown practically unchanged—lower by Rs 0.68 crores—at Rs 82.05 crores. Of course it is scarcely possible that Government revenues were so buoyant that the payment to the States was put through without the help of created money. In this context, we have to have regard for the fact that, in the week under review, the State Bank has figured as a purchaser of Rs 17 crores worth of securities. Hence, this magnitude of deficit financing resorted to by the Centre has correspondingly been concealed. Reserve Balances of member banks are lower by Rs 5.98 crores at Rs 80.37 crores, but this is because of the substantial drawing down by the State Bank for the purchase of gilt-edged. Therefore, banks other than the State Bank have clearly added to their Reserve Balances. Moreover, the gathering free funds with the banking system are indicated by its ability, on top of the improvement in Reserve Balances, to reduce indebtedness to the Reserve Bank, whose Other Loans and Advances are down by Rs 2.53 crores at Rs 115.71 crores. We suspect that the magnitude of loans liquidated by Scheduled Banks is somewhat larger, since the Reserve Bank's advances against usance bills are seen to have fallen by Rs 5.30 crores to Rs 8.48 crores. It now appears possible that, in the week ended 23 June, borrowings of Scheduled Banks from the Reserve Bank will be placed at a level lower than Rs 15 crores.

Lastly, Balances Held Abroad are again lower by Rs 3.13 crores at Rs 12.65 crores. Foreign Exchange reserves, held in both Departments, are now scarcely above the Rs 120 crore mark.

With no liability, in the immediate future, in respect of return of counterpart funds, the State Bank has, as revealed in the return of the institution for 23 June, bought substantially of gilt-edged from the Reserve Bank tap. Partly, resources became freed; partly, amounts in "suspense" under Other Assets have been used; and cash in hand and with Reserve Bank has been drawn on, in the aggregate such that the State Bank's holdings of gilt-edged are sizably higher by Rs 17 crores at Rs 219.61 crores. Deposits have risen by Rs 2.10 crores to Rs 522.27 crores; the total of Advances, reflecting the slack season conditions, has contracted by Rs 4.66 crores to Rs 262.48 crores; Other Assets have been reduced by Rs 9.81 crores to Rs 34.08 crores; and cash in hand and with Reserve Bank has been drawn down by Rs 9.65 crores to Rs 19.64 crores. We may confidently expect that the State Bank will, at least twice in each month, utilise its accruing and freed resources (by way of rise in Deposits and contraction in Advances, respectively) for adding to its gilt-edged portfolio. We anticipate that State

Bank purchases through the Reserve Bank tap will amount to not less than Rs 50 crores during the rest of the 1961 slack season.

Though, as shown in the return for 16 June, net Deposits of Scheduled Banks appear to have gone down, consideration must be had for the fact that, in the week under review, the State Bank made over its June (and final, at least for the present) instalment of counterpart funds, entailing automatically a loss of around Rs 12 crores in its own Deposits. Thus, Net Demand Deposits of Scheduled Banks were up by Rs 6.54 crores at Rs 803.60 crores, and net Time Deposits lower by Rs 16.50 crores at Rs 1,096.69 crores, involving a net fall of Rs 9.96 crores, against which the State Bank's reported fall in Deposits was Rs 11.77 crores. Hence, other Scheduled Banks experienced a rise in their resources amounting to Rs 1.81 crores. The contraction in Advances continues, with the total lower by Rs 4.19 crores at Rs 1,284.29 crores. Consequently, Scheduled Banks have been able to reduce debt to the State Bank by Rs 1.40 crores to Rs 10.66 crores, and indebtedness to the Reserve Bank has fallen by Rs 1.53 crores to Rs 19.82 crores. The rise of Rs 4.88 crores to Rs 81.64 brores in Reserve Balances is wholly accounted for by the State Bank, with other Scheduled Banks indeed drawing upon their statutory Deposits for repaying loans taken from the central banking institution. Gilt-edged holdings of Scheduled Banks have fallen by Rs 8.21 crores to Rs 528.91 crores; but the State Bank, for making over the June instalment of counterpart funds, disinvested in gilt-edged for Rs 10 crores. So, it would appear that other Scheduled Banks have begun, as a result of accruing free resources with them, to add to their gilt-edged portfolio. The current week's rise of a little under Rs 2 crores is most probably in respect of Treasury Bills.

The Canadian Dollar

By Paul Einzig

THE Canadian Government, confronted with a fundamental disequilibrium, decided to take the line of least resistance by abandoning the rigid defence of the dollar. This was in accordance with the recommendation of the Macmillan Report of 1931, according to which, when disequilibrium is so pronounced that its elimination would require unduly heavy sacrifices, "the game is not worth the candle". Hence the dismissal of Mr Coyne, Governor of the Bank of Canada who was in favour of restrictionist policies. The Government over-

ruled him and decided to allow the dollar to depreciate—indeed to cause it to depreciate if necessary. This decision cannot be described as a "devaluation" because that term implies a change of parities, and since the Canadian dollar is a floating currency the question of such a change does not arise. Up to the time of writing, the extent of the depreciation of the exchange in Montreal has been very moderate and it is highly doubtful whether such a small depreciation could make the desired difference to the Canadian imports and exports. Moreover, the uncertainty about the eventual extent of the depreciation is far from being helpful.

A straightforward devaluation of some magnitude would have produced the salutary shock that is needed in situations such as the one into which the Canadian economy has drifted. Such psychological effect cannot be achieved by a moderate and hesitant depreciation. This experience provides yet another argument against the much advocated system of floating exchange rates. When in 1934 the United States devalued the dollar its action had every appearance of finality and the dollar inspired confidence at its reduced value. On the other hand, between 1936 and 1939 France depreciated the franc again and again. After each depreciation the prevailing feeling was expressed by Mr Paul Reynaud's words "too late and too little." If the operation can be carried out too easily, there is strong temptation to try to keep its extent to a minimum. If it is to be a devaluation proper, the chances are that the Government concerned will allow itself a safety margin so as to avoid having to repeat it again. One might well ask whether it was worth while at all to make such a small change in the Canadian dollar. Having decided to make a change, the Government might as well have made a thorough job of it.

The Canadian decision was followed by an increase of pressure on sterling. There is no reason why the United Kingdom should follow Canada's example, and the pressure merely expressed the general uneasiness about Britain's growing economic difficulties. Unless the Government faces up to the situation and adopts more effective measures than those announced so far, the pressure is likely to remain continuous.

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Treasury Bills

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 27 June 1961. Total amount offered was Rs 2,00,00,000. Tenders at Rs 99.335 per cent and above were accepted in full. Total amount accepted was Rs 2,00,00,000, the average rate of accepted tenders being Rs 2.650 per cent per annum.

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Notes

WORLD ECONOMY

Stagnant In 1960

With the United States in the grip of a recession and the under-developed countries recording heavy losses in the balance of payments account, world economic developments during 1960 have belied hopes of an uninterrupted progress for the free economies. Reviewing the developments during 1960, the United Nations World Economic Survey underlines the fact that while there was a gratifying increase both in the world economic activity and in the world trade, by the second quarter of the year, the rate of expansion declined in one industrial country after another. In the Western Europe, there was an initial decline in the rates of growth, though subsequently, this gave way to a tendency toward stabilisation. The net increase for production and trade for the private enterprise economies, the Survey states, was of the order of 4 per cent and 10 per cent respectively. This rate of expansion was, however, out-paced in the Centrally planned economies which registered greater increase especially in industrial production.

For the under-developed countries, the developments as recorded

in the United Nations Survey were anything but satisfactory. All these countries were subjected to heavy pressure on the foreign exchange front. By the end of 1960, it is stated, the index of export unit values for these countries had fallen below the corresponding 1959 level to a point of about 8 per cent below the 1957 average. Consequently in many under-developed countries, there was a rise in the foreign trade deficit which amounted to as much as 50 per cent. In this background, the Survey underlines the need for stepping up exports by these countries and cautions that "unless there is a marked and sustained improvement in their export earnings, underdeveloped countries are likely to find the burden of international indebtedness accentuated rather than diminished in the 1960s."

The Survey also deals at length with the factors involved in the economic development of these countries and draws particular attention to the importance of stepping up domestic saving, through various measures. It is stated that of 28 under-developed countries for which data are available only nine registered an increase in domestic saving from the beginning to the end of the 1950s and of these only three recorded such an increase in excess of two per cent of gross domestic product. The Survey suggests a variety of means for augmenting internal resources required for accelerated economic progress of these countries, and among these taxation figures as the most important. It is pointed out that with the growth of domestic economic activity it should be possible to increase revenue through appropriate taxes on the production and sale of goods and services, particularly those which do not impose undue burden on lower income groups. While equal importance is attached to direct and indirect taxes, the Survey notes the failure of the direct tax system in many of these countries to cover a sufficient portion of incomes, owing to exemptions being set at too high levels, low tax rates and excessively liberal deductions. The Survey lists agriculture as one of the most promising fields for higher taxation in the under-developed countries. The Survey bases its observations in respect of potential increases from agricultural taxes on the facts that land assessments in these countries have not been revised for many years and also that in many instances they do

not even reflect the increases in land values resulting from improvements made by the Governments themselves through the provision of irrigation transport and other facilities. The legitimate conclusion is therefore drawn that "appropriately devised agricultural taxes, represent an important potential source of increased revenue in many countries."

In view of the emerging public sector as the agency for development in the under-developed countries, the Survey also suggests possibilities for increase in revenue to the States through appropriate price structures for these enterprises. It also mentions the need for promoting enterprise saving through a climate of economic expansion and through the establishment of basic public facilities.

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THE COLOMBO PLAN

Happy Anniversary

A systematic attempt to associate the more fortunate nations with the tackling of the economic problems of the countries of the South and South-East Asia originated with the Colombo Plan, which was inaugurated on 1 July eleven years ago. Today all the countries in this part of the world have a long-term development programme of one kind or another. It will be, however, misleading to deem that the idea of development programmes germinated in this region only with the Colombo Plan, for ever before the conference of the Consultative Committee was held, India was busy with its development plans. As far as other countries of the area are concerned this claim holds true. The idea of long-term planning which took firm root in 1950 gained greater strength since then. Thereafter all the development policies and activities of the South and South East Asian countries have been subjected to close study and in many cases better planning techniques and procedures have been adopted.

Technical co-operation under the Colombo Plan plays a remarkable role in the economic development of this region. Assistance under this programme flows in three forms, viz. the supply of the services of experts, the provision for training facilities and the supply of equipments required for the successful implementation of the various development programmes. The immense benefit from the technical programme can be easily gauged from the fact that since 1950 more than 25,000 Asians received technical training and the services of over 12,000 experts have been made available to the Asian countries by the members of the Colombo Plan and the agencies of the United Nations. The expenditure borne by the countries providing the training and supplying technicians since the inception of the Plan upto 1960 totalled £46.7 million.

The objective of the Plan being the raising of standard of living of the people of this region by accelerating

the pace and widening the scope for economic development in this area, it was only in the fitness of things that agriculture was accorded an important place. To modernise agriculture in these countries grants and loans, fertilisers, agricultural implements and other assistances have been provided.

The development expenditure incurred by the countries of this region amounted to £1,309.8 million in 1959-60. It may be noted that assistance under the Plan comes for the most part from member countries outside the region, viz. Australia, Canada, Japan, New Zealand, the UK and the USA and their contribution aggregated £2,875 million. Over and above this, the Export-Import Bank has sanctioned an amount of \$468 million for financing the development programmes of the countries covered by the Plan. Private investments in these countries till the end of 1959 totalled approximately \$800 million.

Apart from these the Rockefeller, Ford and other Foundations and private organisations in the USA rendered considerable assistance to education, medicine, rural development and other activities in these countries. These Foundations contributed nearly £12 million in 1959 alone.

The advancement made by these countries in economic, social and cultural fields has ultimately set at rest all the uncertainties that were raised before the implementation of the Plan. In fact the Colombo Plan has turned out to be a fine experiment in international co-operation and partnership. Above all the Plan has fostered among the less developed countries in this part of the world a sense of mutual co-operation and understanding and the benefits they have accrued to the participant countries are immense.

Indian Finance

1 July 1961

CALCUTTA

A Metropolitan Authority

Development of Calcutta has become a problem sorely exercising the West Bengal Government. The conditions of living in this metropolitan city have deteriorated to a point, where, it is conceded, the State Government by itself would not be able to make any improvement. The problems, the more important of which are acute unemployment, especially among the educated, extreme shortage of housing and transport, and festering insanitary conditions, present a most formidable combination and call for great efforts for their solution. In a pointed reference to the problem, in the course of her inaugural address to the last Budget Session of the State Legislature, the State Governor, Mrs Padmaja Naidu, observed that "the continued neglect of Calcutta's problem is one of the most dangerous weaknesses of the Third Plan." The State Government's own answer to these problems is a master plan for the betterment of Greater Calcutta and its hinterland. A brain-child of Dr B. C. Roy, the master plan is only in the process of formulation. But as a preliminary step, the State Government set up in May the Calcutta Metropolitan Planning Organisation to which has been entrusted the task of preparing the master plan. A resolution throwing light on some of the important aspects of the work connected with the city's development, was published last week by the Health Department of the State Government.

The resolution lists a number of factors that have to be considered in the preparation of the master plan. Among these are land planning, economic and social development, research, housing, traffic, transportation, municipal engineering and sanitation, fiscal planning and administrative planning. The importance of regional metropolitan and urban land analysis, long and short-term planning, demography and migration, regional and urban economic base, traffic studies, road circulation and mass transit by bus rail and river has been stressed. The plan is expected to be a comprehensive one with provisions regarding location, character, extent and development of streets, roads, rights of way, viaducts, bridges, waterways, and waterfront development parkways, thoroughfares, parking facilities, playgrounds, schools and public buildings, forests, parks, air ports, and other public grounds buildings and spaces. Other important factors mentioned for the consideration of the Metropolitan Board are development of utilities, and terminals for water, light, power, sanitation, transport transit communications, regulation of the height, area, bulk location and

uses of the buildings distribution of population utilisation of land for trade, industry habitation, recreation, agriculture, forestry soil and water conservation, slum clearance etc.

It is evident that the master plan is being worked to the minutest detail. In the wake of the setting up of the Metropolitan Organisation, the Government has also placed a sum of Rs 20 lakhs at its disposal for expenditure during 1961-62. The Government has, besides, sanctioned a separate head under the development budget to cover its expenses during the Third Plan. The Organisation will function as a limb of the State Government with powers to administer the funds placed at its disposal and frame its annual budget as prescribed by the Government.

How, in the face of the formidable financial calls, the implementation of the master plan will fare, it is not possible to say with any certainty. The suggestion to divert part of the counterpart funds accruing to the Central Government under the US PL 430 agreement has not found favour with the Central authorities. But the State Government has been able to interest world bodies in the peculiar problems confronting the city. There is offer of assistance from the Ford Foundation and from the Special Fund of the UN. The WHO has also conducted a survey and offered some suggestions with a view to ensuring a practical administrative set-up. The State Chief Minister Dr B. C. Roy has expressed himself as being determined to go ahead with the implementation of the master plan in the face of the severest odds. Public opinion in the State and the more influential part of it represented by private sector industrialists has also rallied to the viewpoint of Dr Roy in respect of finding an early solution to the riddling problems of the city. This last provides the most propitious factor for the launching of the master plan.

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CIVIL AVIATION

Flying Colours

Both the Air India International and the Indian Airlines Corporation bettered in the second half of 1960, their performance in the first half. This particularly applies to the number of passengers as well as cargo and mail carried. The following statements present a comparative picture of performance for these two organisations as measured by a number of indicators.

It is evident that there has been improvement in every direction. Other important highlights in the working of these two bodies during the second half of 1960 were the introduction of a weekly service on the route Bombay-Karachi-Bahrain-Kuwait, and the introduction of a cargo service to London with their Super-Constellation aircraft by the

AIR INDIA INTERNATIONAL

	July-Dec. 1960.	Jan.-June 1960.	July-Dec. 1959.
Kilometers ...	6,523,105	5,655,821	6,093,529
Passengers carried ...	65,101	44,814	47,163
Cargo carried (Kgs) ...	1,766,558	1,459,573	1,458,599
Mail carried (Kgs) ...	442,275	377,690	435,809
Capacity ton kilometers ...	83,072,308	53,799,071	49,066,983
Revenue ton kilometers:			
1. Passengers ...	28,607,724	18,577,952	19,824,135
2. Cargo ...	9,468,222	7,302,125	7,573,582
3. Mail ...	2,682,009	2,074,922	2,492,965

INDIAN AIRLINES CORPORATION

	July-Dec. 1960.	Jan.-June 1960.	July-Dec. 1959.
Kilometers ...	14,977,373	14,267,674	13,635,115
Passengers carried ...	372,971	372,317	316,979
Cargo carried (Kgs) ...	18,308,473	16,871,208	14,991,761
Mail carried (Kgs) ...	3,057,961	2,938,972	2,986,704
Capacity ton kilometers ...	53,975,476	52,021,719	49,194,058
Revenue ton kilometers:			
1. Passengers ...	26,240,184	26,166,440	22,708,122
2. Cargo ...	9,918,405	8,969,905	8,316,269
3. Mail ...	3,079,550	2,979,135	3,010,873

Air India International on the one hand and the introduction of non-stop services between Delhi and Kathmandu, and Calcutta and Kathmandu and a direct service between Delhi and Rajkot by the Indian Airlines Corporation on the other. The period also witnessed important changes in the service schedules of the Indian Airlines Corporation which in all cases resulted in an increase in the frequency of flights.

The performance of the night air mail service for the second half of 1960 also shows improvement. The figures for passengers, cargo and mail carried for this period were 24,344, 934,326 kgs and 903,376 kgs respectively and compares with 24,959, 839,256 kgs and 924,051 kgs for the first half of 1960.

Apart from the AII and the IAC, at the end of the second half of 1960, seven air transport companies and 17 flying clubs held permits for non-scheduled services. It is stated that on such non-scheduled services, Indian air carriers flew 5,185,429 kilometers, carrying 38,747 passengers and 21,813,283 kilograms of cargo as against 4,776,758 kilometers flown and 48,278 passengers and 19,952,426 kilograms of cargo carried during the corresponding period of 1959. The comparable figures for the first half of 1960 were 4,728,499 kilometers flown, 48,957 passengers and 17,097,262 kilograms of cargo carried.

The number of aircraft holding current certificates of registrations at the end of 1960 is shown to be 526, of which 196 held current certificates of airworthiness. While 13 aircraft were registered in the name of the AII, the number of aircraft registered in the name of the IAC is shown to be 89. In respect of aeronautical telecommunications it is stated that during this period greater emphasis was laid on the modernisation of the services. At the end of the period under review, there were 81 Aeronautical Communication Stations providing 139 radio aids to navigation and 541 aeronautical communications channels.

In respect of international relations, two agreements were signed one with Iran and another with Czechoslovakia for the operation of air services with these countries. The discussions with the United States in respect of various matters arising under the bilateral Air Transport Agreement are

still in an inconclusive stage. Part of the difficulty seems to be American unwillingness to concede Air India International greater traffic rights in the US. Unhappily, this has been the experience of other foreign air-lines also in the US. Indeed, some thing like a war of nerves among world air-lines is going on for sometime now. Pan American and the Trans-World Airlines which in the early post-war years enjoyed almost exclusive run of the US air traffic are now, not ununderstandably, cut up about their share being reduced to something like 40 per cent. But in an era of ever expanding air travel and declared faith in the freedom of the air, there should be enough to go round for all. It is to be hoped that further negotiation between the US and Indian authorities would make possible an early and happy conclusion of this issue.

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TEA

Eight Pre-requisites

Mr S. M. Mohta has made a lucid analysis of the problems facing the Indian tea industry in the course of his presidential address at the fifth annual general meeting of the Tea Association of India held this week in Calcutta. The Indian tea industry has been steadily losing ground in the world market and its production too does not show a regular upward trend. For instance, production last year has declined to 705 million lbs from 719 million lbs in the previous year. Export performance is no more satisfactory as total exports in 1960 amounted to only 430.1 million lbs as compared with 472.4 million lbs in 1959. One of the reasons for the present difficulties of our tea in world markets is the growing competition from other producers like Ceylon and East Africa. The fact that production is outstripping demand has further aggravated the situation. It is now generally accepted that if Indian tea is to increase progressively its share in world demand, concerted measures to promote exports have to be

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adopted. It cannot be said that Government is indifferent to the industry's problems. If for no other reason, export of tea has assumed crucial importance in a situation in which the solution to a number of current problems lies in greater export earnings. It is significant to note that the Tea Board is sponsoring a conference of tea consumers all over the world to be held in Calcutta in November with a view mainly to bringing into personal contact the tea producer and the tea buyer. But much more than such conferences will be required to achieve the desired result of making Indian tea popular overseas.

That there is not much time to lose in tackling the problems facing the tea industry will be seen from the fact that according to an estimate of the Food and Agricultural Organisation, world production of tea is increasing at a much quicker pace than that of the expansion in demand. It is expected that there will be an

excess of tea to the tune of not less than 50,000 metric tons by 1965. Under the Third Plan, the target for tea export is fixed at 610 million lbs and it will be evident that in the context of the growing competition from other producers, no ordinary effort will suffice to reach the stipulated target. Mr Mohta thinks that the targets of production and export are somewhat ambitious, but he is also of the opinion that they could be hit if the industry was given the necessary incentives, a list of which he has himself provided. In this connection, it will be rewarding to find out how other producers have been faring. Take, for instance, Ceylon. This country's experience last year has been much more satisfactory than ours. As a matter of fact indications are that Ceylon is slowly usurping the place so long held by India in most foreign markets. Mr Mohta seems to think that the reason for Indian tea's decline is to be largely sought in Government policy.

Ceylon is able to outbid Indian tea because of its comparatively lower cost of production brought about by lower wages and exemptions from certain duties which Indian tea has to bear. Mr Mohta lists eight pre-requisites for making Indian tea reign supreme once again in world markets. Four of these pertain to the promotion of production such as supply of fertilizers, coal, loans for replantation and rehabilitation of old plant and machinery and supply of power and irrigation facilities. Transport is costing the industry quite a bit because tea is to be hauled over long distances to the port cities and a sizable reduction in this regard, which is not impossible, will greatly relieve the financial burden on the industry. Now that a wage board for the tea industry has been established the industry is naturally anxious that the award should be related to productivity. There is need for improving both the quantum and quality of tea propaganda over-

seas. The pattern of world tea consumption in recent years will show that there are areas which have not been adequately covered by our tea propaganda. Last in the list of incentives enumerated by Mr Mohta is the removal of taxes of all types on exportable teas. The justifiability of continuing an export duty on tea has been questioned for a long time but Government has been reluctant till now to do away with the duty completely. A reduction was made in the last Budget but the duty even at the present reduced rate has not brought any relief as the gain has been offset by an increase in the excise duty.

★ NIGERIAN MISSION Welcome for Many Reasons

The visit of a Nigerian mission to Delhi to consult the Government on trade matters will be welcomed for many reasons. Block buying of tin from Nigeria may provide a remedy for the new crisis due to higher prices and Nigeria as the largest of the new African States may become a better market for Indian textiles. If Indian prices are reasonable there is a good chance for manufactures like electric fans, sewing machines and bicycles in Nigeria which may ship palm oil to India in order to help overcome the high price of vegetable oils at present. As French West Africa has a guaranteed market in the Inner Six Countries, the Nigerian policy in future may be one of increasing trade with the Commonwealth and buying more textiles especially handloom goods from India rather than Hongkong which may buy less cotton than India. The Nigerian market for cheap goods may involve a new view about cost and prices in relation to rival like Pakistan.

The opening up of new tea or rubber plantations in Nigeria may not pose a threat to India, but the Indian Government by ascertaining capital goods requirements may be able to find a customer in the Nigerian Government railway provided terms of delivery etc. are satisfactory. The Nigerian mission may see for itself how Muslim fare in India today and judge whether the secular State is as good as the Islamic republic or Commonwealth for which some still plead. The political aspect cannot be missed by the visiting mission. And for India it may be advisable to think of West Africa rather than East Africa and think of recovery in the Congo rather than Kenya. Opportunities for Indian traders who may buy cocoa or palm oil and indent Indian goods to sell in Nigeria may even be improved by the divergence of views as between Ghana and Nigeria about certain matters. The British firms that have developed oil may pro-

good customers for some Indian products like ropes or hardware and the closer analysis of trade may rest on the favourable balance of trade maintained over many years by India which may divert its trade from the Sudan or Egypt, in case Nigeria can sell raw cotton or buy sugar on special terms.

★ WBFC Steady Improvement

The steady improvement of its financial position is reflected in the fact that the West Bengal Financial Corporation in its eighth year of working is asking the State Government for a subvention of only Rs 37,520 to add to its disposable profit of Rs 3.12 lakhs in order to pay the guaranteed minimum dividend of 3½ per cent to its shareholders. This is the lowest subvention asked for since its inception and it is confidently expected that next year it will not be necessary to ask for any subvention at all. The strength of the Corporation flows from the growing realisation of its importance by the small and medium entrepreneurs. From the classes of loan applications, it is evident that a wide variety of industries seek the services of the Corporation. It is also gratifying to note that the loan assistance is to a very great extent well utilised. There has been only a solitary instance of a case which has required the institution of legal measures for the recovery of dues. Other loanee-concerns have been quite prompt in their payments of instalments indicating that assistance from the Corporation has rarely been fruitless.

It is however felt that the time has now come for a reassessment of the financial needs of the small and medium scale entrepreneurs. Since the formulation of the rules and regulations governing the limit of loans, much water has flowed under the bridge. The cost of putting up new enterprises has considerably gone up during the past seven or eight years and some medium sized industries may not be able to manage within the limit of Rs 10 lakhs now set for the State Financial Corporations' loans. Bigger loans are of course given by the Industrial Financial Corporation but it may not be worth the while of the medium-size entrepreneurs to approach this institution for their comparatively small requirements. The idea of doubling the limit of loans that can be granted by the State Financial Corporations has been already mooted and it has been revealed by Mr B. M. Birla, Chairman of the West Bengal Financial Corporation that a suggestion backed by a number of State Financial Corporations to revise the limit upwards to Rs 20 lakhs is now under the consideration of the Reserve Bank of India. This is no doubt a welcome move

and deserves sympathetic consideration. But a close examination of the actual disbursements of loans by the West Bengal Finance Corporation does not reveal an altogether happy position especially with regard to meeting the financial requirements of the small entrepreneur. It is true that there is nothing to complain as regards the number of applications approved but one finds that disbursements of loans are far from satisfactory. For reasons that are not made available, the small borrowers are either unwilling or unable to receive the loan money. This is unfortunate.

★ AUSTRALIA Wooing The Asian Market

Australia too follows Japan in trying to interest Asian markets in its manufactures. The trade mission this year means to culti-

vate Singapore, Malaya, Ceylon and India as markets for exports. Though only Bombay will see the trade ship, presenting graphically the dynamic development of Australia, it is perhaps useful for India to see how Australia has grown industrially and is not dependent wholly on exports of wool or wheat. Of course, vast mineral resources, including gold and oil are the base of the industrial growth and the ability to attract foreign capital has been a factor. But the home market is limited and Australia therefore must try to export in future vehicles as well as metals, fruits as well as tallow or wool tops. The Straat Bank's visit is an exercise in export promotion arranged by the business leaders of Australia. The S. E. Asian markets may be an outlet for agricultural and other machinery but only Ceylon is likely to buy sugar offered by Queensland.

The big British firms that are established in Australia may find that India too is able to satisfy

home demand for paper or chemicals at present along with automobile parts made locally. The overseas subsidiaries of Australian firms operating in Singapore represent a new development in trading. The ability to meet special demands for spares or stores may create an opening and it is well to remember that the Hume Pipe Company helping urban cleanliness in India is an Australian concern whose processes are adopted for the local production of reinforced concrete pipes. The Colombo Plan has made Asian countries aware of Australia's rapid growth as an industrial nation able to use and export mining equipment. But it is doubtful whether banks or insurance firms coming in newly can find opportunities in India today, though industrial chemicals may be saleable. One thing is patent: a prosperous Malaya gives Australia a good market and Ceylon by boosting its tea exports may even be willing to buy more goods from Australia, now able to supply cars and machinery.



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RESEARCH

A New Source of Vanaspati

The extraction of oil from safflower has been common for long and Madhya Pradesh has been a major source. It is hoped that output can be raised from 50,000 tons a year to 500,000 tons. In the USA it is used as an oil for drying and not for edible purposes but in India, as safflower oil is consumed in the kitchen it is suggested that hydrogenation can be attempted successfully. The results of the experiments conducted in the College of Science and Technology in Calcutta are recorded in the Journal of Scientific and Industrial Research last month. It has been ascertained that vanaspati made from safflower seeds is as good as any vegetable product and commercial exploitation is regarded as feasible. It is known that raw oil can be refined and bleached by treatment with alkali and Fulmont earth in addition to activated carbon.

The acids found in the oil from safflower are the same as those in other vegetable oils like cotton seed, oil and groundnut oil and it is claimed that vanaspati prepared from safflower oil is as resistant to deterioration as other commercial products. The local use of safflower oil, now available in Andhra Pradesh, Mysore and Maharashtra also, may lead to saving on groundnut oil consumption at home and enable India to export more. This is probably the main object of experiments carried out in the hope of making safflower a source of vanaspati soon.

SINGAPORE

New Banking Regulations

While Malaya has a central banking institution, there is none yet in Singapore but safeguards are held desirable and hence rules about licensing have been framed. The four Indian banks that have set up branches should not be affected by the rules insisting on investment locally, so as to ensure complete safety for local depositors. It is quite likely that the banks may have already approved assets to the value of Rs 30 lakhs equal to 2 million dollars and the time allowed for building up may not be required for it is known that the Indian Overseas Bank has long held Singapore or Malayan Government securities among its investments. The return available from the securities held may be modest as compared with the interest received on advances but the acceptance of local regulations will make the Indian banks sche-

duled in India to stand forth as locally scheduled banks.

The advantage may not be inconsiderable, though British or other banks will remain far ahead of Indian banks in Singapore in point of business importance. It is not likely that other banks from India or elsewhere will be eager to start branches in an Island that may be said to have even an excess of banking facilities at present. The new rule may prevent the opening of the branches of private banks that are not governed by Indian banking law. But the conditions regarding paid up capital or local investment cannot be a burden of any sort, for the four banks, Bank of India, Indian, I.O.B. and U.Co. are already endowed with larger capital to match the considerable increase in deposits achieved during the Fifties. In fact, the Singapore ordinance may help the four banks to approach their shareholders confidently and to obtain more deposits in Singapore itself by furnishing proof of their increased resources and higher standing. The ordinance will perhaps hit new Chinese banks and reduce competition from private banking firms that still compete with modern institutions run on Western lines. The immediate prospects for the Singapore branches in close contact with the Federation are probably improved by the regulation which may accentuate competition for suitable premises in Singapore.

KUWAIT

Sudden and Shocking

The Iraqi claim to Kuwait seems sudden and shocking. The fact that the principalities on the Persian Gulf are part of what is called Arabistan, with Arabia more closely interested than Persia, helped the UK to establish authority connected with the suppression of slavery and the control of arms traffic towards the N. W. frontier of India. The fact that Iraq was created by a successful Arab revolt against Turkey and a new dynasty was planted in Baghdad may be one reason for arguing that the claim of General Kassem to Kuwait is not well-founded. Since an alliance ensuring the security of Kuwait has replaced the protectorate the rights or power of Britain may be asserted. Gen. Kassem will not get the backing of Russia for his territorial claim which comes soon after the demand for exclusive control of the Shatt-el Arab. The confusion in Persia may help Iraq but it is fairly clear that until, and unless, the UAR extends support, General Kassem cannot make a move.

It is not unlikely that Britain may seek the help of Saudi Arabia by winding up quickly the argument over the Burakri Oasis and in trying to get the USA interested in the dispute which threatens the most prosperous oil company in the East

today. The Abadan dispute was somewhat different: nationalisation of the AIOC by a new dynasty was unavoidable. In the case of Kuwait, the claim of Kassem seems to rest on the authority of the Caliphs and many troubled Arabian Nights are in store for both Britain and Baghdad. One result may be a rise in gold prices in the Middle East with immediate reactions in Bombay where the new contract will not deter the bulls from taking the view that alarm in Kuwait will really reduce the supply of gold for smuggling via Goa. The Iraq Petroleum Company will find it harder to get an agreement signed with General Kassem whose regime has been recognised. If oil royalties are abruptly stopped, the properties may be lost. That is part of the new dilemma in the Middle East. But a settlement of the Cold War is required, for the reason that Russia must be induced to stay neutral in the dispute over Kuwait's status.

USA

Widening Job Opportunities

At a time when significant improvements are evident in the US employment situation, the Kennedy Administration is asking Congress to approve proposed legislation to expand the nation's unemployment compensation system, provide special job training for the youth, and retain workers who have been jobless for a relatively long period of time.

This underscores the Administration's continuing concern with widening employment opportunities as a long-range economic goal, whatever the current gains.

These gains are pointed up in three areas generally indicative of underlying trends—more industrial workers were employed last month, they worked a longer week and they earned more money. Labour Department officials see in these advances further signs that the US economy is rising faster than normal for this time of year.

The number of workers on non-farm payrolls rose by half a million last month to a total of 52.5 million—nearly double the customary increase for May. Particularly encouraging was the sharp rise of 150,000 to a total of 15.7 million in manufacturing employment, which normally shows a small decline in May.

Employment upturns, moreover, were reported throughout the durable goods sector, with steel and automobiles leading the way. This is the sector hardest hit by the last recession, with employment dropping by nearly 900,000 between February 1960 and March 1961.

The factory work week, which also dwindles during recessionary periods, rose again in May for the fourth consecutive month to a seasonally adjusted average of 39.8 hours. It had dipped as low as 38.3 hours toward the close of 1960.

An average one cent increase in hourly earnings combined with the longer work week to give the average factory worker a substantial boost of \$1.09 a week in his wages. This brought the average weekly wage to an all-time high of \$92.66.

These specific gains occurred against the backdrop of a general employment picture that also showed considerable improvement in May, but not of sufficient proportions to reduce the unemployment rate to any appreciable degree. Unemployment fell by 200,000 to a total of 4.8 million, while total employment rose by a full million to 66.8 million. This still left unemployment, on a seasonally adjusted basis, at close to 6.9 per cent of the labour force—just about where it has been for some six consecutive months.

According to the Labour Department's calculations of normal seasonal expectations, unemployment may rise noticeably in June, as students seek vacation work. After that, however, it should decline steadily and be down to about 4.1 million by September. Employment, meanwhile, may well continue on the upgrade.

But this probably would still leave the jobless rate at a level well above that deemed desirable by the Administration. Unemployment is considered a particularly pressing problem among the very young, many of whom may lack the education and training to handle today's highly skilled jobs, and among those who have been out of work for some time because of job obsolescence or industry change. These groups would be benefitted by two of President Kennedy's recent proposals.

One is a recommendation to provide Federal money to help retain and relocate workers suffering from long-term joblessness. The last Government report showed that of the 4.8 million unemployed in May, 1.9 million were jobless for 26 weeks or longer.

The other is a three-year "pilot" programme to set up a youth conservation corps, in which young men would work on outdoor training in new skills for young men and women; to work out with State and local Governments opportunities for young people to train in public jobs.

The third Kennedy proposal in this field would mean a significant overhauling of the Federal and State unemployment compensation systems. It would bring three million more workers, including employees of very small companies and non-profit organizations, under the jobless benefits programme for the first time. Some 45 million American workers already are covered.

The proposal also would provide a permanent set-up during recessionary periods for special extension of unemployment compensation to workers who exhaust their regular benefits. This would do away with the need for new legislation, with its related time lag, to accomplish this, as was the case in 1957 and 1961.

There is no guarantee, of course, that Congress will approve all of these proposals at this time. Some feeling has been expressed that the

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may be too costly or not necessary in view of the current improvement in the US economy. But the Kennedy Administration is strongly urging their adoption, not merely as short-term palliatives but as long-range socio-economic advances.

*

OIL

Need For Flexibility

Ever since the Oil Advisory Committee at its meeting last May placed the estimate of inland demand for petroleum products at 13.55 million metric tons and the total demand including the provision for international bunker at 14.14 million tons, speculation has been rife as to the manner in which Government is going to meet the additional demand. Usually knowledgeable circles believe that the actual demand for petroleum products by the end of the Third Five Year Plan will be much higher than the present estimate of the Oil Advisory Committee. As against this potential demand, it has been estimated that oil refinery capacity in the country by the end of the Third Plan will rise to about 10.75 million metric tons. As Government, at least for the time being, seems to have decided against any expansion of capacity in the private sector, such additional refinery capacity that further detailed study of the trend of demand may bring to light will have to be provided by the public sector. Assuming that self-sufficiency in crude oil will be reached by 1966, there will still remain the problem of putting up the additional refinery capacity by the public sector. Considering the time that will be taken and the enormous expenditure, that will have to be incurred, (considerable portion of which will be in foreign exchange), this may well turn out to be the central 'oil-problem' of the Third Plan.

The prospects, at the moment are frankly problematical. They may however become brighter if the other alternative is considered. How the private sector refineries, particularly the Burma Shell refineries, will be able to undertake the task of building up additional refinery capacity comparatively easily and cheaply has been explained by Mr L. D. Mudie, Chairman at the annual general meeting of the shareholders of the company held this week. He has pointed out that "an increase in consumption of 7 million tons over the Third Plan period calls for a capital investment of some Rs 400 crores if this increase alone is assured" on the basis that a capital expenditure of approximately Rs 60 crores will be needed "to find, produce, refine and distribute to the consumer one million tons of oil." It will be evident that a substantial portion of this outlay

will be absorbed by the construction of the refinery. Burma Shell Refineries have already submitted a proposal for building up an additional million tons of refining capacity which will cost only Rs 2.83 crores. Another proposal of theirs refers to a project costing Rs 6.47 crores to manufacture 100,000 metric tons lubricating oil per annum. These proposals have not been approved by Government, on the ground that further expansion of refining capacity in the private sector is not considered necessary. This decision, however, was taken before the Oil Advisory Committee arrived at its revised estimate of total demand of 14.14 million metric tons.

It will be puzzling to not a few that Government should have turned down these obviously advantageous offers. There can be no doubt that there will be a sizable gap between demand and the refining capacity as at present

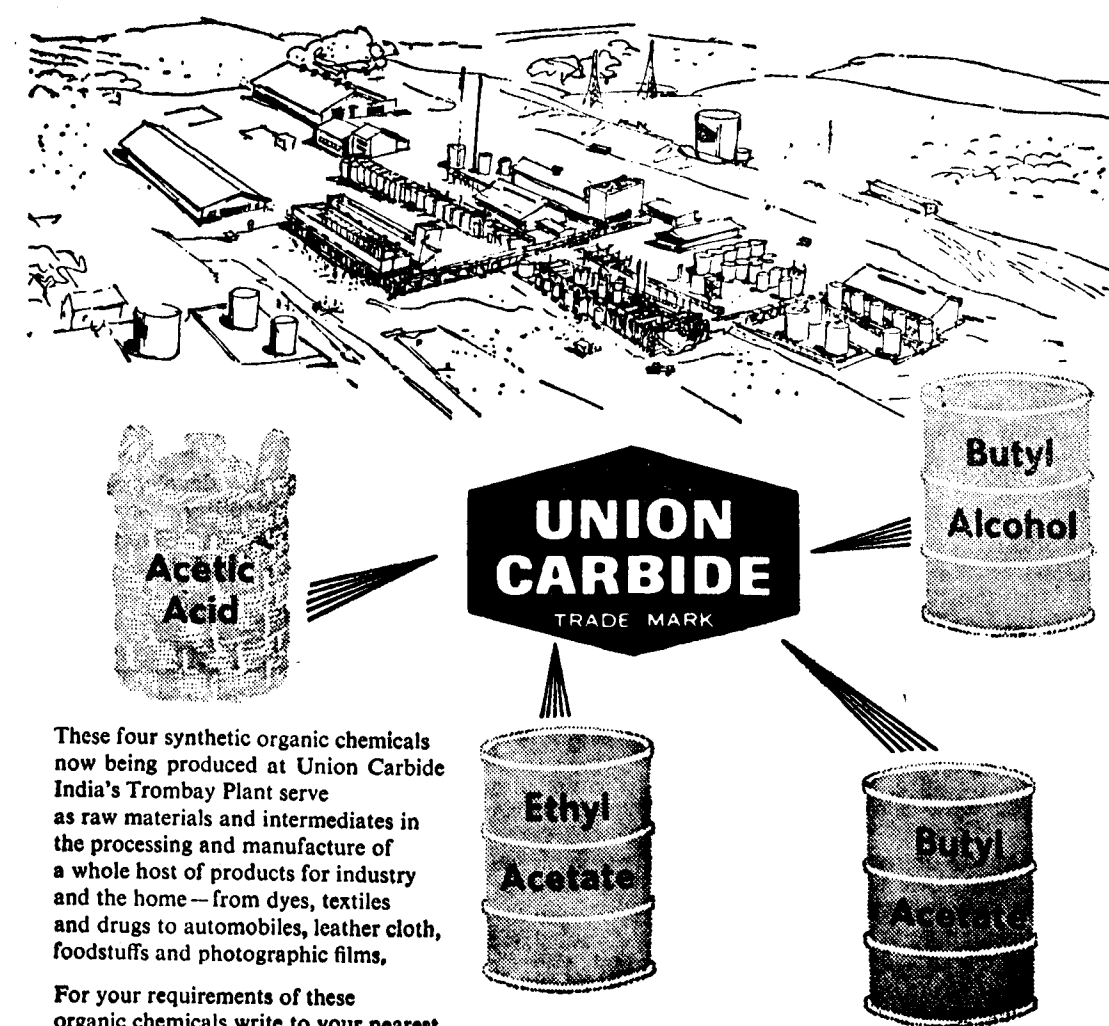
envisaged. It is equally certain that putting up more refineries in the public sector to meet the increased demand is going to be extremely difficult and time-consuming. It stands to reason, therefore, that Government should accept the alternative proposed by Burma Shell refineries. The time factor, which seems rarely to enter in Governments' reckoning,—"we are in no hurry" Mr Malaviya said sometime ago—is of the essence of the situation. If there is not to be any scarcity in petroleum products in the later stages of the Third Plan, arrangements to meet the potential increase in demand have to be taken on hand as early as possible. Those in charge of shaping our oil policy—Mr K. D. Malaviya in particular—have shown themselves hard bargainers, but they have no doctrinaire inhibitions. The refusal to allow expansion of private refining capacity need not therefore be taken as the last word on the subject.

METAL BOX

Containment

Mr K. C. Mahindra's speech at the 28th Annual General Meeting of the Metal Box Company of India Ltd, was notable for the emphasis it laid on the growing importance of the container industry. The country has set its efforts at stepping up exports of all kinds of goods to earn more foreign exchange, and at increasing the availability of consumer goods in the home market to meet the anticipated growth in demand arising from improved living standards. While these considerations should have called for a corresponding emphasis on enlarging the scope for the indigenous container industry, it is rather disappointing as Mr Mahindra has pointed out, that the Government's policy should be directed toward restricting the future development of the container industry. For, in terms of the new policy enunciated last year, applications for manufacturing licences for tin containers, collapsible and rigid tubes

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- (ii) Probationary Assistants: Rs. 250-25-450 E.B. 25-650.

Note:—Candidates possessing exceptionally good qualifications and experience of value to the Bank may be given a higher starting pay in the prescribed scales.

In addition to pay, the selected candidates will be eligible to draw local pay, house allowance and dearness allowance at the rates prescribed by the Bank from time to time.

(B) QUALIFICATIONS:

(i) Banking Officers:

- (a) Applicants should have a minimum of five years' commercial banking experience out of which not less than three years should be in a responsible position. Preference will be given to applicants with high academic qualifications who have made a special study of Economics, Banking, Commerce or Accountancy, or
- (b) They should be Chartered Accountants with a minimum standing of 5 years.

Preference will be given to those who have passed the examinations of the English or Indian Institute of Bankers.

(ii) *Probationary Assistants:* Applications should have a good academic record and a first or high second class Master's degree of a recognised Indian or foreign University with Economics, Banking, Commerce or Accountancy as a special subject and should also have some proficiency in drafting. Educational qualifications may be slightly relaxed in the case of candidates who have passed the Institute of Bankers' examinations and/or possess practical banking experience in a supervisory capacity in a commercial bank.

Candidates who have applied for these posts in response to previous advertisements issued in 1960 need not apply again.

THE SELECTION BOARD WILL INSIST ON A VERY HIGH STANDARD OF SUITABILITY IN MAKING SELECTIONS FOR THE ABOVE POSTS AND ONLY THOSE CANDIDATES WHO POSSESS HIGH ACADEMIC QUALIFICATIONS AND ADEQUATE EXPERIENCE OF THE TYPE SPECIFIED ARE ADVISED TO APPLY.

(C) AGE LIMITS AS ON 1st JULY 1961:

(i) *Banking Officers:* Candidates should not ordinarily be over 35 years of age, but the age limit may be slightly relaxed in the case of candidates with exceptionally good experience of value to the Bank.

(ii) *Probationary Assistants:* Between 21 and 25 years.

In the case of (ii) the maximum age limit is relaxable, but not beyond 30 years in the case of:

- (i) candidates possessing special qualifications and experience of value to the Bank;
- (ii) ex-employees of banking institutions whose services had to be terminated for reasons of economy or as a result of the banks going into liquidation;
- (iii) personnel retrenched from Government offices after at least one year's service applying through Employment Exchange, and
- (iv) candidates belonging to the Scheduled Castes or Scheduled Tribes.

2. Candidates who wish to apply for more than one category of posts must submit separate applications accompanied by separate applications fees and should clearly indicate the post for which they have applied.

3. Applications for the posts of Banking Officers and Probationary Assistants must remit with their applications a fee of Rs. 7.50 for each post by cheque or bank draft on a Scheduled Bank payable at Bombay or by Postal Order. The application fee is in no case refundable. Bonafide refugee candidates not in employment applying through Employment Exchanges are exempted from payment of application fees while in the case of candidates belonging to Scheduled Castes/Tribes, the fee will be reduced to one-fourth.

4. Applications in the candidate's own handwriting in the prescribed forms obtainable from the Reserve Bank's offices at Bombay, Calcutta, Kanpur, New Delhi, Nagpur, Madras, Bangalore, Lucknow, Trivandrum and Patna accompanied by copies (originals should not be sent) of certificates regarding age and educational qualifications, statements of marks secured in the Graduate degree examinations and two testimonials should be forwarded to the Secretary, Central Recruitment Board, Reserve Bank of India, Central Office, Post Box No. 406, Bombay No. 1 so as to reach him on or before 22nd July, 1961.

5. Candidates should also indicate in their applications whether they had applied previously for a similar post in the Reserve Bank and if so with what result.

6. Candidates already in service will be required to produce a proper discharge certificate from their employers in the event of their being selected, at the time of their appointment in the Bank's service.

7. Candidates belonging to Scheduled Castes/Scheduled Tribes should mention this fact prominently in their applications and also enclose a copy of a certificate to that effect from a competent authority.

8. Selected candidates must be prepared to serve in any office of the Bank in India and to undertake tours when required.

9. Appointments will be subject to candidates being found medically fit for service in the Bank by the Bank's Medical Officer.

10. If any candidate desires to have his application acknowledged, he should send it by "Registered Post-Acknowledgement Due". Apart from those who may be specially called, interviews will not be granted to candidates nor will the Bank enter into correspondence with them.

11. Canvassing will be regarded as a disqualification.

will be rejected unless the fabrication is to be done by the packer himself. Mr Mahindra has made it clear that the provision for allowing packers to create additional and new capacity will not serve the purpose of development in the container industry for the reason that the packers would hardly be in a position to instal the requisite machinery. The development of the industry would involve the installation of complex and specialised machinery, and it is doubtful whether the granting of licences to the packers will ensure its development on the specialist lines. Mr Mahindra has pointed to the example of Japan where the container industry has established itself as a flourishing business able to meet that country's entire requirements. The exacting standards of world export trade are a special consideration which has to be taken into account in any decision in respect of developing the container industry as a specialist business. It has been proved that high quality is achievable only by the use of complex and mechanised methods. But the introduction of such methods will be hardly advantageous if production is to be dispersed in too many units which would only result in needless diseconomies and higher costs of production. In the light of the above, Mr Mahindra's plea for the revision of the Government's licensing policy with reference to the container industry gains considerable validity.

As the leading firm engaged in the manufacture of packing materials. The Metal Box Company of India occupies an important position. The expansion in business turnover and exports reported by Mr Mahindra can, for this reason, be considered gratifying. There was a rise in sales from Rs. 8.30 lakhs to Rs. 9.70 lakhs which is of the order of 17 per cent. Mr Mahindra has taken credit for considerable achievement in respect of extension of the range of products of the company and especially of plastics, introduction of new products, and improvement of manufacturing methods and designs. But there is cause for concern in the outlook for the coming year in view of the adverse developments in respect of availability of the important raw materials. Supply of tinplate is considered to be a source of anxiety in view of the planned closure of their billet mill by the Tatas and the expected delay in the commissioning of the production capacity for tinplates at the Rourkela Steel Works. Uncertainty also envelops the outlook for the supply of deep drawn mild steel. Mr Mahindra has stressed the need for ensuring sufficient supplies from DLF credit or through barter basis.

RUBBER

Expanding

The past few years have been a period of expansion for the rubber manufacturing industry as they have been for a large number of other industries. Considering that transport plays a vital role in the planned development of the country, it is not surprising that the

around development of the rubber manufacturing industry is getting all the attention it needs. Quite a few units have been formed recent months and the tremendous support to some of the new units in this category from investors is an indication of the sizable unsatisfied present and potential demand for rubber products in the country. It is gratifying that Government have taken good care that the several new units that will start production in coming years are not starved of raw materials. It is estimated that the demand for rubber is likely to go up to 93,800 tons by 1965-6. The present aggregate consumption of rubber in the country is 56,200 tons but indigenous production of natural rubber is no more than 24,794 tons. The deficit is now being met from imports. During the period of Third Plan it is proposed to increase sizably the total availability of rubber by increasing the production of natural rubber to 40,000 tons and producing synthetic rubber to the extent of 50,000 tons. It is also proposed to obtain something like 15,000 tons as reclaimed rubber.

A significant feature in the development of the rubber industry in recent years is that it has already found a place on the export list. Rubber manufactures of Indian origin have increased the export earnings to Rs. 50.6 lakhs in 1960 from Rs. 40.1 lakhs during the previous year. Mr K. Mookerjee, Chairman of the National Rubber Manufacturers Ltd thinks that with real export incentives in the form of reasonable tax relief on export earnings and quick refund of excise and customs duty on exported commodities and imported materials used in the production of the export commodities, greatly improved results can be obtained.

The industry is somewhat handicapped by the rising trend of raw material costs. It is feared that the increase in customs duty made effective in the last Budget coupled with the enhancement of cost on raw rubber will further increase the cost of production in the current year. Mr Mookerjee has done well to draw attention to the continued neglect of an important aspect of the industry. As he has pointed out, there can possibly be no complaint as regards effort toward making the country self-sufficient in rubber and other raw materials needed for the indigenous rubber manufacturing industry. But what about the plant and machinery estimated cost about Rs. 20 crores that will be required by the industry? The arrangement so far seems to have been made for the indigenous production of rubber machine. Probably it is not considered worth while to attempt to produce the machines locally at the present juncture. Be that as it may, a beginning may be made with the manufacture of some of the common types of machinery required by the industry.

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"

—As You Like It.

"THE censors are paid to have dirty minds." In a controversy last year, this statement was attributed (wrongly, as it turned out) to an official of the British Board of Film Censors defending censorship. But avowed or not, this does not appear to be an unfair definition of an official censor's tasks. Some of us may prefer to be allowed to do our own spiritual scavenging: but that perhaps is an extreme stand and I am realistic enough to concede that a film censor performs an unpleasant but necessary duty. (This, incidentally, disposes of the red herring that the President drew across the trail the other day in Bombay.) But even if the case for socialising spiritual conservancy is granted, one has a right to expect it to function intelligently. As it is, the Central Board of Film Censors resembles nothing so much as the Calcutta Corporation: it continually surprises me as much by what it leaves about as by what it puts out of sight. Week after week, tawdry sex, wrapped in diaphanous respectability that deceives none is vended all over the country with the Board's leave and some of it to little children. And yet a film like *Ashes and Diamonds*, which has won wide critical acclaim is to be prevented from being shown during the forthcoming Polish film festival. The alleged reason for this confirms our worst fears about the mind the Board brings to bear on these questions. It seems that the censors' objection to the film is that some of the characters in it have unconventional views about extra-marital relations. The objection is not, as you see, the hoary one of obscenity with "its tendency to corrupt and deprave the minds open to such influences." The Hicklin test which a Bombay Magistrate invoked the other day to keep us uncorrupted by Constance Chatterley's odd notions on marriage—not to mention Mellor's language—is nowhere in the picture. It is just that the film censors seem to think that characters in a film ought to behave in a particular way and if they don't, the film ought not to be seen, even by adults with (since this is an exhibition film) serious interest in film. If unconventional notions about marriage were decisive, it is difficult to see

how the Board passed Anna Karenina and Madame Bovary. One is tempted to say that it was because they—the films, I mean—were artistically nowhere near *Ashes and Diamonds*. But the silliest part of the whole business is that marital morals, proper or improper, are not the central theme of the film at all. The film is really about the gnawing doubts of an once-ardent communist in the troubled times of post-war Poland and how he paid for them with his life in circumstances that have become symbolic of our tormented times. Surely, the censors must have looked pretty hard for locating subversion of the moral basis of marriage in a film whose central preoccupation was so far removed from it. My complaint is not that censors are old-fashioned. It is the far more serious one of moral insensitiveness. It is not the dirty mind I mind. It is the frivolous mind that gets my goat.

★

If the reports appearing in the press are correct, the UPSC has taken an odd decision and an odder moment to announce it. As from 1963, candidates for competitive examinations held by the UPSC are to be permitted to use Hindi as an alternative medium. First, regarding the timing of the announcement: surely, the UPSC cannot be unaware that quarrels over languages, simmering for a long time, have recently come to a boil in various parts of the country. Everyone is worried about the progressive estrangement between neighbours who lived in amity all these days. And it is such a moment that the UPSC chooses to rouse other linguistic (at the moment) sleeping dogs. And as for the merits of the idea, it is difficult to be moderate about a move which has such immense potentialities for mischief. The non-Hindi speaking parts of India have never been free from the most lively anxiety about the devious ways in which Hindi was being accorded a special position. Whenever a more than usually blatant example comes to public notice, assurances are given at the highest level to the effect that the interests of the other linguistic groups are perfectly safe. But in practice, these assurances are

being quietly flouted. What precisely are the implications of the right to use Hindi as a medium by a section of the candidates for government posts? It is, first, that the Hindi-speaking people have a choice that others don't have. This is wrong in principle. Secondly, the answer-books written in Hindi can be examined only by a man who knows the language. It is difficult to resist misgivings about the rigour of standards likely to be applied by him, especially when the atmosphere is charged with linguistic chauvinism. Thirdly, there is bound to be an inescapable difference in the standards likely to be applied to a candidate answering in English and a candidate answering in Hindi. This difference will be there even if my earlier fears about the examiners' impartiality were unfounded. The fact is—and it is a fact that all impartial observers have testified to—the degree of precision and felicity of expression intrinsically possible in Hindi is far less than in English. At any rate that is so at the present state of development of the two languages. The paradoxical consequence of this is that the intellectual deficiency of a candidate stands out far more glaringly when he expresses himself in English than when he does so in Hindi. And such exposure of relative native endowment or the lack of it has nothing to do with the mastery over either the language or the subject of the two hypothetical candidates we are comparing. It is therefore quite likely that a man who is obviously the better of the two may fail to be adjudged as such, if he answered in English and his rival in Hindi. In any event, there is scope for complaint about double standards, intrinsic or extrinsic. Moreover such forcing of the pace of making Hindi the principal official language as is implied by the UPSC decision is also against the spirit, if not the letter, of assurances recently given by the Prime Minister and the late Mr Pant. I think the UPSC will be well advised to have second thoughts on the subject.

★

How fast can you read? However fast, I am sure you feel that it is not fast enough to keep you ahead of the flood that threatens to overwhelm you. It isn't the bad writing I am thinking of: I am not indulging in the familiar highbrow game of nagging Ella Wheeler Wilcox and Ruby M. Ayres. The quantity of good writing that awaits your pleasure and leisure or "what the well-read man's library ought not to be without" is appalling. Americans have buckled down to tackling

this problem, as they have, in their time, to tackling others. (It was Adlai Stevenson, I think, who once said that Americans believe that, given brains, brawn and plenty of red corpuscles, there is nothing that you cannot lick.) Newsweek reports that a Mrs. Evelyn Neilsen Wood has set up in Washington what she calls a Reading Dynamics Institute. I have heard about such institutions before—Mr James Cowley wrote some two years ago in the Statesman about some British attempts. But the claims made on behalf of the RDI are, if true, breath-taking. One Senator reportedly claims that after twelve two-and-a-half-hour sessions at the RDI he is able to read at the rate of 20,000 words per minute. Another Senator's score is 7,000 words per minute and Mrs Gilpatric, wife of the Under Secretary of Defence is reported to have said that she read through Dr Zhivago (710 pages in the American edition) in twenty minutes. President Kennedy himself is more modest with a reported claim of 1,200 words per minute in consequence of a short course in fast reading he took in Baltimore. Some of the more extravagant claims may put off many from trying out methods of speeding up their reading. But I must say that Mrs Wood is very persuasive. In her own words. "We first show students how to use their hands to help guide their eyes quickly down the page. Then we try to show them how to see the printed page as a whole, not in a series of single words, sentences or even paragraphs." She also says that we must not "sub-vocalise" what we read. By this expression she means the unconscious hangover we carry from our nursery days when we were taught to read aloud. In other words, most of us still read by the ear and once "we stop listening in our minds to what we are reading, our eyes can move along the printed page much more quickly than we ever thought possible." I am sure there is a lot of sense in all this. Bernard Shaw once said of Sidney Webb that while in Holland, Webb just kept on idly turning over the pages of a Railway time-table. And days later, he was able to give correctly the timing of a train on an obscure branch line. This, of course, was meant as a tribute to Sidney Webb's enormously retentive memory, but I suppose the two skills of fast reading and long retention are complementary. There is hardly any point in reading so fast that you cannot retain even a part of it. The champion Senator who claimed to have gobbled up 20,000 words a minute is reported to have naively admitted to remembering nothing except the title of the book he read so fast. He might as well have saved himself the trouble and expense of taking the course if this was all there was to it at the end of it.

EAVESDROPPER

Olympus

Outlay on Industry and Minerals

AN increase in the total outlay on public sector projects, and greater emphasis on programmes of import saving, are, it is learnt, among the principal features of the Plan for industry and Minerals as it has been incorporated in the final draft report. A total outlay of Rs 2,500 crores on industrial and mineral programmes—Rs 1,500 in the public sector and Rs 1,000 crores in the private sector—was indicated in the Draft Outline. The figure for the private sector did not include the expenditure on meeting arrears of replacement and modernising in certain old-established industries, estimated at about Rs 150—200 crores or the figure of Rs 50 crores transferable to private enterprise through institutional agencies and included in the provision for industries in the public sector. The total private sector outlay, therefore, was expected to be about Rs 1,200 crores. The final Plan estimates, it is learnt, have provided for a total outlay of Rs 1,528 crores on programmes in the public sector. This marks a small increase of Rs 26 crores over the level of outlay envisaged in the Draft Outline. There is practically no change in the estimate of total outlay by the private sector.

With this order of investment, industrial production is expected to increase by about 70 per cent during the Third Plan period. The Index of Industrial Production (base year—1950-51) is expected to be 342 in 1965-66 as compared with 195 in 1960-61 and 139 in the last year of the First Five Year Plan. The share of the public sector in organised industry is also expected to increase from less than 10 per cent at the end of the Second Plan to 25 per cent by 1965-66.

No changes, it is learnt, have been made in the objectives or

priorities of the plan for industries and minerals, as set forth in the Draft Outline. The main emphasis will be on the development of capital and producer goods industries, with special attention to machine building industries. In this connexion it may be noted that manufacture of alloy and special tool steels has been accorded the highest priority in the Third Plan.

In the field of essential consumer goods industries, such as cloth, sugar, paper, oils, housing materials etc., the emphasis is on intensive utilisation of existing capacity rather than on creation of new capacity. In pursuance of this policy, the Government, it is learnt, has adopted a rule that in the existing conditions of shortage of foreign exchange, further development will not be encouraged in seven industries (of which five come under the category mentioned above) which are considered to have reached a stage at which they can be said to be well-established. The industries involved are: Cotton Textiles, Jute Textiles, Viscose Rayon Yarn and Staple Fibre, Cement, Paper Caustic Soda and Soda Ash. It is, however, learnt that exceptions to the rule may be made and licences may be granted for special reasons such as avoiding undue concentration of industries in a few hands.

In drawing up the programmes of development, special consideration has been given to the prospects of import saving. The trend of imports in recent years underlines the need for detailed examination of industrial programmes for their impact on future imports. The following table shows imports under different categories in recent years as percentages of total imports.

	1958	1959	1960
	(Jan/Oct)	%	%
Capital Goods	15	14	13
Industrial Goods	57	60	66
Consumer Goods	28	26	21

Industrial policy in the past was mainly directed to achieve reduction of imports of consumer

goods through development of indigenous manufactures. A large bill for imports of capital goods was regarded as inevitable till capacity for manufacture of industrial machinery and equipment was established in the country. Accordingly, machine building was emphasised in discussions on planning, strengthening the bias towards heavy industry. What was not foreseen, and provided for, was the magnitude of the increase in the import of industrial raw materials and intermediate products required for effective utilisation of the industrial capacity already established in the country. These imports now account for nearly two-thirds of total imports. It almost appears as if programmes of industrialisation, pushed through at great cost, have only resulted in confirming and aggravating the dependence on imports and at a time of grave shortage of free resources of foreign exchange to pay for such imports. A determined effort is, therefore, to be made in the Third Plan to halt, if not to reverse, this trend. It is expected that the dependence of important sectors of the economy such as Railways, Agriculture, Motor Transport, etc., on imported materials and equipment would be substantially reduced. Imports required for the maintenance of a number of industries are also expected to be reduced to a substantial extent.

There are no major changes in the distribution of the total outlay over different groups of industries, except in the case of metallurgical and engineering industries. The development programme for iron and steel included in the Draft Outline comprised expansion of the plants at Bhilai, Rourkela, Durgapur and Bhadravati and establishment of a new steel plant at Bokaro. The increased provision for industries in the public sector, it is surmised, is in respect of a new steel plant in the South based on Neiveli lignite, which has now been included in the Plan.

The five categories under which public sector projects were grouped in the Draft Outline have been reduced to three. These are:

- Projects under execution and carried over from the Second Plan;
- New projects for which external credits are already assured;
- New projects included in the Plan for which foreign credits have not yet been arranged.

The remaining two groups of Draft Outline, namely, "Projects on which preparatory work should continue with a view to decision in due course," and "Projects of a contingent nature," have been merged in item (c) above, that is, "Projects included in the Plan for which foreign credits have not been secured." This reflects the change in the approach to planning implied in the adoption of two sets of targets, physical and financial.

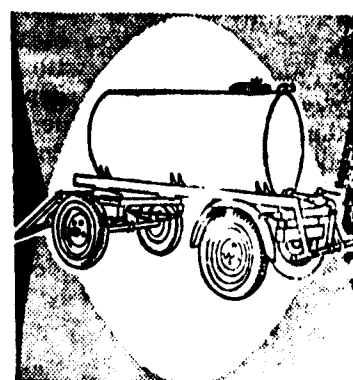
It is considered advisable to have a number of alternative projects ready for implementation as soon as foreign credit have been assured. Preliminary work will be undertaken on all the projects in the last category, and priorities will then be determined by the availability of foreign exchange.

Company promoters have been reminded by the Department of Company Law Administration, that they should devote some care to selection of the names under which they apply for registration. It has been observed, says the Department, that in a number of cases, promoters of new companies apply for registration of their companies under particular names after obtaining, in those names, licences under the Industries (Development and Registration) Act and consent orders for issue of capital from the Controller of Capital Issues. If for any reason the company cannot be registered under the proposed name, all the labour spent is wasted and the entire dreary procedure for obtaining Industries Act licence and consent from Controller of Capital Issues has to be completed once again under the new name. Company promoters are therefore advised that they might consult the Registrar of Companies beforehand.

Under section 20 of the Companies Act, a name cannot be allowed for registration, if it is identical with or resembles too nearly the name of a company already registered. Also tabooed, under the Emblems and Names (Prevention of Improper Use) Act, 1950, are the names suggestive of any connexion with Government or State patronage, or patronage of a national hero or any person held in high esteem and proper names which are not the surnames of directors.

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Mr L. D. Mudie, Chairman, on Oil Demand

The following is the Statement by Mr. L. D. Mudie, Chairman, Burmah-Shell Refineries Ltd. at the Eighth Annual General Meeting held on 26th June, 1961.

Gentlemen:

The Directors' Report and Statement of Accounts for the year are before you. The crude oil intake of the Refinery was 366,035 metric tons more in 1960 than in 1959, with income from refining increasing from Rs 10.91 crores in 1959 to Rs 12.33 crores in 1960. As from 1st January, 1960, your Company ceased to benefit from the relief provided under Section 15(c) of the Income Tax Act and in consequence, has had to set aside Rs 2.61 crores for taxation on 1960 profits as compared with Rs 1.90 crores charged in the 1959 accounts.

An interim dividend of 15 p.p. per rupee was declared and paid in November 1960 on the paid-up ordinary share capital absorbing Rs 207.3 lakhs and the Board now recommend a final dividend of 5 p.p. per rupee which will absorb a further Rs 69.10 lakhs; Income Tax at 20% will be payable on these dividends.

I do not think further comments are required in respect of the details of our 1960 Statement of Accounts which are set out fully in the documents already circulated to you. I would now like to take this opportunity to give a few figures regarding the growth of Oil demand during the last five years under the dynamism of the Second Plan period and also project this picture into the Third Plan to see what contribution your Company has to make in this context.

In the process of the many-sided development through which the Indian economy has been passing, Oil has effectively played its part. Total inland oil consumption will have risen to about 7.8 million metric tons in 1961 from 4.9 million in 1956 a 59% increase during this period. The percentage rise in consumption has varied from product to product; thus, demand for High Speed Diesel Oil will have risen by 162%, while the demand for Furnace Oil will have gone up by 57%, that for Light Diesel Oil by 48%, Lubricants by 47% and Kerosine by 36%.

There appears to be much support for the view that we should provide for an annual compound growth rate of about 12% during the Third Plan period, as compared to the rate of 10%

experienced in the Second Plan. These projections will naturally require revision at regular intervals, but it is generally recognised that energy is an essential overhead of economic growth and the growing importance of oil in the Indian pattern of energy consumption has been well demonstrated during the last decade.

At the meeting of the Oil Advisory Committee held in May this year, a figure of 13.55 m. metric tons was agreed as the likely inland demand in 1966. Including the provision for international bunkers, total demand for refined petroleum products will be about 14.14 m. metric tons representing a crude oil equivalent of about 15.27 million metric tons. The Oil Advisory Committee will review their forecasts at regular intervals and experience may well show an upward revision is necessary. Your Company attaches much weight to these figures, for with such targets before us, the exchange of ideas and plans between the public and private sectors is greatly facilitated, thus leading, it is hoped, to an understanding that a full contribution from both sectors is essential, if the task ahead is to be completed in time.

While opinions may differ in regard to priorities, one incontrovertible fact emerges, namely that to meet a demand of the order of 15 m. metric tons of crude equivalent by the end of the Third Plan, investment on a large scale in all phases of the business is required not only now but as a recurring need into the long term future. The Oil Industry is highly capital intensive and experience has proved that to find, produce, refine and distribute to the consumer 1 million tons of Oil calls for a capital investment of approximately Rs 60 crores. It is apparent, therefore, that an increase in consumption by about 7 million tons over the Third Plan period calls for a capital investment of some Rs 400 crores if this increase alone is to be assured.

Investment is only one aspect of the problem. Equally important is the time factor; here, there are no short-cuts. There is no way of finding oil without drilling; the risk of failure is great and even successful ventures take many years and consume much money before the fruits of success in the form of commercial production of crude oil are ready to reach the consuming market.

From the moment of inspiration, to engineer, construct, staff, and

bring on full stream a new refinery, is the work of years.

The distribution of oil presents its own special problems in a country the size of India; here is a railway system doing a magnificent job but nevertheless unable always to cater for the full traffic. The road system is still in the development stage. An oil distribution network must therefore provide innumerable upcountry storage points to ensure the smooth flow of supplies throughout the country.

I am convinced that for prompt, effective action to meet these challenges there is need for a massive effort, attacking the problem from as broad a front as possible, and enlisting help from all who are willing to contribute, on terms which are reasonable and still in keeping with the avowed objectives of Indian economic development.

In his speech at this meeting last year the Chairman said that provided we were permitted to go ahead with our expansion proposal there might be room for further modification in the terms of the 1951 Refinery Agreement in addition to the Duty Protection which we had agreed to forego.

Arising from the above statement the Ministry of Steel, Mines & Fuel informed the Company that the question of revising the Refinery Agreement and a proposal to expand the capacity of the Refinery would have to be treated quite separately and that it would not be desirable to link them together. This letter was dated 14th September, 1960.

In February this year the Company received an official reply to its original proposal for the expansion but in this instance Government stated that they were unable to consider any proposal for the expansion of the refinery in terms of the 1951 Agreement. The letter went to state that, as the total refinery capacity likely to be available by the end of the Third Five Year Plan period would be about 10.75 m. metric tons and product demands at that date had been variously indicated as 10 to 14 m. metric tons per annum, Government had decided, subject to reconsideration in the light of a more accurate forecast of product demand by the Oil Advisory Committee, that further increase in refining capacity in the Private Sector was not considered necessary. As mentioned earlier, the Oil Advisory Committee has now estimated product demand in 1966,

including international bunkers, at about 14.14 m. metric tons.

Revised cost estimates, which have more recently been communicated to Government, show that the additional million tons of refining capacity will cost only Rs 2.83 crores, a fraction of the cost of constructing a new refinery of comparable capacity, and that the project to manufacture Lubricating Oil, now stepped up from 60,000 to 100,000 metric tons capacity per annum, will cost Rs 6.47 crores. The total cost of the two projects has therefore been reduced by Rs 2.28 crores and I would remind you that there will be no request to Government for foreign exchange, which will be provided from our own resources.

Despite the cool reception which these proposals have received so far I feel they are so sound and their acceptance is so much in the country's interest that we should be optimistic about the final outcome.

It will perhaps be useful again to refer to the sustained increase in Middle Distillate production and reduction in yield of Motor Spirit achieved by your Company between its commencement of operations and the year under review.

	1955	1960
Motor Spirit		
(% production on crude intake on weight basis)	.. 22	14.9
Middle Distillates		
(% production on crude intake on weight basis)	.. 33.5	45.1

Continued improvements in manufacturing techniques increased Crude throughput, as already stated, by 366,035 metric tons to a total of 2,843,010 metric tons in 1960, producing an additional 295,000 tons of essential Middle Distillates and only a marginal extra quantity of Motor Spirit. This represents a substantial contribution towards minimising the import of deficit products. To-day your Refinery is operating at a rate equivalent to an annual Crude intake of 3 million metric tons and this further achievement is in logical conformity with the concept of utilising the country's capital assets to the maximum—a cardinal principle in a capital hungry world.

While there will be a critical period of product imbalance with a considerable surplus of Motor

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It is gratifying for me to record the valuable co-operation of the Company's employees in our growing activities and I thank them and management for a year of hard and constructive work.

**THE
CENTRAL
BANK OF
INDIA LTD.**
(ESTD. 1911)
H.O: FORT, BOMBAY I
N. K. KARANJIA.
General Manager

Markets

JUTE

Shortage of Jute

Although the jute and gunny markets are not displaying the wide fluctuations that were noticeable last week, the undertone continues to be steady. The factor mainly responsible for this is that the first instalment of the block closure of mills has commenced from Monday. This, the first of the two closures agreed upon between the Government and the industry, will last one week. The other closure is to be effected in the last week of next month. In the meantime, the IJMA will be closely watching the raw jute supply position. The agreement regarding the block closure has provided for such vigilance on the part of the IJMA and it is theoretically possible that the second closure may not come off at all if in the meantime the supply position of raw jute shows a substantial improvement. Of course no one expects such improvement. As a matter of fact, the general expectation is that there may be further deterioration in the supply position of raw jute. If the quantum of raw jute arrival during last month is any guide, it seems that there is very little jute left in the up-country centres. Arrivals so far this month have been quite meagre and it is not expected that total arrivals for the month will show any improvement over those of last month. On the contrary, indications are that arrivals have tended to be lower. Prospects of obtaining new crop jute early in the new season commencing next month from Pakistan are not held to be bright in view of the reported setback to the crop in that country due to two successive cyclones during the growing period and recent heavy rains in parts of the jute belt. Although small consignments of new crop jute of Indian origin have been received in the markets, bulk supplies, which only will be able to influence prices to any appreciable extent, are not expected for some weeks. That the IJMA is of the view that jute scarcity may be with the industry for another two months, if not more, is indicated by its reported approach to Government for sanction to extend the block closure for another period of one week in the month of August. It may perhaps be more difficult for the IJMA to make Government agree for a third closure than to the first two. Labour, it may be remembered, has not agreed to the closures on the plea that there is no real scarcity of raw jute. Of course, this contention cannot hold water since for months now, arrivals have been at a disappointing level. The report that the West Bengal Labour Minister has told the representatives of labour that next month's proposal

for a block closure cannot be considered inevitable is an indication of the difficulties in the way of a further block closure.

The outlook for the new crop continues to be rated quite bright even though there have been reports about some damage to the standing crop due to heavy rains in some regions. While a reliable assessment of the actual state of the crop will not be possible for some weeks to come, there is a consensus that supply will be plentiful from September onwards. The trend of prices for Assam Bottoms December futures is indicative of this general belief. It is too early to work out the total availability of jute next season; but it will perhaps be prudent not to anticipate too large an excess. In the first place, the new season will commence with little or no carry-over and adequate provision has to be made for ensuring a comfortable supply position when the 1962-63 season commences. Assurances have been given for a sizable import from Pakistan if the need arose, but these, when actually spelled out, may not mean much because of the unreliability of Pakistani policies.

But the foreign buyer is not worried about all these factors. He seems to have already made up his mind that he will enter the Indian market only when prices are further down substantially. Perhaps he can afford to wait because he has alternative sources for meeting his requirements of packaging materials. Another reason for the continued lack of foreign enquiries would appear to be that the foreign consumer is getting his requirements from Pakistan at a price lower than what he would have to pay if he had bought them from India.

PRICE TRENDS

	As on 22 June	As on 28 June
Hisisan:		
45" x 11 ozs.	57.00	56.00
40" x 10 ozs.		
Ready	47.75	47.10
July	49.25	47.60
July-Sept.	49.25	47.80
40" x 8 ozs.	41.50	42.00
40" x 7½ oz.	38.00	36.75
Sackings:		
B. Twills		
Ready	158.50	151.50
July	157.00	150.50
July-Sept.	154.50	148.50
Hy. Ceas (Green)	158.50	151.50
Cornsacks	162.00	155.00
Cubans	194.00	189.00
A. Twills	186.50	181.00
L. Twills	176.50	173.00
D. W. Flours	183.00	176.00
Sugar Twills	177.00	172.00
Raw Jute:		
Assam Bottoms	49.00	48.00
Daisee	48.00	47.50
Northern	51.00	50.00

TEA

Output and Outlook

PRODUCTION of tea in North-East India increased to 30.69 million pounds in May from 20.95 million pounds in the corresponding month of last year. According to estimates available in Cochin, production in South India is practically unchanged at 21.7 million pounds in May as compared to 21.9 million pounds in May 1960. In the same month, production in Pakistan rose to 4.2 million pounds from 700,000 pounds in May last year.

It looks as if the world production of tea is out-stripping consumption. The FAO has estimated that, by 1965, the world production of tea will touch 930,000 metric tons as against an estimated consumption of 880,000 tons. These estimates do not take into account the production of China. If these estimates are taken into account, as also other factors, then by 1965, the world will have a surplus of about 136,000 tons. This implies a serious problem for India.

At the annual meeting held on Monday this week, the President of the Tea Association of India suggested that consumption could not keep pace with the increase in production, resulting in an overall uncomfortable surplus. He added that the problem India would face in such circumstances could be tackled by expanding existing markets and by increasing home consumption.

He argued that the high cost of production and inadequate propaganda mainly accounted for the decline in India's tea exports. He said that, while the tea industry was exempted from various taxes by India's competitors, the burden of taxes on the industry in India was being gradually increased. He also added that, if the Indian tea industry was to achieve the various targets set for it in the Third Plan, then it should be assured of supplies in regard to its optimum requirement of fertilizers, good quality coal, financial assistance for replantation, allocation of additional land for extension of areas under plantation and freedom from the present onerous system of taxation. It is to be hoped that, in view of the importance of the tea industry, the authorities will pay their due attention to these matters.

Meanwhile, the Tea Board is organising in November this year an International Tea Convention—the first of its kind in Calcutta. A large number of foreign countries will be participating in the convention, which will provide an opportunity for Indian producers and exporters and their foreign counterparts to discuss the demand and supply of tea. World prospects for tea, tea research, the role of the State in promoting the Indian tea industry and the outlook for tea in the UK, USA and the USSR will be some of the subjects that will be discussed at the convention.

In the Export Sale held in Calcutta this week, offerings were 23,605 packages. There was a good general demand. Darjeelings with good quality were sold well at dearer

rates; but those from lower elevations were very irregular and generally easier with some withdrawal in this category. Prices for the plainer orthodox teas were generally firm to dearer, while the better descriptions met with good support at about valuations, the main interest being centred on Broken. Tippy teas were in demand and prices for these were generally dearer.

Teas of CTC manufacture were rather irregular with better liquoring sorts selling at rates which were dearer with quality. Medium and poorer kinds also were sold readily with Broken Pekoes generally fetching prices above their Fannings. Legg-cut descriptions met with a good enquiry and can be quoted firm to dearer. Whole Leaf grades were well supported and prices were dearer. Stylish BPSs were strong. Following rates (per kilo) were quoted:—Clean Plain Pekoe Rs 5.10 to Rs 5.20; Plain BP Rs 4.70 to Rs 4.80 and Plain Fannings Rs 4.60 to 4.65.

In the Internal Sale, offerings consisted of 13,144 packages of Dusts of which 12,395 packages were of new season's manufacture. Demand was good and general. CTC descriptions were keenly competed for with the exportable and better liquoring types advancing in price. Green and thin liquoring teas were, however, a little easier.

Orthodox teas opened on an easier note; but strengthened as the sale progressed. At the close, they were fully firm to dearer with the brighter lines receiving better support. Legg-cut varieties, though a little irregular, met with useful enquiry. Brighter kinds were generally sold at firm to dearer rates. The poorer descriptions, however, tended to be up to 10 nP per kilo easier. Darjeeling teas met with good support and more flavoury types were sold at dearer rates. Following rates were quoted: Plain Orthodox Dust Rs 4.20 to Rs 4.35; Medium Assam Dust Rs 4.50 to Rs 5.00 (nominal); Legg-cut Dust Rs 4.45 to Rs 4.90; Medium Assam CTC Dust Rs 5.70 to Rs 6.20 and Good Assam CTC Dust Rs 6.30 to Rs 7.00. A total of 152 packages of Leaf grades was offered for internal consumption. There was a good general demand and the teas were readily absorbed.

At the auction held at Ernakulam this week, offerings were 744,000 kilograms of Leaf tea for export. Against a good general demand, plain and low medium broken were fully firm and occasionally dearer by 5 nP a kilo, while similar Fannings were barely steady. Medium and good medium sorts were steady. Nilgiri teas were irregular and easy.

In the Colombo market, offerings were 7,170,778 pounds. There was a good general demand. A few best liquoring Dimbula/Dikoya Broken were in strong demand at firm rates; but other kinds were generally easier. There was good demand for medium broken at around firm rates for plainer sorts; but better kinds were about 5 to 8 cents per pound lower. Low-grown teas were in strong demand at firm to dearer.

The quality of tea on offer at the London tea sales continues to be small and will remain so until the

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new North Indian crop starts arriving in sizable amounts. Interest at the auctions has, therefore, been on a rather small scale and with quality lower in some instances, prices have tended to decline.

Tea stocks in London, as on 16 June, were 131.61 million pounds as against 135.84 million pounds in the previous week. Total afloat was 21.51 million pounds including from Calcutta 3.46 million pounds from Chittagong nil; from Cochin 6.35 million pounds; from Ceylon 9.68 million pounds and from Jother Ports 2.02 million pounds. The average price realised at the auction during the week ended 16 June was 49.38d per pound as against 50.97d in the previous week and 46.85d in the corresponding period of last year.

COTTON

Steady Conditions in Cotton Market

The cotton futures market in Bombay depicted steady conditions during the past week. Prices of Jarilla August contract moved both ways in as wide a range as nearly 12 points between Rs 587 and Rs 575.25 due to alternative spells of bull liquidation and short term covering and renewed support. The market suffered a sharp drop in the early part of the week due to sustained bull liquidation. Prices, however, staged a partial recovery following the announcement made by the Textile Commissioner to appoint a technical committee to determine fair price and to assist the purchase and sale of the accumulated stocks in Gujarat. Enthusiasm was also fanned by renewed cheers from the principal spot markets in the country. Jarilla August contract attracted fresh bull support at lower level and staged a smart rally toward the close of the week.

Activity in the spot market for the large part of the week was fairly brisk. However, this had no appreciable effect on prices during the week under review. Mill showed keen interest in Vijay, Digvijay, Laxmi, L 147 and CO 2. Upcountry markets also displayed cheerful conditions. However, toward the close of the week the market received a slight set back following the reports that the Government of India was purchasing the stocks left with the cooperative societies in Gujarat only at floor prices. According to the reports the accumulation of cotton with the societies is slowly dwindling and it is estimated approximately at 65,000 bales as against nearly 0.18 million a few weeks ago.

In the import section good demand was visible for African and Sudan growths. Throughout the week interest in American short staple cotton was well maintained. Many of the mills were prepared to purchase large quantum of Sudan, Egyptian, American, African and Syrian cotton due to the growing scarcity of higher grade CO 2.

No fresh development was reported in the export section. Shippers were disappointed at the silence of the

Government of India on the release of export quotas.

The UAR Government's decision to nationalise cotton trade in Egypt created grave concern in the Indian cotton market. Consequently business in the Egyptian growths came to a standstill for a period as traders were reluctant to deal with the Egyptian style without fully understanding the real implications of the latest development. Meanwhile reports that emanated from Alexandria indicated that the Egyptian Cotton Commission would in the immediate future fix prices for the current and new season's crop. Speculations about the effect of nationalisation of cotton trade in the UAR were strife in the trade circles here. A section of the trade confidently feels that after the nationalisation India would get Egyptian cotton even at lower rates. If such a turn takes shape Sudan will also be compelled to reduce the prices of cotton exported from that destination.

Consumption of cotton by the Indian mills from 1 September to 31 March, according to the statistics of the East India Cotton Association Limited, amounted to 3,054,643 bales as against 3,009,363 bales in the corresponding period last season.

Description	1959-60.	1960-61.
Indian	2,706,820	2,353,896
Pakistan	3,963	16,276
American	63,810	405,317
Egyptian	67,884	70,028
Sudan	86,158	74,950
East African	78,029	112,636
Others	4,699	21,540
Total	3,009,363	3,054,643

Imports of cotton from the foreign countries during the same period totalled 830,428 bales. The increase in imports was of the order of 246,881 bales over the previous season.

Description	1959-60.	1960-61.
American	171,035	570,143
Sudan	77,447	53,002
Egyptian	179,175	65,698
East African	118,200	105,969
Pakistan	22,878	2,624
Others	14,812	33,592
Total	583,547	830,428

Exports of cotton from India to foreign countries during the period under review was on the increase and was placed at 215,602 bales. The relevant figures for the corresponding period in the previous year was only 165,586 bales.

Countries	1959-60	1960-61
UK	1,709	2,766
Continent	10,776	16,532
Hongkong	5,387	15,728
Japan	139,218	174,985
USA	7,238	5,256
Other Countries	1,258	335
Total	165,586	215,602

Piecegoods:

The cotton piecegoods market in Bombay during the period under review depicted better conditions. The market was bustling with activity thanks mainly to the renewed

demand for many of the varieties from the upcountry centres to cover their immediate requirements. Overseas traders also evinced keen interest in the usual varieties. The turnover, however, failed to reach up to the expectations.

In the domestic sector Andhra, UP, Kerala and Delhi figured as prominent consuming centres. The demand from Malabar flowed on an encouraging level presumably due to the approach of the festival season. Business with other centres were done on a limited scale and that too was confined to longcloth, shirtings, drills, prints and dhoties. Forward deals turned out to be comparatively insignificant.

The undertone was rather easy and no appreciable change in prices was noted. It was reported that some mills disposed of their stock even at low rates.

Export front, after the lapse of a pretty long time, showed signs of liveliness and the demand showed an uptrend. The UK accounted for a small quantum of grey cloth. The question of issuing licences for export was taken by the meeting convened under the auspices of the Cotton Textile Export Promotion Council during the past week. No decision has been arrived at so far regarding the policy to be followed in future.

Singapore was satisfied with a small quantity of bleached long-cloth and mulls. East Africa accounted for a limited quantum of sheetings. All other destinations for all practical purposes remained inactive.

Boom In Tin

Tin has been witnessing violent upward fluctuations in prices during the past few weeks. On the London Metal Exchange, the spot rate has already pierced the ceiling of £880 per ton, fixed by the International Tin Council. At one stage, the rate touched £920; and the Buffer Stock Manager of the Council was forced to sell the metal from the stock to prevent prices going any higher.

It is stated that, in the course of only a few weeks, the Council has disposed of something like 10,000 tons of tin; but has still failed to satisfy the buyers. Where the present boom in the metal will stop is, therefore, anybody's guess.

In the Singapore market, the price of tin jumped up by 13.50 dollars to 480 dollars (Malayan per picul of 133 pounds), as Malayan minders expressed concern over the present shortage of the metal in the market.

According to a brief statement issued by the Malayan Tin Industry, the present tin shortage is creating a situation imperilling a reliable supply. The world boom in tin has naturally placed the Bombay market in a precarious position. Though, of course the market has not moved up as much as Singapore, still the rise has been quite impressive. The market authorities were, therefore, obliged to effect another special clearing in the June contract. As things stand at present, the July contract will attract margin on purchases from the very start unless its limits are revised.

SHAW WALLACE & COMPANY LIMITED

NOTICE is hereby given that the Fifteenth Annual General Meeting of the members will be held at the Registered Office of the Company, 4, Bankshall Street, Calcutta on 26th July, 1961, at 3 p.m. for the following purposes:—

- To consider the Profit & Loss Account for the year ended 31st December, 1960, the Balance Sheet as at that date and the Reports of the Directors and the Auditors.
- To declare a Dividend on the Ordinary Shares.
- To appoint Auditors and to fix their remuneration.
- To elect Directors in the places of two Directors retiring.
- AS A SPECIAL BUSINESS to consider and if thought fit to pass with or without modification the following two Resolutions, of which two Notices have been received by the Company from a Member under Section 257 of the Companies Act, 1956, which will be proposed as ordinary resolutions:
 - "That Mr. C. M. A. Bathurst be and is hereby appointed a Director of the Company"
 - "That Mr. J. L. Capper be and is hereby appointed a Director of the Company"

EXPLANATORY STATEMENT:

With regard to Item No. 5 above it is pointed out that Messrs. C. M. A. Bathurst and J. L. Capper were appointed as additional Directors. In terms of Section 260 of the Companies Act, 1956, they now vacate their offices and in view of their vast experience of the affairs of the Company, your Directors recommend the adoption of the resolutions in the best interest of the Company.

The Share Transfer Register of the Company's Ordinary Shares will be closed from 17th July to 26th July 1961, both days inclusive.

N.B. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.

By Order of the Board,
D. A. HOUGHTON
Calcutta Director and Secretary

4, Bankshall Street, Calcutta.
Dated 26th June, 1961.

The price of Copper, after slipping down to £230, has recovered to £236 a ton. This improvement is due to improved offtake in New York where dealers are reported to be worried about the repercussions on copper supplies due to the political unrest in Rhodesia and the Congo. In the Bombay market, conditions have remained dull with Conductors quoting Rs 303 and Brass Sheets at Rs 518 in the absence of demand.

In the London market, Lead and Zinc have shown only minor changes at around £64 and £78 a ton respectively. In Bombay, Lead does not appear to have shown any apparent reaction in comparison to copper. Zinc is ruling steady at Rs 154 per 100 kgs.

SUGAR

Conditions in the Sugar markets have remained generally steady. Export prospects to the USA, Pakistan and other Middle Asian countries have influenced sentiment. In the Hapur market, the rate for the commodity is quoted around Rs 107.25 per bag.

According to the figures released by the Indian Sugar Mills Association, production of sugar, till the end of May, was 2,906,000 lakh tons as against 2,399,000 tons in the corresponding period of last season. Total despatches, including despatches for exports, up to 31 May, 1961, were 1,234,000 tons as against 1,130,000 tons by the same date last year. The closing stock, as on 31 May, 1961, was 2,213,000 tons as against 1,411,000 tons on the same date last year.

India's offering of 10,000 tons of refined sugar to the US market has been indefinitely postponed as technical details have not yet been finalised. The dealers in New York state that the Indian Government has not yet determined the "subsidy" to be paid to Indian mills on the sale, and that no agreement has been reached with labour and shipping interests regarding bulk loading of the commodity in Calcutta. When finalised, this will be India's first sugar sale in the American market against a 225,000-ton allotment in the recent reallocation of the Cuban quota.

CLOVES

The Government decision to allocate an import quota for betel-nuts and spices to the State Trading Corporation for the current licensing period has resulted in a sharp fall in the prices of Cloves and Cinnamons. Prices of Cloves have slumped from Rs 410 to Rs 375 and those of Cinnamon from Rs 350 to Rs 325 per 10 kgs.

Although the possibility of the STC's entry into the import trade in spices was rated high recently, the actual decision has induced dealers to unload supplies in view of the announcement that the total imports by the trade and the Corporation will be maintained at the previous period's levels.

GOLD & SILVER

After an easy start, bullion prices in the Bombay market reacted to

record lower levels following the commencement of trading in quarterly contracts, viz, Bhadrabad delivery. The trade was also given some relief in the matter of free trading limits in both gold and silver.

With the introduction of the three monthly contract in bullion from 26 June, the FMC has relaxed the special margins payable by "longs" in respect of both the metals. The rates of margins payable in respect of gold and silver are Rs 20 per 10 grams and Rs 300 per bar of 10 kgs whenever their prices rule above Rs 115 and Rs 195 respectively. The margin is payable on an "export basis", i.e. on the net open position held by the member on his own account including the appropriated business of the clients and on account of the long open position held on account of each of his constituents.

The free limits given to the members have also been liberalised. In respect of gold, every member is given a free limit of 60 kgs and it can be availed of by those members who held an open position up to 90 kgs. Similarly, in the case of silver, the liberalised free limit is 320 bars which can be availed of by an operator holding an open position up to 480 bars. A section of the trade believes that the bullion trade will not, in future, face quick, wide and irregular price movements. Normal forces of demand and supply will decide the prices.

Meanwhile, Gold receipts totalled 6,000 tolas as against an offtake of only 4,000 tolas. Silver arrivals amounted to 40 bars against an offtake of only 10 bars. Silver ready (below 996) changed hands at Rs 202.40 and Rs 203.25 and Gold ready at Rs 120.50 to Rs 120.95. Sovereign ruled quiet at Rs 94.50.

OILS & OILSEEDS

The commencement of monsoon in Western India had a bearish impact on the prices of oils and oilseeds. Favourable weather reports from Khandesh, Karnataka, Andhra and Saurashtra induced some bull unloading, resulting in an easier tendency in prices.

In the Castorseed section, trading was quiet in the absence of demand from overseas buyers for castor oil. Ready was quoted at Rs 35.87 and Castor oil, commercial quality, at Rs 15.10.

Linseed, however, attracted a good deal of speculative attention with the operators from Uttar Pradesh and Calcutta shaping the market. Although the start of the monsoon and lower North Indian advices regarding rapeseed imparted an easy tone early in the week, it was proved shortlived due to renewed speculative support. Linseed ready was quoted at Rs 40.15 and Linseed Oil at Rs 17.25.

Reports of rains in the producing areas tended to reduce the pressure on the available supply of Groundnut and Groundnut Oil. Vanaspathi manufacturers and crushers were in

the market for their immediate requirements and the inflow was relatively limited. Groundnut ready Bold was quoted at Rs 55.50 and Groundnut Oil at Rs 23.05.

In the Calcutta market, the price of Linseed hardened further to Rs 30 a maund for ready delivery on reports of a decline in arrivals from upcountry centres. The price of oil

has also increased; but there is virtually no business in view of small stocks. Although there is little activity in the Oilcake market, prospects for foreign enquiries are considered to be encouraging. Prices are relieved to have increased in foreign centres. The local market, therefore, expects foreign buyers to enter the market shortly.

BURN AND COMPANY LIMITED

NOTICE

NOTICE is hereby given that the Annual General Meeting (being the sixty-seventh Ordinary General Meeting) of the Company will be held on Friday, the 28th July, 1961, at 11 a.m. at the Registered Office, 12 Mission Row, Calcutta, to transact the following business:

1. To receive and adopt the audited accounts for the year ended 30th April, 1961, and the Directors' and Auditors' Reports thereon.
2. To declare a dividend on the ordinary shares. The dividend, if declared, will be paid on or after the 7th August, 1961, to the Shareholders whose names are on the Company's Register on the 28th July, 1961, or to their mandatees.
3. To appoint a Director in place of the retiring Director, Mr. T. C. Hornby.
4. To appoint auditors and fix their remuneration.

SPECIAL BUSINESS

To consider and if thought fit to pass the following resolutions as Special Resolutions.

5. Special Resolution No. 1. That Article 114 be deleted and the following substituted therefor.

"114. Unless otherwise determined by the Company in general meeting each Director shall receive the sum of Rs. 250/- for every meeting of the Board of Directors attended by him. The Board of Directors may allow and pay to any Director who for the time being is resident out of the place at which any meeting of the Board of Directors may be held and who shall come to that place for the purpose of attending such meeting such sum as the Board of Directors may consider fair and reasonable for his expenses and loss of time in connection with his attending at the meeting in addition to his remuneration as specified above."

6. Special Resolution No. 2. That subject to the approval of the Central Government pursuant to Section 360 of the Companies Act, 1956, the Company do hereby approve of a contract between the

Company of the one part and Mr. Sitendu Gupta, an associate of Martin Burn Limited, the Managing Agents of the Company, within the meaning of the Companies Act, 1956, of the other part the material terms of which are:

- (a) Mr. Sitendu Gupta, who is an Assistant of the Company, at Howrah Works, shall continue to be such assistant for a period of five years with effect from the 1st December, 1960; during this period he shall enjoy the same privileges, amenities and perquisites and be subject to the same liabilities and obligations as are applicable to other assistants of the Company in the same grade of employment and with the same status.
- (b) Mr. Sitendu Gupta's basic monthly salary will be on the scale Rs. 900-1000-1100-1200-1300 during the first and successive years of service, plus dearness allowance at the rate allowable under the Company's rules from time to time, medical expenses and, at the discretion of the Company, an annual bonus.

He will be entitled to two months leave on full pay and will be paid return railway fares for himself and his wife after completing the second and fourth year of his contract of service.

The Ordinary Share Register of the Company will be closed from the 20th July, 1961 to the 28th July, 1961, both days inclusive.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and a proxy need not be a member.

By Order of the Board
MARTIN BURN LIMITED
S. GUPTA
Managing Director
Managing Agents

Calcutta,
1st July, 1961

An Explanatory Statement as required under the Companies Act, 1956 has been forwarded to the members of the Company.

Company Reports

Larsen & Toubro Fares Well

THANKS to the rise in earnings, Larsen & Toubro Limited has announced satisfactory results for the year ended 31 March, 1961. While the total sales invoiced by the company have risen from Rs 3.20 crores to Rs 3.51 crores, the gross profit has gone up from Rs 49.04 lakhs to Rs 55.53 lakhs, and the income from commission, compensation, engineering fees and other sources from Rs 17.17 lakhs to Rs 19.48 lakhs.

Allocations include Rs 11.51 lakhs for Depreciation (Rs 7.09 lakhs); Rs 4.81 lakhs for Development Rebate (Rs 4.56 lakhs); Rs 3.77 lakhs for managing agents' commission (Rs 4.17 lakhs) and Rs 17.40 lakhs for Taxation (Rs 16 lakhs). Allocations to Dividend Equalisation Reserve and General Reserve have been maintained at Rs 1 lakh and Rs 2.50 lakhs respectively. A sum of Rs 1.27 lakhs has been transferred from the provision for taxes (Rs 1.02 lakhs). The directors have proposed to maintain the dividend at Rs 1.80 per share, subject to deduction of tax.

The directors state that the Powai workshops of the company worked satisfactorily during the year, turning out an increasing volume of high quality engineering goods complementary to the company's imports from overseas suppliers. The production of equipment for dairies, refrigeration plant, food processing plant and chemical plant, is further developed. The manufacturing units for electrical switchgear, motor starters and petrol dispensing pumps have gone into regular production and are operating satisfactorily. The directors consider that the future prospects of the company and its subsidiaries are sound and promising.

Production Maintained by Ahmedabad Advance

The working of the Ahmedabad Mills Limited, for the period from 1 July to 31 July, 1960, has resulted in a profit of Rs 9.39 lakhs after providing Rs 21.645 for managing agents' commission, Rs 48.651 for secretaries and treasurers' commission, Rs 3.82 lakhs for Depreciation and Rs 1.00 lakh for Development Reserve. The company earned a profit of Rs 11.01 lakhs for the year ended 30 June, 1960. The directors have recommended a dividend of Rs 6 per share, taxable for the period of six months ended 31 December, 1960. A dividend of Rs 10 per share, taxable, was declared for the full year ended 30 June, 1960.

Sales of cloth amount to Rs 1.30 crores as compared to Rs 2.81 crores during 1959-60. The allocation to the General Reserve No. 2 amounts to Rs 6.73 lakhs (Rs 9 lakhs) and a

sum of Rs 20,638 is transferred from General Reserve No. 1 for part payment of the proposed dividend against Rs 65,000.

The directors state that, compared to the previous year, the production during the period under report, was well maintained. New plant and machinery of the value of about Rs 5 lakhs was installed during the period.

More Profit for Svadeshi Mills

The Svadeshi Mills Company has produced encouraging results for 1960. The gross profit has gone up substantially from Rs 44.32 lakhs to Rs 67.65 lakhs. The dividend is proposed to be raised from Rs 14 to Rs 17 per share, subject to tax.

Sales of cloth have gone up from Rs 4.18 crores to Rs 4.30 crores and those from waste from Rs 8.70 lakhs to Rs 10.69 lakhs.

Allocations include Rs 4.61 lakhs for managing agent's commission (Rs 2.70 lakhs); Rs 18.49 lakhs for Depreciation (Rs 15.31 lakhs); Rs 6 lakhs for Development Reserve (Rs 2.75 lakhs) and Rs 17.50 lakhs for Taxation (Rs 10.50 lakhs). The General Reserve No. 2 has been allotted Rs 2.84 lakhs against nil and the transfer from General Reserve No. 1 is nil against Rs 1.75 lakhs.

The directors state that the improved financial results are largely due to full utilisation of the company's productive capacity, better demand for cloth and higher realisation because of more diversification of production. New plant and machinery of the value of about Rs 31 lakhs were installed during 1960. At the end of the year, additional machinery of the value of about Rs 4 lakhs was awaiting installation. Since then, orders have been placed for machinery of the value of about Rs 6 lakhs.

Encouraging Results of Tata Mills

The Tata Mills Limited has reported encouraging results for 1960. The gross profit is more than doubled at Rs 44.21 lakhs against Rs 20.62 lakhs. Sales of cloth, yarn and waste have risen from Rs 3.85 crores to Rs 4.06 crores.

After providing Rs 2.38 lakhs for managing agents' remuneration (Rs 50,000); Rs 10.09 lakhs for Depreciation (Rs 12.61 lakhs) and Rs 7.25 lakhs for Development Rebate Reserve (Rs 6.50 lakhs), the net profit for the year has risen sharply from Rs 1.01 lakhs to Rs 24.49 lakhs. A sum of Rs 21.65 lakhs is provided for General Reserve No. 2 (Rs 1.01 lakhs). The directors have recom-

mended a dividend of Rs 5 per share, subject to tax, on the Ordinary shares.

During the year, new plant and machinery of the value of about Rs 38 lakhs was installed. At the end of the year, additional machinery of the value of Rs 7 lakhs was awaiting installation. Since then, orders have been placed for machinery of the value of Rs 10 lakhs.

During the year, the company applied to the Government for permission to instal 20,000 additional spindles to enable the mill to balance production facilities. Owing to the imbalance between spinning and weaving sections; the mills are unable to operate all the looms in the third shift. There has been no reply from the Government for these additional spindles.

Bombay Burmah Trading Pays More

The Bombay Burmah Trading Corporation has increased the interim dividend for the second year in succession. The directors have proposed an interim dividend of Rs 12 per fully paid share of Rs 125 each, subject to tax, for the year ended 31 May, 1961 as against Rs 11 per share, taxable, in the preceding year. They have declared an interim dividend of Rs 4.80 per partly share of Rs 50 each for 1960-61 against Rs 4.40 taxable, for the previous year and Rs 240 taxable in respect of 100 original shares of Rs 2,500 each against Rs 220, taxable, in the preceding year.

The increase in the interim dividend suggests that the company has fared well during the year and that the accounts for 1960-61 will reveal an increase in the profit.

Basmatia Tea to Issue Bonus Shares

The Basmatia Tea Company, Limited has decided to capitalise Rs 2.55 lakhs out of General Reserve to issue bonus shares in the ratio of one for every two shares held. In this connection, a meeting has been convened on 19 July to consider the necessary resolution.

Meanwhile, the accounts for 1960 reveal a slightly higher net profit of Rs 2.59 lakhs as against Rs 2.38 lakhs. Apart from maintaining General Reserve at Rs 70,000, Depreciation is raised to Rs 74,810 from Rs 55,300 and Taxation to Rs 1.63 lakhs from Rs 1.49 lakhs. The provision for Development Rebate Reserve is, however, lower at Rs 8,689 against Rs 12,087. The dividend is raised by 50 pP to Rs 3.50 per share, subject to tax.

Metal Box Maintains its Position

The Metal Box Company of India Limited has another satisfactory year with a rise in sales from Rs 8.45 crores to Rs 9.91 crores and in net profit, after providing for Depreciation and Taxation, from Rs 60.79 lakhs to Rs 64.74 lakhs for the year ended 31 March 1961. A substantial expansion in exports was achieved by the company following vigorous promotional efforts. Calcutta No. 2, a factory devoted to foreign exchange saving products, achieved an 85 per cent increase in turnover. For the rest of the business, the net increase was 8 per cent, reflecting the steadily growing demand for packaged goods.

In respect of allocations, General Reserve is maintained at Rs 15.00 lakhs, while the Depreciation amount is raised to Rs 16.10 lakhs from Rs 14.78 lakhs and Taxation to Rs 60 lakhs from Rs 51.00 lakhs. The provision for Development Rebate Reserve is slightly lower at Rs 3.00 lakhs against Rs 3.25 lakhs. The dividend is maintained at Rs 2.50 per share on the increased ordinary capital.

The directors state that the new factory at Faridabad commenced production in October; but its efficiency was seriously hampered by the shortage of power. In Bombay, there have been some extensions to the office and factory; but working conditions are still too crowded. At Calcutta No. 2 factory, there are proposals to increase the range of machines manufactured, thus saving valuable foreign exchange.

The directors add that, due to lack of foreign exchange and insufficiency of home production of tinplate, the company is unable to expand and diversify its production of containers using this metal as base. Until a really substantial expansion of production capacity is put into effect, the import bill for tinplate will be heavy, notwithstanding the considerable efforts being made to utilise alternative packaging materials.

Lower Profits for Calcutta Jute

The working of the Calcutta Jute Manufacturing Company, Limited, for 1960, has resulted in a lower profit of Rs 2.13 lakhs as against as much as Rs 4.89 lakhs for the preceding year, after providing Rs 1.12 lakhs for Depreciation (Rs 78,124). Sales of finished goods have risen from Rs 55.07 lakhs to Rs 58.23 lakhs, while the sale of loom-hours is placed at Rs 3.26 lakhs against Rs 2.20 lakhs. The Development Rebate Reserve claims Rs 79,200 against nil.

After taking into account the debit balance of Rs 1.47 lakhs brought forward and making sundry adjustments, a debit balance of Rs 38,936 is carried forward.

The directors state that machinery of the value of about Rs 4.48 lakhs was installed during the year.

Quoted Shares

Preference Shares

CALCUTTA

NAME	Paid-up per Share.	Quotation as on 23-6-61 Rs nP
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BANKS		
Allahabad 6%	100	96.50
Bihar 5%	50	16.00*

COAL

Asso. K'pura 4½%	100	50.50*
Bharat 5½%	100	34.75
Borra 6½%	100	77.00*
Burra 7%	100	102.00
Burrakur 6%	10	7.65
Burrakur 6½%	100	75.00
Ghushick & Muslia 5%	100	100.00*
Gourangdi 5%	100	40.00*
Karanpura 5½%	100	55.75
Khas Kajora 5½%	10	8.25
N. Beerbhoom 7%	10	10.50
N. Churulia 5%	10	5.06
N. Huntodih 6%	100	45.00*
Ondal 6½%	100	74.50
Parasea 5½%	100	44.50
United Colliery 5%	100	71.00*

COTTON

Basanti 6½%	10	8.37
Bharat-Nagpur 7%	100	75.00
Bharat Commerce 9%	100	100.00
Bowreah 8%	100	94.60†
Bowreah 7%	100	70.25
Elgin 8%	100	100.00
Elgin 8%	10	6.97
Jagajit 5%	100	81.75
Jiyajee Rao 5½%	100	88.50*
J. K. Cotton 6%	100	86.60*
J. K. Rayon 6½%	100	100.00
Kesoram 7%	100	103.00
Kesoram 5½%	100	86.00
Muir 6%	100	72.00
N. Victoria 3%	5	3.25
Orissa 5%	100	65.00
Shree Madhusudan 4½%	100	75.00
Shree Niwas 4%	100	48.80†
Shree Bhawani 8%	100	69.00
Swadeshi 6%	100	74.00

JUTE

Agarpara 7%	100	87.50
Alexandra 7%	100	82.00
Alliance 6%	100	66.00
Anglo-India 7%	100	93.00
Auckland 5½%	100	71.25
Auckland 4½%	100	58.50
Baby 7%	100	93.25
Bengal 5%	25	38.00
Belvedere 7%	100	90.00
Bengal 5½%	100	53.00
Birla 7½%	100	90.00
Birla 6½%	100	91.00
Budge-Budge 7%	100	81.93
Calcutta 6½%	100	50.50
Caledonian 7%	100	80.00
Cheviot 7%	100	95.43
Chitavalsah 7%	100	77.90†
Clive 6%	100	52.00
Clive 7%	100	80.00
Delta 5%	100	57.85
Empire 7%	100	50.50†
Fort Gloster 7%	100	104.00*
Fort Gloster 5%	100	64.00*
Fort William 7%	100	92.00
Ganges Mig. 8%	100	102.00
Gourepore 6%	100	77.50
Hastings 6%	100	82.00
Hooghly	10	10.12
Howrah 'A' Pref.	100	90.00
Howrah 7%	100	93.00
Hukumchand 7%	100	90.50
Kamarhatti 6%	100	67.20
Kankannarah 6%	100	91.00
Kedarnath 6%	100	68.00
Kedarnath 7%	100	90.50
Kelvin 7%	100	92.00
Khardah 6%	100	79.00

Preference Shares

CALCUTTA

NAME	Paid-up per Share.	Quotation as on 23-6-61 Rs nP
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Kinnison 7%	100	90.00
Lansdowne 7%	100	90.25
Lawrence 7%	100	92.00
Lawrence 5½%	100	62.86
Naihati 7%	100	98.00
Naihati 4½%	100	85.00
National 7%	100	93.00*
Nellimaria 6%	100	71.40
N. Central 7%	100	85.50
Northbrook 5½%	100	73.00
Rameshwara 6%	10	9.81
Reliance 7%	100	80.00
S. Ambica 7½%	100	82.00
Soorah 7%	100	95.00
Union 7%	100	77.35
Waverley 5%	50	40.50

MININGS

Asso. Mining 5%	50	27.50
Ch. Mica 5½%	100	48.00
Metal Corp. 5%	100	99.00

CEMENT

Dalmia Bharat 6%	10	7.94
Jaipur Udyog 3%	100	37.00
Kalyanpur Lime 7%	100	80.00*
Kalyanpur Lime 6%	100	100.50*
K'dhubi Fire 5½%	100	63.00
Orissa Cement 4½%	100	35.06*

CHEMICALS

Alkali 5%	100	92.00
Bathgate 6%	100	19.00
Bengal Chem. 7½%	10	12.31
Bengal Chem. 4½%	100	66.00
Calcutta Chemical 6%	10	7.50
Frank Ross 4½%	100	51.00
Smith Stanistreet 10%	50	63.12

ELECTRICS

Calcutta 5%	£1	9.06
Dishergarh 5%	100	69.00
Dishergarh 4½%	100	69.20

ENGINEERING

Arthur Butler 7%	10	10.75*
Br. Building 6%	100	50.00
Br. Engineering 7%	100	100.00
Burn & Co. 7%	100	117.80
Burn & Co. 6%	100	106.00
Indian Iron 5%	100	89.00
India Machinery 7%	100	63.00
Ind. St. Wagon 7%	100	115.00
Jessop & Co. 5%	100	80.25†
J. K. Steel 7%	100	99.25
Kumardhubi 5%	100	80.00
R. Cruddas 5½%	100	54.00*
Steel Products 5%	10	7.22
Texmaco 5½%	100	87.00
Texmaco 5½%	100	63.00
Texmaco 6½%	100	95.00

MISCELLANEOUS

Alum. Corp. 6%	100	29.50
Alum. Corp. 5%	100	70.00
Amal. Dev. 5%	100	37.00*
Asso. Hotel 7%	100	49.50
Bharat Nidhi 6%	100	50.00
Birds Investment 5½%	100	56.50
Br. Biscuits 8%	10	8.66*
B. I. Corporation 8%	100	112.00
Cal. Cr. Corp. 6%	100	34.50*
Cal. Cr. Corp. 5½%	100	23.50*
Calcutta Gas 5½%	100	57.50*
Calcutta Silk 5%	100	49.12*
Calcutta Trams 5%	£1	7.81
Duncan Bros. 4%	100	55.75
Dunlop 6%	100	112.00
Dunlop 6%	100	78.00
Eastern Inv. 5%	100	67.44
Gillanders 5%	100	58.00
Godfrey Phillips 5½%	100	50.00†
Greaves Cotton 5%	100	32.86*
Greaves Cotton 6%	100	48.43*
Hindustan Alum.		
minium 6.3%	25	24.37
Hindustan Motors 6%	100	222.00

NAME	Paid-up per Share.	Quotation as on 23-6-61 Rs nP
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Hindustan National		
Glass 8%	100	93.00*
Indian Alum. 5%	100	66.20
Indian Cables 6%	10	34.00
Indian Plastics 5½%	100	40.50*
Indian Rubber 5%	100	59.75
James Wright 6%	50	19.75*
J. Henderson 5½%	100	57.00
K. Bullen 5½%	100	57.50
K. Bullen 4%	100	55.75
Kusum 5½%	100	64.00*
Macneill & Barry 5½%	100	51.57
Madhya Pradesh Ind.		
6%	100	93.00*
Martin Burn 5%	100	86.00
McLeod & Co. 5%	100	50.00
McLeod & Co. 5%	100	60.25
2nd Pref.	100	84.00
Metal Box 6%	100	76.00†
National Rubber 6%	10	3.00
National Tannery 5%	100	74.00
National Tobacco 5%	100	68.00
National Tobacco 4½%	100	75.00
Nav. Bharat Vanijya	100	73.00
Rallis 6%	100	117.00
Rohtas Indus 7%	100	56.00
Rohtas Indus. 4½% B	100	146.00
Sen Raleigh 5%	100	68.50
Shaw Wallace 6%	10	6.27
Spencer 6½% B	10	9.85
Standard Vacuum 6%	100	90.50
Union Tobacco 5%	100	15.50

OILS

I. B. Petrol 7%	100	89.50
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PAPER

Ballarpur 5%	100	112.00*
Bengal Paper 7%	50	48.50
Bengal Paper 7%	100	102.00
Bengal Paper 6%	100	61.95
Orient 5½%	100	81.00
Orient 5½%	100	63.50
Shree Gopal 8%	100	105.00
Shree Gopal 7½%	100	101.00
Sirpur Paper 6%	100	85.00
Star Paper 5%	100	73.50*
Star Paper 6½%	100	93.00
Star Paper 7%	100	81.00
Star Paper 7% Con.	100	89.00
Titagarh 8%	100	99.00
Titagarh 4½%	100	73.00

PRESSING

Bhagwati 5%	100	34.00†
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REAL PROPERTY

Humayan 6%	10	7.00
Regent Estate 4%	100	33.50

SAW MILLS

Bengal Timber 5%	100	7.75
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SHIPPING

B-A Steam 7%	60	43.87*
I.G. Navigation 6%	£10	77.00
India Steam 5%	100	76.50

SUGAR

Carew 6½%	100	90.00
Cawnpore 8%	100	108.00
Jaswant 5½%	100	85.00
Mohini 5%	100	70.00*
New India 7½%	100	137.79
Purtabpore 10%	10	10.15†
Ramnugger 6%	100	79.00
Ryam 6%	10	8.40*
South Behar 9%	100	20.50*
S. Hanuman 5%	100	55.00*
S. K. Gyan 6%	100	63.30
S. K. Gyan 5%	100	54.25
Upper Ganges 5%	100	69.00

TEA

Amluckie 7%	10	31.00
Bormah Jan 6%	100	58.00*
Brooke Bond 6%	100	64.00
Dhunerji 10%	10	2.12
Dimaakul 8%	10	3.10*
Kingley Gola 6%	100	71.43*
Moheema 6%	10	6.00
Tezpora 8%	10	10.00

*Nominal. †Ex-Dividend. ‡Cum-Dividend. (Rs nP)

NAME	Paid-up per Share.	Quotation as on 23-6-61 Rs nP
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Darjeeling.		
Gielle 6%	100	80.00
Lingia 6%	100	52.00
Okayti 7%	100	79.00*
Pussimbing 7%	100	97.00
Singtom 5%	10	5.19

Dooars

Banarhat 6½%	100	82.42
Birpara 8%	100	101.00
Choonabhutti 6½%	100	100.00
Hantapara 8%	100	101.00*
Hasimara 7%	100	97.00
New Dooars 6½%	100	82.20

Cooch.

Sonal River 8%	100	77.00*
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Sylhet

New Samanbagh 8%	100	83.50*
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S. Indian

Kotamullai 6%	25	15.00
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Teral

Atal 4½%	10	4.40*
Tirrihannah 10%	10	13.00

Ordinary Shares

CALCUTTA

NAME	Paid-up per Share.	Quotation as on 23-6-61 Rs nP
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GOVERNMENT OF INDIA LOANS

(Non-Terminable Loans).

3% Govt. Paper	72.05
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(Terminable Loans).

3% Loan (1986)	71.70
2½% Loan (1961)	99.50
2½% Loan (1962)	98.99
2½% Loan (1976)	83.45
2½% Loan (1980)	99.75
3% Loan (1964)	98.80
3% Loan (1963-65)	98.80
3% Loan (1966-68)	96.15
3% Loan (1970-75)	91.00
3½% Loan (1982)	99.85
3½% Loan (1981)	99.95
3½% Loan (1983)	100.00
3½% Loan (1984)	99.85
3½% Loan (1985)	99.72
3½% Loan (1986)	99.06
3½% Loan (1987)	98.73
3½% Loan (1988)	98.70
3½% Loan (1989)	100.75
3½% Loan (1990)	100.60
4% Loan (1972)	99.72
4% Loan (1973)	100.40
4% Loan (1979)	100.35
4% Loan (1980)	100.00
	99.95

BANKS

Allahabad	100	329.00
Allahabad	50	163.00
Bank of Bihar	100	21.00*
Bank of Baroda	25	44.50
Bank of India	50	111.75
Hindust. Comm.	50	15.00
Hindust. Mercan.	10	16.50
Punjab National	10	22.62
United Bank	10	3.80
United Bank	10	5.00
United Comm.	50	91.00

NAME	Paid-up per Share.	Quotation as on 23-6-61 Rs nP	NAME	Paid-up per Share.	Quotation as on 23-6-61 Rs nP	NAME	Paid-up per Share.	Quotation as on 23-6-61 Rs nP	NAME	Paid-up per Share.	Quotation as on 23-6-61 Rs nP				
PAPER MILLS															
Ballarpur	...	25	38.00	Brooke Bond	...	10	16.37	North-West Cachar	...	100	200.00				
Bengal Paper	...	25	87.25	Dejoo Valley	...	10	50.75	Pathemara	...	10	7.25				
India Paper	...	10	18.81	Dessai and Purbat	...	100	153.00	Roopacherra	...	10	15.69				
Mysore Paper	...	10	29.87	Dhunsari	...	10	22.25	Rongamattie	...	50	55.00				
Orient Paper	...	10	35.25	Dibrugarh	...	10	16.25	Sonal River	...	10	9.12*				
Seshasayee	...	7½	6.19	Dimakusi	...	10	39.62	Tea Producing Co.	...	10	10.37*				
Shree Gopal	...	10	26.87	Duflaghur	...	10	26.65†	Tilkah	...	10	10.00*				
Sirpur Paper	...	10	15.55	East India	...	10	34.75	Chittagong Gardens							
Star Paper	...	10	13.37	Gillapuri	...	10	26.37	Kodala	...	10	9.25				
Straw Products	...	10	9.94	Gopur	...	10	16.94	Kornaful	...	10	8.12				
Titagbur P.O.	...	2½	5.94	Grob	...	5	11.06	Oodaleah	...	10	8.00				
Titagbur Ord.	...	10	34.12	Hapijan Purbat	...	10	13.50	Sylhet Gardens							
U. I. Couper	...	100	50.00	Hoograjuli	...	10	25.25	Baitakhal	...	10	6.94				
West Coast	...	100	194.00	Hoolungoorie	...	100	195.00	Chundeecherra	...	10	24.94				
PRESSING															
Bhagwati	...	10	5.37	Jayshree	...	10	23.44	Dauracherra	...	10	8.50				
Camperdown	...	100	100.00	Joonktolle	...	10	41.00	Hattikhira	...	10	10.06				
Hooghly Ganges	...	10	5.50	Jutibari	...	10	39.00	Kaliti	...	10	7.37				
REAL PROPERTY															
Bengal Bonded A	...	500	530.00	Kyang Tea Seeds	...	10	7.56	Lackatoorah	...	10	18.25				
Bengal Bonded B	...	62½	58.93*	Kingsley Golaghat	...	100	157.00*	Loobah	...	10	4.50				
Bengal Bonded C	...	100	96.00*	Krishnabehari	...	10	10.56	New Samanbagh	...	10	19.25†				
Bengal Bonded D	...	12½	12.14*	Ledo	...	10	17.00	Patrakioa	...	100	156.00				
Clive Bldgs.	...	150	150.00	Maud	...	10	14.00	Rajnagar	...	10	9.56				
Hindusthan Bldg.	...	10	3.69	Methoni	...	10	18.37	Tellapara	...	100	112.00				
Humayan Prop.	...	10	10.35	Moheema	...	10	11.50	South Indian Gardens							
Humayan Defd.	...	1	2.19	Mothola	...	100	475.00	Kotamullai	...	5	11.62				
Midnapore Estate	...	85	13.87	Murphulani	...	10	25.00	Teral Gardens							
Regent Estate	...	10	1.00*	Murphulani P.O.	...	10	23.50	Atal	...	10	7.87				
SAW MILLS AND TIMBER															
Andaman Timber	...	10	9.06	Naga Hills	...	10	18.00	Belgachi	...	10	24.25				
Assam Saws	...	3	2.44	Namburnadi	...	10	12.87	Gungara	...	100	174.00				
Bengal Timber	...	100	14.00	New Cinnatollah	...	100	103.00	Hansaram	...	10	16.75†				
SHIPPING															
B. A. Steam	...	100	94.50	New Monkhooshi	...	7½	20.25	New Chumta	...	10	34.75*				
Calcutta Landing	...	10	13.00	Rajgarh	...	10	51.00	New Terai	...	10	26.00				
Calcutta Steam	...	10	13.00	Sapoli	...	10	20.87	Fahargomiah	...	10	28.00				
Fraser & Co.	...	10	11.00	Seajuli	...	10	27.12	Fulbarree	...	10	45.00				
I. G. Navigation	...	£10	77.00	Teloljan	...	10	33.56	Tirrihannah	...	10	60.00				
India Steam	...	10	8.75	Tengpani	...	10	38.00	Preference Shares							
Port Shipping	...	10	10.62	Tezapore	...	10	18.00	MADRAS							
SUGAR															
Balrampur	...	2½	2.50	Tycoon	...	10	38.00	NAME							
Belsund	...	8½	11.25†	Darjeeling Gardens				Paid-up per Share.							
Bharat	...	10	16.50	Bloomfield	...	10	4.06	as on 23-6-61							
Basti	...	100	105.50†	Chamong	...	10	8.00	Rs nP							
Carew	...	10	13.25	Darjeeling	...	100	172.00	NAME							
Cawnpore	...	10	12.75	Dilaram	...	100	104.00	Paid-up per Share.							
Champaran	...	10	16.31	Gielle	...	10	10.94	as on 23-6-61							
Darbhanga	...	10	14.37	Lingia	...	10	16.82	Rs nP							
Deoria	...	10	8.71	Longview	...	10	11.25	NAME							
Dyer Meakins	...	5	34.00	Margaret's Hope	...	10	15.56	Paid-up per Share.							
Ganesh Sugar	...	10	19.22*	Mim	...	100	214.00	as on 23-6-61							
Jaswant	...	10	5.25*	Nagri Farm	...	100	26.00	Rs nP							
Mohini	...	10	2.31	Oaktyi	...	100	600.00	NAME							
Nawabganj	...	100	60.00*	Pashok	...	10	20.00*	Paid-up per Share.							
New India	...	10	32.00	Poobong	...	10	7.37	as on 23-6-61							
New Savan	...	10	5.69	Pussimbinig	...	10	8.62	Rs nP							
Punjab	...	100	50.00†	Runklee Rungliot	...	100	385.00	NAME							
Purbapore	...	10	12.25	Seeyok	...	10	11.00	Paid-up per Share.							
Ramnugger Cane	...	10	30.00	Singell	...	100	37.25	as on 23-6-61							
Ratna	...	10	1.45*	Singtom	...	10	5.87	Rs nP							
Raza Buland	...	10	11.87	Seom	...	10	46.00	NAME							
Ryam	...	10	11.19	Sungma	...	10	15.25	Paid-up per Share.							
Samastipur	...	10	10.50†	Teesta Valley	...	10	15.75	as on 23-6-61							
Shred Anand	...	10	6.19	Tukvar	...	10	7.50	Rs nP							
Sitalpur	...	10	3.87	Deoria Gardens				NAME							
South Behar	...	2	0.25*	Banarhat	...	100	330.00	Paid-up per Share.							
South Behar (Deol.)	...	10	17.00	Baradighi	...	10	28.75	as on 23-6-61							
Sri Hanuman	...	10	11.75	Bhatkora	...	100	22.50	Rs nP							
S. K. Gyanoday	...	10	6.00†	Birpara	...	100	173.00	NAME							
Shree Sitaram	...	5	5.06	Carros	...	100	165.00	Paid-up per Share.							
Tulsipur	...	100	102.00†	Choonabhutti	...	100	271.00	as on 23-6-61							
Upper India 'A'	...	25	8.75*	Ellenbarrie	...	100	181.00	Rs nP							
Upper India 'B'	...	10	70.00	Engo	...	100	196.00	NAME							
Upper Ganges	...	10	17.00	Ethelbari	...	10	8.50	Paid-up per Share.							
United Province	...	10	17.00	Gairkhatta	...	100	194.00	as on 23-6-61							
TEA												Rs nP			
Assam Gardens												NAME			
Amluckie	...	10	25.94	Gopalpur	...	25	22.32	Paid-up per Share.							
Ananda Assam	...	10	16.50*	Hantapara	...	100	141.00	as on 23-6-61							
Anandabag	...	10	26.50	Hasimara	...	10	26.94	Rs nP							
Baghmari	...	10	22.62	Hill Tea	...	10	7.75	NAME							
Barduar Tea	...	6	9.75	Hulidibi	...	10	28.00	Paid-up per Share.							
Basmatia	...	10	32.12	Jaybirpara	...	10	17.00	as on 23-6-61							
Bateli	...	5	22.25	Kadambini	...	15	16.00	Rs nP							
Betjan	...	10	35.59	Kalikott	...	10	20.06†	NAME							
Bishnauth	...	10	26.25	Malhati	...	10	21.12	Paid-up per Share.							
Bokakhat	...	10	13.70	Manabarrie	...	10	54.25	as on 23-6-61							
Bornmahand	...	10	19.94	Nagalsurree	...	100	202.00	Rs nP							
Borpukhuri	...	10	15.06	New Doars	...	100	325.00	NAME							
Cachar Gardens												Paid-up per Share.			
Arcuttipore	...	10	7.00	Oodlabari	...	10	12.25†	as on 23-6-61							
Central Cachar	...	100	75.50	Phaskowa	...	100	127.00	Rs nP							
Eastern Cachar	...	10	2.94	Rajabhat	...	10	18.00	NAME							
Kallimpong Property	...	100	102.00	Ranicherra	...	10	20.06	Paid-up per Share.							
Kalinugore	...	100	90.00	Rydak	...	10	29.25	as on 23-6-61							
Kunchanpur	...	10	7.44	Sarugaon	...	10	36.00	Rs nP							
Cachar Gardens												NAME			
Be Be 6½%	...	5	2.35	Cachar Gardens				Paid-up per Share.							
Be Be 6½% R.	...	10	5.71	Arcuttipore	...	10	7.00	as on 23-6-61							
Chandramalai 8½%	...	2	1.88†	Central Cachar	...	100	75.50	Rs nP							
Cochin Malabar 7%	...	50	51.25†	Eastern Cachar	...	10	2.94	NAME							
Preference Shares												Paid-up per Share.			
MADRAS												as on 23-6-61			
NAME												Rs nP			
BANKS												NAME			
Canara Bank 5%	...	50	36.84	Darjeeling Gardens				Paid-up per Share.							
Canara Banknig 5%	...	50	47.47	Bloomfield	...	10	4.06	as on 23-6-61							
Canara Banking 4½%	...	50	45.54	Chamong	...	10	8.00	Rs nP							
Canara I. and B. 6%	...	100	85.54	Darjeeling	...	100	172.00	NAME							
Canara I. and B. 5%	...	10	8.89	Dilaram	...	100	104.00	Paid-up per Share.							
ELECTRICS												as on 23-6-61			
Berhampur 6%	...	10	7.30	Gielle	...	10	10.94	Rs nP							
Kumbakonam 6%	...	10	9.00	Lingia	...	10	16.82	NAME							
Negapatam 6%	...	10	8.90	Longview	...	10	11.25	Paid-up per Share.							
Salem Erode 6½%	...	10	8.52†	Margaret's Hope	...	10	15.56	as on 23-6-61							
South Madras 5½% 1st	...	10	8.10	Mim	...	100	214.00	Rs nP							
South Madras 5½%	...	10	8.25	Nagri Farm	...	100	26.00	NAME							
Tin. Tuticorin 6½%	...	10	8.87†	Oaktyi	...	10	20.00*	Paid-up per Share.							
Vellore 6%	...	10	6.28	Pashok	...	10	7.37	as on 23-6-61							
West coast 5½%	...	10	6.15	Poobong	...	10	8.62	Rs nP							
SUGAR												NAME			
Andhra 6½%	...	100	100.00	Pussimbinig	...	10	8.62	Paid-up per Share.							
Cauvery 6%	...	100	91.75	Runklee Rungliot	...	100	385.00	as on 23-6-61							
Deccan 7%	...	5	5.35†	Seeyok	...	10	11.00	Rs nP							
E.I.D. 9%	...	20sh	18.15†	Singell	...	100	37.25	NAME							
India 7½%	...	100	83.63	Singtom	...	10	5.87	Paid-up per Share.							
Jeyapore 6%	...	100	89.00	Seom	...	10	46.00	as on 23-6-61							
Jeyapore 7%	...	100	92.39	Sungma	...	10	15.25	Rs nP							
K.C.P. 5%	...	100	95.45	Teesta Valley	...	10	15.75	NAME							
K.C.P. 6½%	...	100	93.00	Tukvar	...	10	7.50	Paid-up per Share.							
Kirumpudi 5½%	...	100	121.00	Deoria Gardens				as on 23-6-61							
Travancore 5%	...	10	7.30	Banarhat	...	100	330.00	Rs nP							
PLANTINGS												NAME			
(S. India)												Paid-up per Share.			
Amalgamated 6%	...	10	7.00†	Baradighi	...	10	28.75	as on 23-6-61							
Anandam 7%	...	10	7.81†	Bhatkora	...	100	22.50	Rs nP							
Artihala 6%	...	10	9.20	Birpara	...	100	173.00	NAME							
Attikhan 9%	...	10	9.43	Carros	...	100	165.00	Paid-up per Share.							
Bababuddin 6%	...	10	7.67	Choonabhutti	...	100	271.00	as on 23-6-61							
Badra Coffee 7½%	...	10	8.50	Ellenbarrie	...	100	181.00	Rs nP							
Balanore 7½%	...	10	10.30	Engo	...	100	196.00	NAME							
Balmadies 6%	...	10	8.38	Ethelbari	...	10	8.50	Paid-up per Share.							
Be Be 6½%	...	5	2.35	Gairkhatta	...	100	194.00	as on 23-6-61							
Be Be 6½% R.	...	10	5.71	Gopalpur	...	25	22.32	Rs nP							
Chandramalai 8½%	...	2	1.88†	Hantapara	...	100	141.00	NAME							
Cochin Malabar 7%	...	50	51.25†	Hasimara	...	10	26.94	Paid-up per Share.							
*Nominal. †Dividend. ‡Cum-Dividend.												as on 23-6-61			

NAME	Paid- upper Share.	Quotation as on 23-6-61 Rs nP	NAME	Paid- upper Share.	Quotation as on 23-6-61 Rs nP	NAME	Paid- upper Share.	Quotation as on 23-6-61 Rs nP	NAME	Paid- upper Share.	Quotation as on 23-6-61 Rs nP	
Trav. Chem. 6½% ...	10	9.10	Manar ...	...	2 2.70†	Tirupati ...	...	10 11.25	Central India 5% ...	100	377.50	
T. States 7% ...	100	82.65	Manimala ...	...	10 8.75	Trav. Rayon ...	...	10 40.20	Century 6% ...	100	107.75	
United Elec. 5% ...	10	10.20	Mercara ...	...	5 8.10	Trichinopoly ...	...	10 12.25	Elphinstone 7% ...	100	64.00	
Vanguard Fire 5½% ...	6	4.73	Midland ...	...	10 11.83	Vasanta ...	...	100 250.00	Hindustan 4½% ...	1000	625.00	
W. I. Plywood 6% ...	100	92.00	Miamally ...	...	25 38.25	Venkatesa ...	...	50 197.00†	Hindustan 4½% ...	250	175.00*	
			Mysore Amalgam. ...	...	5 5.90	Vijayakumar ...	...	100 111.00	Indian Mfg. ...	1000	625.00	
			Mysore Coffee ...	...	2 5.45	Vijayaalakshmi ...	...	100 95.73	Indian Mfg. ...	500	315.00*	
			Mys. Plantations ...	...	2 2.06	Vijayeswari ...	...	100 137.00†	Jiyajeerao 5¼% ...	100	90.00	
			Neelmalai ...	...	5 4.25	Virudhunagar ...	...	50 49.00†	Jiyajeerao 5¼% ...	5¼%	100	91.50
			Nelliampathy ...	...	2 2.43				Khatou 4% ...	100	74.50	
			Nellithanam ...	...	10 12.05				Kothari 6% ...	10	10.00*	
			Nenmeny ...	...	10 20.65†				Kothari B' 6% ...	10	10.00*	
			Nilambur ...	...	10 16.25				Lakshmi Cotton 5% ...	250	148.75	
			Nilgiri ...	...	10 8.55				Mafatlal 1st 4¼% ...	100	78.30	
			Nonsuch ...	...	10 28.15				Mafatlal 2nd 4¼% ...	100	92.00*	
			Ossour ...	...	2 2.75				Mahendra 6¾% ...	100	99.00*	
			Oucherlony ...	...	2 3.74				Morarjee 4¼% ...	100	64.00	
			Panchura ...	...	1 5.57				Mysore 4¼% ...	50	22.76	
			Parkside ...	...	10 29.10				Navsari Cotton 5% ...	100	91.00*	
			Peermade ...	...	10 22.38†				New Great 5½% ...	200	105.00	
			Fenninsular ...	...	10 21.40†				N. Kaiser-Hind ...	100	65.00	
			Perlakaramalai ...	...	2 3.85				Podar 4% ...	100	63.00	
			Pullangode ...	...	2 1.87				Shree Bhawani 8% ...	100	100.00*	
			Puthuthottam ...	...	2 2.75				Shreenivas 4% ...	100	66.00	
			Rajagiri ...	...	10 18.70†				Standard 4% 1st ...	100	75.50	
			Rajendra ...	...	5 12.12				Standard 4% 2nd ...	100	76.00	
			Sangameswar ...	...	2 2.08				Swadeshi 5% ...	100	88.00	
			Savamalai ...	...	2 3.20†				Swadeshis (Kan.) ...	100	86.00*	
			Sheveroy ...	...	2 1.80				Vishnu 7% ...	500	410.00	
			Stanes Amalgam. ...	...	10 15.50				W. India 4¼% ...	1000	625.00	
			Swinton ...	...	2 3.12							
			Talayor ...	...	2 1.90							
			Teekoy ...	...	10 5.00							
			Thamaripalli ...	...	10 19.36cdcr							
			Thrumbadi ...	...	1 1.60							
			Trav. Rubber ...	...	10 10.09†							
			T. R. & T. Co. ...	...	10 9.85†							
			Tropical ...	...	25 20.35†							
			Twyford ...	...	10 12.50							
			Udayagiri ...	...	10 21.25†							
			Uni. Nilgiris ...	...	10 24.75							
			Vaikundam ...	...	10 31.25							
			Vayitri ...	...	2 1.35							
			Velimalai ...	...	5 5.80							
			Wartyhully ...	...	2 2.81							
			Waterfall ...	...	2 3.12							
			Woodcote ...	...	1 1.65							
			Woodland ...	...	10 8.00†							

NAME	Paid- Quotation upper as on Share. 23-6-61 Rs nP
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AUTOMOBILES, CYCLES & ACCESSORIES

Hind Cycles 5% ...	100	65.00*
Hind Cycles 5½% ...	100	75.00*
Hind Cycles 5½% ...	25	25.00*
Hind Cycles 6% ...	100	78.50
Hindustan Motors 6% ...	100	216.25
Sen Raleigh 5% ...	100	145.00
Standard Motor 6½% ...	100	103.00*
'A' ...	100	103.00*
'B' ...	100	103.00*

SHIPPING

Great Eastern 5½% ...	100	91.00
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DYES, CHEMICALS & PHARMACEUTICALS

Al embic Chem. 6½% ...	100	81.00
Alembic Chem. 5% ...	100	86.00
Alembic Chem. 6% ...	100	75.00
Amar Dye 6% ...	100	100.00
Dhrangadhra 6% ...	100	78.00
Indian Dyestuff 6% ...	100	108.25
Poly Chem. 7½% ...	50	44.00
Tata Chemicals 5% ...	100	84.00

SUGAR

Bhopal 5% ...	100	84.50
Cauvery 6% ...	100	99.50*
Hindustan 5% ...	100	90.00
Maharashtra 7% ...	250	240.00*
Ravalgaon 5½% ...	100	61.00
South Behar 7 to 9% ...	100	20.00*
Walchand 10% ...	100	115.00

PLANTATION

Highland ...	10	8.40*
Midland ...	10	8.40*
Nelliampathy 6% ...	10	9.20*
Rajagiri 6% ...	10	7.24*
Waterfall 6% ...	10	8.80*

ELECTRICAL GOODS

Bajaj Electricals 5% ...	100	71.50
Estreta Batteries 5% ...	50	32.00

FOOD PRODUCTS & VEG. OILS

Poison 6% ...	100	76.00*
Sathe Biscuits 9% ...	100	94.20
Sundatta Foods 8 to 11% ...	50	50.10
Tata Oil 4½% ...	100	60.00

POTTERIES & TILES

Bombay Pottery 6½% ...	100	75.00*
Bombay Pottery 4½% ...	100	80.00
Digvijay Tiles 6% ...	100	85.00*
Khodiyur Pottery 4½% ...	100	100.00*
Parshuram Potteries 6% ...	25	26.00
Parshuram Potteries 4% ...	25	17.00

RUBBER GOODS & TYRES

Associated Rubber 7% ...	100	100.00*
National Rubber 6% ...	100	82.00
Premier Tyres 6½% ...	75	71.00

MISCELLANEOUS

Asso. Stone 6% ...	100	100.00*
B. I. Corporation 8% ...	100	118.00
Delhi Safe 6% ...	100	100.00*
East India Hotels 6% ...	100	100.00*
Hindustan Const. 6½% ...	100	67.50
Hingir Rampur 4½% ...	50	32.00*
L. Hume Pipe 5% ...	100	56.00
Madhusudan A ...	12½	5.00
Madhya Pradesh Ind. 6% ...	100	106.00*
Motor & G. Fin. ...	25	36.00*
N. I. Fisheries 6% ...	100	101.00*
Premier Const. 1st ...	100	72.50
Premier Const. 2nd ...	100	5.00
Premier Const. 3rd ...	100	110.00*
Rohtas Indus. 7 to 4% ...	100	58.00
Rohtas Indus. 4½% ...	100	84.00
Stanvac 6% ...	100	69.00
Supreme Ind. ...	100	69.00

Ordinary Shares (Non-Cleared)

BOMBAY

COTTON TEXTILES

Adoni ...	10	8.20*
Bradbury ...	50	138.00
Burhanpur Tapti ...	100	108.00
Coorla ...	100	135.00
Davangere ...	100	116.50
Dawn ...	50	131.50
Gaekwar ...	100	220.00
Gold Mohur ...	100	262.00
Hindustan F.P. ...	1000	4750.00*
Hindustan P.P. ...	250	992.50*
Hukumchand ...	100	170.00
Indian Manfg. ...	1000	2500.00
Indian Manfg. ...	500	1050.00
Jam. Ranjit ...	1000	1500.00
Jiyajerao ...	10	12.00
J. K. Cotton ...	10	20.24
Khandesh ...	1000	1200.00
Khandesh ...	250	375.00
Kothari ...	10	10.00*
Lakshmi ...	250	531.25
Mafatlal ...	100	922.15
Mahendra ...	100	315.00
Mahendra (New) ...	40	40.00*
Model ...	250	72.00
Modern Mills ...	50	82.50
Navsari Cotton ...	100	216.25
New City ...	100	136.25
N. Kaiser-i-Hind ...	100	60.50
Phoenix ...	100	146.00
Pulgaon ...	10	11.00
R. Motilal ...	100	105.00
Ruby ...	25	62.00
Sassoon Spinning ...	10	64.50
Shree Bhawani ...	10	10.00*
Shree Shubhalaxmi ...	100	125.00*
Swadeshi (Kan.) ...	10	12.00*
Swadeshi (P.O.) ...	10	10.40*
Victoria ...	100	480.00
Vishnu ...	100	128.00
Western India ...	1000	3725.00

OTHER TEXTILES

Ambika Silk ...	100	149.00
Baroda Rayon ...	100	127.00
Bombay Silk Mill ...	50	5.00*
Gwalior Rayon ...	10	53.00
Indian Rayon ...	62½	61.00
New Central Jute ...	10	19.52
Raymond Woollen ...	100	125.00
Sassoon Silk ...	10	15.76
Shree Digvijay ...	10	17.68
Woollen ...	10	17.68
South Indian Viscose ...	100	175.00

BANKS

Bank of Baroda ...	50	101.50
Bank of India ...	50	123.50
Bank of India 'A' ...	50	125.00
Bank of Maharashtra ...	50	53.00
Central (A) ...	25	57.50
Central (B) ...	25	58.50
Devkar Nanjee ...	50	58.00
Hind Commercial ...	50	15.00
Hind. Mercantile ...	50	14.00
Jodhpur Commercial ...	5	2.20
Punjab National ...	10	22.24
State Bank ...	100	328.00
United ...	5	6.48
United Commercial ...	50	90.50

INSURANCE

All-India General ...	8	2.52
British India ...	10	12.16
Devkar Nanjee ...	50	30.00
Empire of India ...	100	268.75
Indian Globe ...	25	8.00*
Indian Mercantile ...	40	50.00
Jupiter ...	15	13.24
Neptune ...	10	1.48
New Asiatic ...	5	2.76
New Great ...	20	21.52
New India ...	15	61.70
New India 'A' ...	15	63.00*
Sentinel ...	50	52.00*
Universal Fire ...	10	20.08
Vulcan ...	10	16.48

INVESTMENT

Dena Investment ...	25	11.60
Gujrat Investment ...	50	11.00
Indust. Cr. & Invest. ...	100	85.00
Indus'l. & Prudential ...	10	26.00
Inv. Corporation ...	100	115.00

NAME	Paid- Quotation upper as on Share. 23-6-61 Rs nP
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Madhusudan A ...	100	75.00
Madhusudan B ...	20	14.00
Motor & Gen. Finance ...	10	40.00*

ELECTRICS

Amalgamated ...	10	10.08
Anand ...	50	53.00
Bassein ...	10	8.50*
Broach ...	10	6.00
Dharwar ...	50	51.00
Nadiad ...	50	54.00
Nasik Deolali ...	100	105.00
Poona ...	100	95.00
Surat ...	100	89.30

CEMENT

Ashoka ...	10	8.88
Bagalkot ...	10	8.48
Dalmia ...	10	12.12
India Cement ...	5	6.60*
Indian ...	10	25.00
Jaipur Udyog ...	10	11.00*
Sone Valley ...	5	4.88

PAPER & HARDBOARDS

Anil Hardboards ...	100	258.75
Jayant Paper ...	75	89.50
Mandya National ...	10	8.28
Paper ...	10	40.85
Orient Paper ...	10	75.00
Rohit Pulp & Paper ...	10	13.52
Star Paper 'A' ...	10	12.40*
Straw Products ...	10	12.32*
West Coast Paper ...	100	190.50
W. India Plywoods ...	100	300.00

STEEL, METALS & ALLOYS

Aluminium Corpn. ...	10	16.36
Chase Bright Steel ...	10	13.12
Dalmia Iron ...	10	10.00
Ferro Alloys ...	100	145.00
Hindustan Alumna. ...	10	13.92
(New) ...	5	4.50
Indian Bright Steel ...	100	145.00
Jaipur Metals ...	10	45.00
Jaipur Metals Defd. ...	10	45.00
Khandelwal Ferro ...	50	78.00
Alloys ...	5	22.52
Mukund Iron Defd. ...	10	182.00

ENGINEERING

Asian Cables ...	100	106.00
Bryl Engg ...	80	92.50
Brunton Engg ...	10	10.00*
C. India Machinery ...	100	178.00
Greaves Cotton ...	100	102.00
Hindustan Electric ...	100	5.24
Hindustan Wires ...	100	130.00
Indian Tool ...	100	94.00
Joet's Engineering ...	50	94.00
Jyoti ...	100	186.00
Kamani Engg ...	10	17.32
Kirloskar Brothers ...	25	54.00*
Kirloskar Oil Engines ...	10	19.68
Kirloskar Pneumatic ...	100	185.00
Lakshmiratan Engg. ...	5	3.50
Mahindra & Mahindra ...	10	19.12
Man. Indust. Corpn. ...	100	125.00
McKenzie's ...	100	125.00
Mysore Kirloskar ...	100	155.00
National Electrical ...	50	89.00
New Standard Engg. ...	100	185.00
(New) ...	100	199.00
Paper Mill Plant and ...	100	87.50
Machinery ...	100	171.00
Structural Engg. Old ...	100	560.00
T. Manecklal Manfg. ...	100	39.00
Tractors (India) ...	10	39.00
W. H. Brady ...	150	450.00
Zenith Steel Pipe ...	5	5.52

AUTOMOBILES, CYCLES & ACCESSORIES

Automobile Products ...	10	13.20
(new) ...	50	48.00
Bajaj Auto ...	20	26.25
Bombay Cycle ...	100	95.00
Hind Cycle ...	100	115.00
Pearl Cycle ...	10	24.24
Sen Raleigh ...	10	16.24*
Standard Motor ...	10	17.00
United Motors ...	20	17.00

SHIPPING

Bharat Line ...	10	5.00
Great Eastern New ...	5	8.24
Malabar Steamship ...	10	9.00

NAME	Paid- Quotation upper as on Share. 23-6-61 Rs nP
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DYES, CHEMICALS & PHARMACEUTICALS

Adarsh Chemicals ...	75	102.00
Alembic Chemical ...	100	266.25
Amar Dye Chem. old ...	100	390.00
Amar Dye Chem. new ...	100	392.50
Anuh Pharma ...	5	5.00
Chemo. Pharma ...	25	28.00
Citric India ...	50	52.00
Colour Chem. ...	100	365.00
Dharamsi Chem. ...	50	287.00
Dhrangadhra Chem. ...	100	131.50
new ...	100	111.00
Indian Dyestuff ...	100	530.00
Kemp ...	200	307.50
Poly Chem. ...	50	247.50
Sirdar Carbonic Gas ...	100	421.25
Tata Chemical (new) ...	10	19.12
Ultramarine & Pig-ments ...	50	80.00
Zandu Pharmaceutica ...	100	111.00

SUGAR

Cauvery ...	100	139.00*
Hindusthan ...	100	340.00
Kesar ...	50	200.00
Maharashtra ...	50	184.50
New Swadeshi ...	100	326.00
Oudh ...	100	190.00
Ravalgaon ...	50	68.00
Ravalgaon Defd. ...	50	30.00
Ra'a Buland ...	10	13.40
Kr. Gyanoday ...	10	14.76
South Behar ...	10	1.00*
South Behar Defd. ...	2½	0.25*
Ugar ...	100	140.00*
Vishnu ...	100	235.00*

PLANTATIONS

Blue Mountain ...	2	3.98
Highland ...	10	12.60*
Halleyburia ...	10	16.52
Kalpetta ...	10	12.52*
Midland ...	10	12.32
Nelliampathy ...	2	2.88*
Rajagiri ...	10	21.76*
Twyford ...	10	13.24
Waterfalls ...	2	4.16*

ELECTRICAL GOODS

Bajaj Electricals ...	100	109.00
Bajaj Electricals ...	75	56.00
Bharat Bijlee (new) ...	100	130.00
Estrela Batteries ...	50	64.50
Standard Batteries ...	100	117.00

FOOD PRODUCTS & VEG. OILS

Hindustan Lever ...	100	47.50
Indian Vegetable ...	100	135.50
Sathe Biscuit ...	100	100.00*
Sathe Biscuit ...	50	50.00*
Sundatta Foods ...	50	50.00
W. India Vegetable ...	100	117.00

POTTERIES & TILES

Bombay Potteries	...	100	180.00
Digvijay Tiles	...	100	115.00
Parshuram Pottery	...	25	67.00

will set up a plant near Anand, Gujarat, for the manufacture of sheet and wired glass. It is claimed that the company's project will be the first of its kind in the country to manufacture sheet and wired glass simultaneously. The company will be issuing a capital of Rs 72 lakhs in 72,000 ordinary shares of Rs 100 each. The directors and their friends will take up 27,745 shares and the ICIC will subscribe for 7,000 shares. The balance of the issue amounting to Rs 37.25 lakhs is now offered to the public.

Parrys Confectionery

Parrys Confectionery Limited has decided to issue 5,00,000 ordinary shares of Re 1 each at a premium of Re 1 per share, both to residents and non-residents. Latest date for splitting is 30 June, 1961. Latest date for acceptance, renunciation and registration is 15 July, 1961. Latest date for allotment is 31 July, 1961.

INVESTMENT NOTES TELCO

The Tata Engineering & Locomotive Company, Limited has been granted consent to the issue of 50,000—5 per cent per annum, Debentures of Rs 1,000 each, repayable on six months' notice on or after 1 October, 1970 at the option of the company, but not later than 30 September, 1975. The consent is valid for twelve months. The company will utilise the new issue for financing the schemes of expansion in the existing lines of manufactures.

Premier Fertilizers

At the first annual meeting held recently, the Chairman of Premier Fertilizers indicated that the contract for civil work had been finalised and that the actual execution of work would start in the next few days. It is stated that one shipment consisting of two instalments of machinery due has been despatched from Germany and the same may be received within the next few weeks. The indigenous items ordered are also getting ready. It is anticipated that the target set for commencement of production by next January can be adhered to.

Premier Automobiles

The Premier Automobiles Limited has announced that it has selected a site near Kalyan for its new factory. The construction work will be undertaken soon after the monsoon. With the addition of the Kalyan factory, the total production capacity of the company is expected to be raised to 15,000/20,000 Fiat cars and 15,000/18,000 Dodge and Fargo trucks per year. The new capacity will be almost three times the present annual production of the Kuria plant.

Alcock Ashdown

The Chairman of Alcock, Ashdown & Company, Limited has stated that the company is considering two or three firm proposals for the manufacture of suitable products in colla-

boration with well-known foreign companies. By the end of this year, the company will have concluded agreement for the production of one or more of the proposed items. The production may be undertaken either in Bombay or at Bhavnagar. The overall outlook for the current year is considered to be better than for 1960.

United Dyestuff

Recently, a well-known European company has expressed its desire to make available to the United Dyestuff Industries Limited the technical know-how for the manufacturing range of the company's dyes production and negotiations have been going on sometime. The Gujarat Government has passed orders to hand over the possession of the land to the company at Cambay. It is expected that the necessary formalities will be completed very shortly, so that the company's construction programme may start in the next few weeks. The company has further purchased a Diesel Generating set which will be erected at site as soon as the necessary buildings are ready, so the company's production programme may be implemented as soon as possible.

STOCK EXCHANGES Once Again Subdued

Watch-Dog Writes—

Sentiment in stock markets continues to remain subdued. Lack of any support coupled with renewed offerings has caused a further sharp setback in equity prices during the week under report. The main factor contributing to the sustained weakness of the market is the fear that the Government may announce shortly measures to curb excessive speculation.

Except for one or two scrips which tried to maintain their best levels, interest on the Calcutta Stock Exchange was generally at a low ebb.

On the Bombay Stock Exchange, operators turned cautious due to settlement considerations on Friday.

Due to lack of stimulating news, operators on the Madras Stock Exchange were keeping on the sidelines.

CALCUTTA

Calcutta, Friday Evening.

The week's trading in the local stock market was generally of a dull character. Although the market started on a promising note due to stray rumours that the Government would not bring any measure in the immediate future to check speculative activity, the support was of a halting nature. As the week progressed, there were again talks that the Stock Exchange Committee had been advised to maintain a careful watch on the activities of speculators and impose stricter margins whenever necessary.

With the result, operators turned extremely cautious in extending commitments and indulged in liquidating a part of their holdings, while the continued lack of support was

also there to stand in the way of any recovery in prices. Taking advantage of the situation, bears turned aggressive and hammered down the market. The only relieving feature of trading was, that there were some exceptions to the general trend. Apart from the miscellaneous group of shares which presented a comparatively steady front, even sections like tea and coal had each a handful of shares which emerged steadier ignoring the general dullness of the market.

The Giltedged market was dull with business on a very restricted scale. Demand for short-dated issues was well maintained; but scrip was in short supply and transactions were few. 3 per cent 1986 Conversion Loan, after opening at Rs 71.65, eased off towards the close to Rs 71.40.

Bank shares displayed a steadier tendency. Punjab National were enquired up to Rs 22.75 from Rs 22.62, while United Commercial remained firm at Rs 91.

After a long interval, Jute shares attracted scattered interest. Anglo-India were enquired up to Rs 187 from Rs 185; Howrah up to Rs 20.50 from Rs 20.44 and New Central up to Rs 19.50 from Rs 19.37. Birlap, after being done up to Rs 27.62, eased off at the close to Rs 27.37 due to profit-taking. Ganges were well maintained at Rs 16.69 with Nuddea changing hands at Rs 44 to Rs 44.25 and Nations at Rs 19.50 to Rs 19.62.

Except Burrakur which moved irregularly between Rs 20.19 and Rs 20.37 due to alternate buying and selling. Coal shares were generally well maintained on the view that the representative team of the coal industry, which would shortly be leaving for Washington, might finalise the terms and conditions of the proposed World Bank loan. Bengal had buyers at Rs 385 to Rs 387; Central India at Rs 13.31 to Rs 13.44 and Western Bengal at Rs 9.94 to Rs 10.25.

With the onset of the seasonal slackness in cotton textile trade, Cotton Mill shares met with some profit-taking at the recent high levels. The only firm feature were Kesoram, having sustained support up to Rs 35.12 from Rs 34.75. Jay Shree were at one time marked up to Rs 15.75; Dunbar up to Rs 26.06 and J. K. Rayon up to Rs 19.37, to finish slightly lower at Rs 15.62; Rs 25.75 and Rs 19.06 respectively. Cawnpore were a steady feature at Rs 8.94.

Tea shares turned rather quiet on lack of fresh support. The only exceptional feature were Jay Shree, which met with sustained enquiry up to Rs 23.75 from Rs 23.56. Method were slightly easier at Rs 18.62 against Rs 19.44; Tezpor at Rs 17.94 against Rs 18; Brooke Bond at Rs 16.12 against Rs 16.44 and Bishnauth at Rs 26 against Rs 26.05.

Sugar shares came in for selective enquiry. There was, however, an anxiety to know whether and how the industry would be compensated for export losses. Carew met with good support up to Rs 13.75 from Rs 13.25 and Ramnugger Cane up to Rs 10.12 from Rs 9.87. Raza Buland were, however, on offer at Rs 11.62 against Rs 11.87.

In the week's dealings, speculative issues were the worst affected under

the lead of Indian Irons on rumours that the dividend decision might be delayed as the announcement with regard to the closure of Transfer Books of the company had not been yet made, not to speak of the fact that the technical position of the market was not as healthy as it was a few days ago. After opening steady at Rs 28.22, the scrip was marked down gradually to Rs 27.44, to finish the week at Rs 27.52. TEXMACO touched a low of Rs 19.80 from Rs 20.55; Guest, Keen, Williams Rs 41.12 from Rs 41.37 and Marshalls Rs 1.69 from Rs 4.87, to finish better at Rs 20.10; Rs 41.25 and Rs 4.75 respectively. The only exceptional feature were J. K. Steel, which were keenly sought after up to Rs 35.06 from Rs 30.37 on good corporate rumours.

The Miscellaneous section provided a few firm sops. While certain speculative shares showed a remarkable recovery from the initial setback, reports of floating stocks being in short supply and rumours of the possibility of a bonus issue induced certain other shares to make a sharp spurt. Following were the price trends of a few selected shares:

	As on 23 June	As on 29 June	Rs	Rs	Rs
Orient Paper	35.25	34.20	34.20		
Shree Gopal	26.87	26.00	26.25		
Titaghar	34.12	34.12	34.31		
Rohas	19.81	19.37	19.37		
Dunlop Rubber	50.62	50.37	51.37		
Hindustan Motor	23.12	22.25	22.25		
I. Oxygen	38.25	38.00	38.37		
I. Cable	37.81	37.37	37.62		
I. Aluminium	34.19	33.50	33.62		
I. Steamship	8.75	8.75	8.91		
I. Cooper	5.56	5.56	5.61		
BIC	7.87	7.62	7.62		
Usha Martin	6.31	6.31	6.75		
General Tyres	6.25	6.25	6.25		
Isaac Holdens	16.69	16.37	16.81		

SHAW WALLACE & COMPANY LIMITED

Dividend on Preference Shares

The Directors have declared in accordance with the provisions of the Preference Shares (Regulation of Dividends) Act, 1960 an Interim Dividend of Rs 2.664 per share subject to deduction of Tax under Section 18(3)(D) of the Income Tax, 1922, on the Company's Preference Shares in respect of the year ending 31st December, 1961, payable to Members whose names appear in the Preference Shares Register of the Company on the 15th July, 1961. Warrants will be posted on or after the aforementioned date to the addresses or in accordance with the instructions recorded in the Company's books.

The Transfer Register of the Preference Shares will be closed from the 8th to the 15th July 1961, both days inclusive.

By Order of the Board

D. A. HOUGHTON
Calcutta Director & Secretary.

4 Bankshall Street,
Calcutta 1.
29th June 1961.

Indian Finance

1 July 1961

RESERVE BANK OF INDIA ISSUE DEPARTMENT: (In 000's of Rupees)

	Week Ended	23-6-61	16-6-61	24-6-60
LIABILITIES:				
Notes in Banking Dept.	41,40,54	26,63,13	38,65,35	
Notes in Circulation...	1945,74,67	1968,98,52	1835,98,74	
	1987,15,21	1995,61,65	1874,64,09	
ASSETS:				
A Gold Coin & Bullion:				
(a) In India	117,76,03	117,76,03	117,76,03	
(b) Outside India...	...	...	nil	
Starling Securities	108,00,89	108,00,89	148,00,89	
Total of A	225,76,92	225,76,92	260,76,92	
(B) Rupee Coin	119,47,27	117,94,46	127,47,31	
Rupee Securities	1641,91,02	1651,90,27	1486,39,86	
	1987,15,21	1995,61,65	1874,64,09	

	Week Ended	23-6-61	16-6-61	24-6-60
LIABILITIES:				
Capital Paid-up	5,00,00	5,00,00	5,00,00	
Reserve Fund	80,00,00	80,00,00	80,00,00	
National Agricultural Credit (Long-term Operations) Fund	40,00,00	40,00,00	30,00,00	
National Agricultural Credit (Stabilisation) Fund	5,00,00	5,00,00	4,00,00	
Deposits—				
(a) Central Govt.	82,05,45	80,72,84	62,41,17	
(b) Other Govt.	14,63,17	5,44,28	18,36,34	
(c) Banks	89,36,64	86,35,99	114,67,46	
(d) Others	128,49,48	126,58,65	90,92,47	
Bills Payable	37,32,34	32,98,32	20,42,37	
Other Liabilities	62,10,68	62,75,80	61,34,97	
	584,97,61	524,74,98	487,12,78	

	Week Ended	23-6-61	16-6-61	24-6-60
ASSETS:				
Notes	41,40,54	26,63,13	38,65,35	
Rupee Coin	2,11	1,45	1,49	
Subsidiary Coin	1,83	2,70	4,49	
Bills Discounted:				
Internal	...	...	nil	
External	...	...	nil	
Govt. Treasury Bills	41,01,28	44,57,69	20,68,57	
Balances held abroad*	12,65,23	15,78,25	14,47,04	
Loans & adv. to Govt.*	77,42,91	83,01,66	43,62,24	
Other Loans & Adv.*	115,71,30	118,24,40	121,56,10	
Investments	223,08,63	214,65,74	230,58,53	
Other Assets	23,63,78	21,79,96	17,53,97	
	534,97,61	524,74,98	487,12,78	

(1) The item 'Other Loans and Advances' included Rs. 8,48,00,000 advanced to scheduled banks against usance bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA (In 000's of Rupees)

	Week Ended	17-6-60	9-6-61	16-6-61
Demand Liabilities in India				
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	14,81,34	25,82,43	31,55,28	
(ii) Other demand liabilities	781,01,78	797,05,29	803,59,53	
Time Liabilities in India				
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	24,05,82	14,50,15	17,41,38	
(ii) Other time liabilities...	1175,67,41	1113,15,93	1096,69,33	
Borrowings in India from the State Bank and/or a notified Bank				
(i) Demand Liabilities	11,51,82	7,60,53	6,35,65	
(ii) Time Liabilities	1,77,89	4,45,00	4,40,00	
Borrowings in India from the R. B. I.				
Cash in India	43,08,52	21,35,20	19,82,10	
Balance with the Reserve Bank of India	46,99,05	46,37,48	47,14,00	
Balances with other banks in current account in India	104,32,71	76,76,07	81,63,74	
Money at call and short notice in India	14,82,47	15,09,14	14,41,03	
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	38,16,54	45,98,66	49,86,58	
Advances in India	740,42,86	537,11,21	528,90,71	
Inland Bills Purchased and Discounted in India	980,32,98	1102,88,01	1103,11,11	
Foreign Bills Purchased and Discounted in India	109,76,55	140,85,59	136,33,51	
	44,09,45	44,74,99	44,84,71	

*Figures are provisional since complete returns have not been received from Banks.
A—Including borrowings from R.B.I. also.

STATE BANK OF INDIA (In 000's of Rupees)

	Week Ended	23-6-61	16-6-61	17-6-60
LIABILITIES:				
Capital Paid-up	5,62,50	5,62,50	5,62,50	
Reserve Funds	7,45,00	7,45,00	7,20,00	
Deposits and other Accounts	522,27,22	520,17,45	632,10,99	
Borrowings from other Banks, Agents, etc.	17,00	17,00	11	
Bills Payable	10,92,76	11,19,14	10,25,84	
Bills for Collection as per contra	2,54,01	2,56,73	1,44,02	
Acceptances etc. for constituents as per contra	1,09,33	1,05,41	2,19,39	
Other Liabilities Including Inter-office Adjustments	8,97,33	8,67,29	7,04,59	
Total	559,05,15	556,90,52	665,87,34	

	Week Ended	23-6-61	16-6-61	17-6-60
ASSETS:				
Cash in hand and with R. B. I.	19,63,84	29,28,97	30,89,57	
Balances with other Banks	3,16,86	3,17,89	3,47,87	
Money at call and short notice	3,93,33	4,66,67	1,53,38	
Government and other Trustee Securities	219,61,16	202,62,24	379,11,51	
Other Authorised Investments	9,30,30	9,29,54	9,82,01	
Loans Advances cash credits & Over Drafts	248,31,38	252,61,89	205,77,42	
Bills Discounted and Purchased	14,17,08	14,52,93	12,94,01	
Bills for collection as per contra	2,54,01	2,56,73	1,44,02	
Constituents' Liabilities, etc., as per contra	1,09,33	1,05,41	2,19,39	
Dead Stock	3,19,51	3,18,97	2,50,07	
Other Assets	34,08,35	33,89,30	16,18,24	
Total	559,05,15	556,90,52	665,87,34	

CLEARING HOUSE RETURNS

Clearing House	No.	Amount	
		Rs.	nP.
Madras	104316	12,61,93,122	00
Delhi	49239	11,62,48,330	41
Kanpur	13359	5,13,75,102	00
Bombay	383348	92,92,36,000	00

BANK OF ENGLAND (In Million £)

	Week ended,	31-5-61	24-5-61	1-6-60
Notes in Circulation	2,301.1	2,399.6	2,197.8	
Notes in Banking Department	24.2	25.7	52.6	
Govt. debt and securities	3,232.5	3,232.5	2,347.3	
Other securities	0.8	0.8	0.7	
Gold Coin and Bullion	0.4	0.4	0.4	

BANKING DEPARTMENT:

	Week ended,	31-5-61	24-5-61	1-6-60
DEPOSITS:				
Public Accounts	153.9	153.9	32.5	
Treasury Special Account	266.5	257.6	271.2	
Bankers	77.9	77.4	64.5	
Other	509.6	501.3	379.0	
SECURITIES:				
Government	437.5	427.8	286.6	
Discount and Advances	47.0	46.7	38.5	
Other	17.9	18.2	18.5	
Banking Department reserves	503.4	492.8	343.6	
"Proportion" %	4.9	5.3	74.0	

Government debt is £11,015,100, Capital £14,553,000
Fiduciary issue increased by £25 million to £2,325 million
on April 12, 1961.

STATE BANK OF PAKISTAN ISSUE DEPARTMENT: (In 000's of Rupees)

(In 000's of Rupees).				
	Week Ended			
	16-6-61	9-6-61	17-6-60	
LIABILITIES:				
Notes in Banking Dept. .	12,02,09	12,18,29	16,56,52	
Notes in circulation ...	364,42,82	368,91,82	361,06,03	
	376,44,91	381,10,11	377,62,55	
ASSETS:				
(A) Gold Coin & Bullion	24,93,90	24,93,90	24,66,79	
Approved Foreign Exchange	81,15,52	81,15,52	70,99,94	
India Notes receivable from Reserve Bank ...	43,01,64	43,01,64	43,01,61	
(B) Rupee Coin ...	3,24,56	2,89,76	3,69,34	
Govt. of Pak. Securities Held with Reserve Bank of India pending transfer	218,19,23	223,19,23	229,34,81	
Gold coin & Bullion ...	19,02	19,02	19,02	
Sterling Securities ...	4,40,63	4,40,63	4,40,63	
Govt. of India Securities	1,00,90	1,00,90	1,00,90	
Rupee coin ...	29,51	29,51	29,51	
Total ...	376,44,91	381,10,11	377,63,55	

DESIGN... for finest performance

Of all aspects of industrial endeavour the most intriguing is thermo-dynamics, for it is this medium that provides industry with its greatest power—steam. Therefore, wherever high pressure steam-raising plant is used, there is a story...a story of experience, analysis and design.

Varying Conditions

Wherever new steam-raising plant is to be installed, either for generating power or in industry, it is essential that skilled investigation and analysis be carried out to ensure that the plant is tailor-made to give optimum performance under varying local conditions and requirements.

Fuel

Having established the purpose for which the steam power created will be required, it is necessary for the design engineer to identify the type of fuel to be used, either oil, gas or coal. Coal is by far the most widely used fuel, but its thermal content varies and it is therefore necessary to make an analysis to establish the percentage of principal heat-producing elements present. The thermal content of fuel has an important bearing on the designing of the kind of plant to be installed. Generally, low-grade coal is used with anything up to 50% ash content. It should be remembered that steam must be raised as economically as possible.

Waste fuel

Particular attention has to be given to industries that wish to use waste material as fuel. For instance, the sugar industry absorbs vast quantities

of waste material in the form of bagasse for fuel; again in the pulp and paper industry it is now the practice to combine the processes of chemical recovery and steam raising by burning the 'black liquor' from the digestors in a special type of boiler unit. Of course, these industries cannot keep their steam-raising plant functioning entirely on waste materials. So, in their designing and planning, the technicians and design engineers must allow for varying fuels to be used and at the same time achieve optimum performance.

Powerful Ally

The new and powerful industrial group of ACC-Vickers-Babcock Ltd., with its vast resources of technical knowledge and the rich, wide experience of its partners, will undoubtedly prove a powerful ally in achieving the high target set by the government for the installation of boiler and thermal power plant during the third Five-Year Plan. AVB will be able to draw on the finest engineering minds to study, design and draw up plans that will tailor-make not only vital steam-raising plant but also heavy mining and cement-making machinery which will help meet the exigencies of industrial expansion and, in addition, ultimately contribute towards the earning of foreign exchange through export.

The AVB industrial plant at Durgapur is in the final stages of erection. Here, in Durgapur, all the advanced technical knowledge of AVB will be utilised to the fullest extent to ensure that each project is designed for the finest possible performance.



...a Powerful Partnership for Progress

ACC-VICKERS-BABCOCK LTD.

16, Queen's Road Estate, Bombay 1

(Calcutta Office: Ilaco House, 1 & 3 Brabourne Road, Calcutta 1)

Works: Durgapur, West Bengal

TRADING on the stock markets during June was on a mixed pattern, showing most equities in the first half in a steady course and the second half in an easier trend. The reactionary trend became well pronounced in the last week of the month with pivotal shares all along the list recording substantial losses from earlier levels. The main reason for the selling pressure especially in the more speculative counters noticeable toward the end of the month appeared to be the growing apprehension that Government was contemplating the imposition of more curb measures with a view to eradicating what it suspected to be unbridled speculation. The fact that a branch office of the Stock Exchange Division, Ministry of Finance, Government of India, had been opened at Calcutta was evidently responsible for the renewed fears about further curb measures. Bears were not slow in exploiting the situation by circulating all kinds of conjectures about the significance of the opening of a branch office of the Stock Exchange Division. The office will be concerned with the administration of the Securities Contracts (Regulation) Act, 1956, mainly in so far as it relates to Calcutta and Madras. But the bears had their own interpretations and it would appear that their tactics were quite successful. One of the rumours that was circulating in the market soon after the opening of the Branch office of the Stock Exchange Division in Calcutta was that already the stock exchange association had been asked to keep a close watch on the trend of prices. From the lack of interest on the part of buyers and the retreat of many a prominent counter during the last two or three days of the month, it is to be inferred that the belief was widely shared that in future the fact that a supervisory authority would be functioning close at hand would not be quite conducive to aggressive buying support.

The fear of tighter Government control on the stock market has been not a little aggravated by the behaviour of Dalal Street where the last week of the month witnessed some nervous selling. Unlike the Calcutta Stock Exchange, its counterpart in Bombay was troubled for some time by the margin system. Persistent demand for reducing its rigours had led to a reference being made of the matter to a sub-committee of the Stock Exchange Association appointed for the purpose. Speculation over the outcome of the committee's labours held sway over the market for some time and when it was known that its recommendations had been considered by the Association, market-men were alternatively optimistic and pessimistic according as whe-

After Steady Start Equities Turn Subdued in June

ther the reaction of the Stock Exchange Association was said to be in favour of reducing the margin or otherwise. Finally, early in the last week it was confirmed that the decision was in favour of a status quo. That brought some

was that although the authorities had not opposed the decision of the Stock Exchange Association, they were by no means convinced that speculation has been rooted out. They were therefore seriously considering the imposition of fur-

PRICE TRENDS DURING JUNE, 1961.

	Opening	Highest	Lowest	Closing
	Rs.	Rs.	Rs.	Rs.
FORWARD LIST:				
Burrakur Coal	20.87	20.97	20.00	20.00
Howrah Jute	20.75	21.00	20.37	20.50
Indian Iron	28.05	28.62	27.44	27.52
TEXMACO	20.25	20.85	19.90	20.10
Orient Paper	36.50	36.75	34.20	34.20
Shree Gopal	26.50	26.87	26.00	26.25
Indian Cable	36.50	38.12	36.44	37.62
Indian Aluminium	32.50	34.37	32.50	33.62
Indian Copper	5.51	5.69	5.43	5.61
Hindustan Motor	22.06	23.62	22.06	22.25
Rohas	20.25	20.37	19.37	19.37
Dunlop Rubber	50.12	51.75	49.81	51.37
GILTEDGED:				
3% 1986 Conversion	72.85	72.90	71.40	71.95
BANKS:				
Punjab National	21.87	22.75	21.87	22.62
United Commercial	89.50	91.00	89.50	91.00
TEXTILES:				
Cawnpore	8.87	9.12	8.44	8.94
Elgins	20.00	20.56	19.69	20.31
Kesoram	34.00	35.62	34.00	35.06
J. K. Rayon	20.00	20.75	19.06	19.12
		c.d.	x.d.	x.d.
JUTES:				
Anglo-India	180.00	187.00	179.00	187.00
Birlas	27.50	29.00	27.00	27.19
New Central	20.12	20.19	19.31	19.37
COALS:				
Bengal	315.00	395.00	384.00	386.00
TEAS:				
Brooke Bond	16.50	16.69	16.12	16.12
Hantapara	143.00	143.00	136.00	141.00
Hasimara	27.81	27.87	26.62	26.62
Jay Shree	21.14	23.75	22.69	23.62
Tezpor	16.62	18.25	16.62	17.94
SUGARS:				
Carew	12.56	13.75	12.50	13.50
Cawnpore	12.56	12.56	12.56	12.56
Champarun	16.31	16.31	16.31	16.31
Dyer Meakin	31.87	35.00	31.87	33.75
ENGINEERINGS:				
G. K. Williams	42.00	42.56	41.12	41.25
Jessop	21.37	21.44	20.19	20.44
MISCELLANEOUS:				
Associated Battery	34.50	34.50	33.75	33.94
Alkali Chemical	37.00	37.50	36.44	37.12
Indian Oxygen	36.50	38.81	36.50	38.81
India Steamship	8.62	9.06	8.00	8.91
Phillips Carbon	20.00	20.37	20.00	20.37
NICCO	37.50	38.50	37.50	38.50
Sirpur Paper	16.37	16.37	15.37	15.37
Titagur Paper	33.12	34.75	33.12	34.31
Union Carbide	56.00	57.50	56.00	57.50
British Paints	24.69	26.94	24.25	26.94

cheer to the market as most operators expected something worse on the report that the Stock Exchange Division would not have any relaxation and was asking for more restrictions. The prevailing rumour at the end of the month

ther curb measures and rumour had it that an announcement detailing further restrictive steps was imminent. With Dalal Street almost jittery, it was only to be expected that Lyons Range too would be subdued, if not easy.

The steady trend that characterised trading during the first half of the month stemmed from a number of quite favourable developments, developments which dispelled some of the uncertainties that were facing the massive planning effort that has been formulated in the Third Plan. Perhaps the major bullish impetus came from the firm commitment of the Aid India Club of a substantial amount of foreign aid for the first two years of the Plan. Loan assistance to the tune of \$2,225 million has been promised with the indication that at the appropriate stage the Club will authorise the grant of further loans for the rest of the Plan period. With the uncertainty as regards this important aspect of the Plan resolved, it was not surprising that operators were encouraged to take an optimistic view of the investment situation in the country. In the meantime, corporate news continued to be good and consequently demand outstripped supply in a number of scrip. The speculative counters became active under the leadership of the steel shares which gained special importance following rumours of an early announcement of the increased retention price as well as a likely increase in the dividend distribution to the shareholders.

Sectionwise, steel shares were quite prominent in the first half of the month deriving strength from their leader, Indian Irons which was pushed up by speculative interest on favourable news. Toward the close of the month, Indian Irons suffered a setback on fears of further Government control on speculation in the stock markets.

Although a few selected shares appeared to attract attention in later dealings, jute shares were generally subdued. The lack of interest in the section was presumably due to the belief that with raw jute continuing to be in shortage and the prospect of a further block closure of mills in August in addition to the two periods of closure already agreed upon, the jute mill industry would be hard pressed.

Coal shares were selectively better almost throughout the period under review following encouraging indications about the availability of foreign aid for the expansion of the private sector collieries. Later in the month, it was confirmed that aid would be forthcoming in sufficient measure.

The trend of trading in tea shares, alternatively steady and quiet, reflected the rather obscure outlook for tea exports. Although it was expected that demand in the next few months would be satisfactory, the overall position was not considered to be encouraging.

NAME	Managing Agents, Agents/Secretaries	Loans		Purchases Rs. 000	Sales Rs. 000	Stock Rs.	Managing Agents Commission and allowances Rs. 000	Year ended Rs. 000	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	DIVIDEND %		
		Hessian	Sacking								Latest	First previous	Second previous
Agarpara ...	B. N. Elias & Co. ... 7% C. P. ... 54% Deb. ...	554	325	12,499	20,621	3,785	181	3-60	2,37	(a) 3,653	10 7	5 7	2 7
Alexandra ...	McLeod & Co. Ltd. ... 7% C. P. ... 54% Deb. ...	296	150	905	15,497	3,413	69	12-59	863	627	15 7	10 7	10 7
Alliance ...	McLeod & Co. Ltd. ... 6% C. P. ...	797	467	13,454	22,998	2,397	77	5-60	1,245	(a) 1,134	6 6	nil	nil
Anglo India ...	Duncan Bros. & Co. ... 7% C. P. ...	1,589	972	26,056	64,469	14,298	418	3-60	5,644	(a23) 4,364	28 7	12 7	10 7
Auckland ...	Bird & Co. Private Ltd. ... 54% C.P. ... 44% R. C. P. ... 4% Deb. ...	450	360	13,051	24,930	6,859	362	3-60	3,629	2,232	27 7	20 5	5 5
Bally ...	Birla Bros Private Ltd. ... 7% C. P. ...	659	300	10,309	19,771	715	212	3-60	2,550	1,706	25 7	10 7	6 7
Barnagore & ...	Jardine Henderson ... 5% C. P. ...	1,200	690	...	...	...	...	3-60	309	341	30 7	10 7	5 7
Belvedere ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	601	219	5,938	12,406	687	106	12-59	1,3 7	(i) 835	13 7	7 7	2 7
Bengal Jute ...	Seorajmull Nagarmull ... 54% R. C. P. ... 54% Debentures ... 44% Debentures ...	350	250	14,463	25,843	1,985	62	6-60	872	691	5 7	5 7	5 7
Bharat ...	Das Group, Private ... 74% C. P. T. ... 54% R. C. P. ...	982	391	25,860	58,965	2,149	682	3-60	10,550	7,436	15 7	10 7	7 7
Budge Budge ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	552	439	8,448	16,284	1,213	131	10-59	1,528	565	15 7	5 7	7 7
Caledonian ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	371	245	4,638	9,506	622	68	11-59	975	841	12 7	15 7	nil 7
Champdany ...	James Finlay & Co. Ltd. ... 7% C. P. ...	761	639	20,752	32,005	5,170	50	3-61	229	97	7 7	10 7	7 7
Cheviot ...	Andrew Yule & Co. Ltd. ... 7% C. P. ... 5% Deb. ...	480	50	4,326	8,495	490	50	11-59	565	312	12 7	5 7	7 7
Chitavalsah ...	McLeod & Co. Ltd. ... 7% C. P. ... 5% Deb. ...	124	376	8,359	13,988	4,765	45	7-60	971	1,643	5 7	15 7	12 7
Clive ...	Directors ... 6% C. P. ... 7% C. P. ...	546	423	7,665	12,822	3,825	...	3-60	802	247	nil 6	nil 6	nil 6
Dalhousie ...	Bird & Co. Private Ltd. ... 7% C. P. ... 54% Debentures ...	496	270	9,202	16,845	3,645	150	3-60	(f) 1,713	1,381	1 7	nil 7	nil 7
Delta ...	Andrew Yule & Co. Ltd. ... 5% C. P. ...	458	321	9,143	14,362	1,225	35	11-60	526	761	7 7	14 7	6 5
Empire ...	McLeod & Co. Ltd. ... 7% C. P. ... 5% Deb. ...	295	285	6,496	12,114	2,578	108	7-60	1,250	1,043	12 7	12 7	10 7
Fort Gloster ...	Kettlewell Bullen & Co. ... Ordinary Rt ... 7% C. P. ... 5% 2nd C. P. ... 54% Debentures ...	1,898	786	24,340	38,473	13,947	297	3-60	4,047	(a) 3,328	25 7	20 7	20 7
Fort William ...	Bangor Brothers Ltd. ... 7% C. P. ...	633	381	12,419	19,784	5,247	192	3-60	2,891	1,148	22 7	15 7	15 7
Ganges ...	Directors ... 8% C. P. ...	1,001	708	18,654	32,800	1,391	...	3-60	2,878	894	10 7	nil 8	nil 8
General Indusl Society ...	Directors ...	409	198	14,065	20,771	3,819	...	12-59	1,463	1,263	40 7	20 7	20 7
Gonrepore ...	Macneill & Barry ... 6% C. P. ...	962	432	22,905	36,318	13,185	385	3-60	(c) 4,852	2,667	30 7	25 6	20 6
Hastings ...	Bangor Bros. Ltd ... 6% C. P. ...	661	417	15,093	26,945	6,711	187	3-60	3,098	2,487	6 7	6 6	5 6
Hooghly ...	Directors ... 10% Pref. (i) ...	466	254	14,904	20,136	3,323	...	3-60	1,150	1,127	10 7	6 6	6 6
Hovrah ...	Jardine Henderson Ltd. ... 7% C. P. ... 7% 'A' C. P. ... 54% Debentures ...	1,234	706	16,040	33,989	5,703	188	3-68	2,562	2,977	12 7	10 7	10 7
Hukumbhand ...	Ramchand Ramchand ... 7% C. P. ...	1,519	753	29,673	44,668	12,988	374	3-60	5,627	3,978	28 7	20 7	20 7
India ...	Directors ...	522	554	13,566	23,720	672	...	3-60	3,645	2,681	14 7	9,92	12 7
Kamarhaty ...	Jardine Henderson Ltd. ... B. Ord. ... 6% C. P. ... 54% Debentures ...	1,250	547	29,211	40,973	7,253	50	12-60	131	2,833	5 7	20 7	5 6

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Deprecia- tion	LIQUID ASSETS				
	June 1961 Rs. np.	June 1960 Rs. np.			General	Others	Carry forward				Invest- ments	Stocks and Stores	Out- standings	Cash Balances	Others
	Ra. np.	Ra. np.	Ra.	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Agarpara ...	10 31	12 19	10	6,000	4,922	1,510	36	8,532	14,743	5,082	428	10,154	2,443	479	44
7% Cum. preference ...	89 00	89 50	100	1,000											
54% Debentures ...	...	...	1000	1,200											
Alexandra ...	201 00	153 00	100	600	450	926	171	4,757	7,666	4,626	70	4,259	817	248	...
7% Cum. preference ...	82 00	90 00	100	900											
54% Debentures ...	...	...	500	600											
Alliance ...	92 00	118 00	100	3,000	...	544	117	7,787	14,102	10,160	210	7,417	923	456	...
6% Cum. preference ...	66 00	65 00	100	1,500											
Anglo India ...	187 00	208 00	100	4,921	5,000	3,541	226	16,614	26,391	17,474	4,141	14,986	5,840	418	...
7% Cum. preference ...	93 00	95 00	100	4,000											
Auckland ...	158 00	142 00	100	4,000	1,240	943	34	6,313	13,606	7,650	352	7,850	2,208	92	72
54% Cum. preference ...	71 25	70 00	100	1,000											
44% R. Cum. preference ...	58 50	60 60	100	1,500											
4% Debentures ...	...	...	1000	1,500											
Bally ...	230 00	232 00	100	2,000	2,000	1,454	28	6,510	14,613	7,761	644	4,796	1,161	540	...
7% Cum. preference ...	93 25	98 00	100	2,000											
Barnagore & ...	126 00	129 00	25	275	365	439	92	265	1,614	1,065	17	544	276	249	...
5% Cum. preference ...	38 00	38 00	25	200											
Belvedere ...	155 00	150 00	100	2,800	1,399	1,672	49	1,713	9,802	5,664	87	3,386	714	13	...
7% Cum. preference ...	90 00	97 00	100	700											
Bengal ...	10 50	11 05	10	4,500	1,375	1,317	133	14,630	7,048	4,086	6	4,845	16,268	888	7
54% R. C. P. ...	53 00	63 50	100	1,000											
54% Debentures ...	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
44% Debentures ...	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Bharat Jute ...	6 12 N	6 12	25	1,500	255	14	3,624	4,185	1,323	303	...	573	596	112	17
Birla ...	27 19	30 58	10	9,126	5,500	23,172	93	24,819	73,486	22,636	7,842	9,853	4,827	352	...
74% C. P. T. ...	90 00	92 87	100	2,364											
51% R. C. P. ...	91 00	90 25	100	10,000			...								
Budge Budge ...	118 00	138 00	100	3,600	1,521	816	62	2,929	11,981	7,285	104	3,761	1,252	14	...
7% Cum. Preference ...	81 93	100 00	100	900											
Caledonian ...	138 00xd	158 00	100	1,800	2,444	307	30	873	8,460	4,912	70	2,390	434	12	...
7% Cum. preference ...	80 00	83 50	100	1,000											
Champdany ...	112 00xd	116 00	100	5,916	...	8,228	137	5,575	22,029	12,166	205	6,108	3,145	57	479
Cheviot ...	16 75	...	10	1,595	1,451	865	20	698	8,623	5,963	90	2,283	483	117	...
7% Cum. preference ...	95 49	97 50	100	1,000											
Chitavalah ...	11 31	14 31	10	5,015	3,200	754	39	2,429	12,098	6,667	795	5,806	7,498	213	2,392
7% Cum. preference ...	77 90xd	82 00	100	500											
5% Debenture ...	...	...	500	1,069			309	3,296	8,212	6,831	8	4,401	2,058	38	...
Clive ...	9 00	12 19	10	2,400	...	900									
6% Cum. preference ...	52 00	68 00	100	800											
7% Cum. preference ...	60 00	84 00	100	800											
Dalhousie ...	121 00	130 00	100	3,149	798	507	18	3,244	10,695	6,482	477	4,540	1,645	64	152
7% Cum. preference ...	82 00	91 00	100	1,500											
54% Debentures ...	...	...	1,000	1,873	...	...	...	...	...	...	...	...	...	...	...
Delta ...	160 00	139 00xd	100	2,800	1,638	2,547	16	1,700	9,799	5,128	90	4,088	205	8	129
5% Cum. preference ...	57 85	64 35xd	180	500											
Empire ...	16 80	16 31	10	1,500	2,550	4,120	70	1,955	11,403	7,473	937	3,488	2,208	129	...
7% Cum. preference ...	50 50	76 00	100	1,000											
5% Debentures ...	...	...	500	886											
Fort Gloster ...	290 00	393 00	100	2,100	5,637	2,728	72	20,941	34,170	16,904	209	15,598	3,411	595	102
Ordinary Rt ...	...	270 00	50	2,100	...										
7% Cum. preference ...	98 00	114 00	100	1,400											
5% Cum. preference ...	64 00 N	71 00	100	700											
54% Debenture ...	...	...	100	1,502											
Fort William ...	25 00	24 50	10	2,100	1,900	82	195	7,853	13,223	7,618	127	5,927	1,335	136	...
7% Cum. preference ...	92 00	111 50	100	1,000											
Ganges ...	10 69	11 69	10	8,432	500	17	56	12,294	22,467	14,800	23	11,202	2,659	348	...
8% Cum. preference ...	102 00	93 00xd	100	600											
General Indusl Society ...	40 00	29 00	10	1,080	2,550	868	53	5,855	9,432	4,817	78	4,418	1,106	191	...
Gowapore ...	372 00	380 00	100	2,400	4,850	1,505	64	18,437	25,558	17,212	4,414	14,651	2,281	209	...
6% Cum. preference ...	80 00	79 50	100	2,650											
Hastings ...	119 00	125 00	100	4,000	3,305	4,739	286	7,169	13,364	7,647	4,635	7,725	3,683	239	...
6% Cum. preference ...	82 00	89 00	100	2,500											
Hoghy ...	19 25	15 06	10	1,680	650	1,876	38	3,756	8,349	5,508	1,201	3,928	1,140	65	...
10% Preference [N]	10 12	10 50	10	1,176											
Hawrah ...	20 50	22 50	10	6,562	3,750	245	72	4,656	22,483	13,585	466	8,071	1,806	358	1,311
7% Cum. preference ...	90 00	104 00	100	875											
7% 'A' C. P. ...	93 00	93 50	100	1,750	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	...	...	...	3,000											
Hukumchand ...	19 50	21 50	74	5,250	2,800	1,010	163	20,755	31,843	17,768	1,460	13,776	3,979	687	...
7% Cum. preference ...	91 50	99 08	100	4,000											
India ...	15 75	14 56	124	8,790	...	2,1794	494	7,788	17,480	10,024	3,833	4,201	4,059	142	...
Kamarhaty ...	132 00	150 00	100	2,400	1,550	1,170	...	12,609	20,049	14,058	853	9,363	2,374	644	2,566
B. Ordinary ...	129 00	138 00	100	1,920											
6% Cum. preference ...	67 50	86 00	100	1,600											
54% Debentures ...	...	...	...	1,304	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents. Agents/Secretaries	Loans		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents' Commission Rs. 000	Year ended	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	Dividend %		
		Hessian	Sacking								Latest	First previous	Second previous
Kankarrah...	Jardine Henderson Ltd. ... 6% Ord. ... 4% C. P. ... 5½% Debentures ...	1,239	288	24,305	36,658	5,486	50	12-60	-75	-1,833	Nil Nil Nil ...	nil nil nil ...	nil nil nil ...
Kelvin ...	McLeod & Co. Ltd. ... 7% C. P. ...	394	309	8,773	18,063	3,772	164	6-60	1,800	1,683	15 7	14 7	12½ 7
Khardah ...	Anderson Wright Ltd. ... 6% C. P. ...	914	616	19,675	34,305	9,839	265	3-60	3,041	(p)2,495	20 6	20 6	8 6
Kinnison ...	F. W. Heilgers & Co. Pri. ... 7% C. P. ... 5% Debentures ...	672	578	20,483	35,465	9,696	333	3-60	3,470	1,978	20 7	10 7	5 7
Lansdowne ...	Bird & Co. Private ... 7% C. P. ...	579	352	10,977	19,624	5,023	74	3-60	1,161	749	nil nil 15	nil nil T	nil nil 7
Lawrence ...	Bird & Co. Private ... 7% C. P. ... 5½% 'B' C. P. ...	484	356	2,292	4,545	45	40	3-60	1,174	1,793	10 10 7	2 7	nil 7 5½
Mahabir ...	Agrawal Brothers & Co. ...	28	123	2,873	5,166	1,384	30	9-59	252	118	6	nil	nil
Maheswari Devi ...	Directors ...	...	...	1,544	3,223	613	...	9-59	212	-256	nil	nil	nil
Magna ...	Directors ...	612	396	18,494	36,303	2,510	...	3-60	2,774	2,942	12	10	17½
Naibati ...	Directors ... 7% C. P. ... 4½% R. C. P. ... 5½% Debentures ...	493	322	7,332	15,204	3,789	...	3-60	1,130	(i) 732	Nil Nil Nil	nil nil nil	nil nil nil
Nasharpara ...	Howrah Trading Co. Private ... 5½% Debentures ...	333	92	4,675	8,654	276	43	10-59	516	272	3½	2½	2½
National ...	Directors ... 7% C. P. ...	573	279	8,121	12,256	1,160	...	10-59	1,759	(b)846	10 7	7½ 7	7½ 7
Nellimarla ...	McLeod & Co. Ltd. ... 6% C. P. ... 4½% Deb. ...	100	216	7,619	11,731	4,218	...	7-60	(v) 859	(m) 2,743	3 6	14 6	10 6
New Central ...	Sahu Jain Ltd. ... 7% C. P. ...	10,39	7,26	44,963	66,363	6,829	313	3-60	(h)10,399	(a)4,268	15 7	15 7	15 7
Northbrook ...	Bird & Co. Private Ltd. ... 5½% C. P. ... 4% Deb. ...	214	353	11,575	20,286	5,753	296	3-60	(n)3,418	1,504	30 7,867	12½ 5½	5½ 5½
Nuddes ...	Macneill & Barry ...	644	448	15,329	25,120	7,611	205	3-60	2,412	1,707	8	6	5
Orient ...	Andrew Yule & Co ...	551	50	4,270	8,639	618	50	11-59	689	209	12	2½	nil
Premchand ...	R. J. Roy Bros. Private Ltd. ...	364	240	285	1,782	...	25	4-59	—(u)339	-604	Nil	Nil	Nil
Presidency ...	McLeod & Co. Ltd. ...	238	162	6,249	10,442	2,542	50	7-60	720	(a)1,162	8	10	6½
Rameshwara ...	Hindustan Invest Corpry ... 6% C. P. ...	...	305	5,229	10,141	2,057	60	3-60	627	795	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
Reliance ...	Jardine Henderson ... 7% C. P. ... 5% Deb. ...	924	352	...	2,391	...	50	3-60	846	758	Nil Nil Nil	nil nil nil	Nil Nil nil
Shree Ambica ...	Bageria More ... 7½% C.P. ...	703	208	15,080	24,947	3,589	89	3-59	1,110	1,024	6 7½	5 7½	5 7½
Soorah ...	Hind Inv. Corpn. ... 7% C. P. ...	201	200	4,820	9,896	391	110	12-59	1,265	1,039	25 7	15 7	15 7
Union ...	Bird & Co. Private Ltd. ... 7% C. P. ... 4½% Deb. ...	758	568	9,828	19,229	3,889	252	3-60	2,586	2,412	20 7	20 7	15 7
Waverley ...	McLeod & Co. Ltd. ... 5% C. P. P. ... 3½% Debenture ...	306	199	...	1,007	...	56	5-60	607	423	25 10	25 10	nil 5

(a) After transferring Rs 275,000 from General Reserve.

(g) After transferring Rs 550,000 from General Reserve.

(q) Includes Rs 971,800 being Refund of Contribution to Pension Fund and interest and Rs 93,317 being refund of I.T. and B.P.T.

(b) After transferring Rs Rs 125,000 from Dividend Equalisation Reserve and Rs 30,311 from Capital Reserve.

(h) After transferring Rs 2,865,218 from General Reserve No. 1.

(s) After transferring Rs 7,00,000 from Reserve No. 1.

(c) After transferring Rs 72,950 from Development Rebate Reserve.

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

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

(d) After transferring Rs 200,000 from Stores and Spare Parts Reserve and Rs 100,000 from Debenture Redemption Reserve.

(m) After writing back Rs 85,000 from Development Rebate Reserve; and after transferring Rs 9,75,000 from Machinery Renewal Reserve.

(u) After writing back Rs 1,00,000 from provision against jute stocks and jute contracted for.

(n) After transferring Rs 500,000 from Taxation Contingencies Reserve.

(v) After transferring Rs 1,00,000 from General Reserve.

(f) After transferring Rs 45,000 from General Reserve and writing back Rs 104,280 being excess provision for depreciation.

(p) After transferring Rs 5,33,375 from General Reserve.

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserve & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Rs. 000	Gross Block	Deprecia- tion	LIQUID ASSETS				
	June 1961 Rs. np.	June 1960 Rs. np.			General Rs. 000	Others Rs. 000	Carry forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Balance Rs. 000	Others Rs. 000
Kankarrah ...	69 00	82 00	100	3,000	...	...	-1,478	9,629	17,803	11,938	203	7,184	1,924	281	1,749
B. Ordinary ...	61 00	81 00	100	2,400	...	...	...	...	...	...	...	...	...	...	...
6½% Cum. preference ...	91 00	96 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P. ...	...	...	100	423	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures ...	...	...	100	1,269	...	...	...	...	...	...	...	...	...	...	...
Kelvin ...	138 00	160 00	100	2,800	4,700	506	121	3,806	15,165	10,330	849	4,676	1,914	617	...
7% Cum. preference ...	92 08	89 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Khardah ...	17 19	19 81	10	5,400	1,900	476	74	14,754	21,695	13,239	493	11,438	2,960	156	...
6% C. P. ...	79 00	85 00	100	908	...	...	...	...	...	...	...	...	...	...	...
Kinnison ...	156 00	160 00	100	5,980	2,807	1,423	88	11,265	19,943	12,498	2,360	11,447	3,582	140	...
7% Cum. preference ...	90 00	86 50	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
Lansdowne ...	117 00	137 00	100	2,448	1,036	2,241	-202	7,525	10,687	6,713	354	6,211	1,922	79	9
7% C. Preference ...	90 25	104 50	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Lawrence ...	168 00	136 00	100	2,800	308	801	10	984	6,985	4,103	414	804	542	1,842	...
7% Cum. preference ...	93 00	88 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5½% 'B' cum. preference	62 00	67 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Mahabir ...	85 00 N	85 00	100	1,078	...	5	99	2,188	2,105	1,589	...	2,070	243	542	...
Maheswari Devi ...	...	...	100	1,319	...	425	-503	1,844	1,781	1,494	551	992	440	15	...
Magna ...	11 75	11 81	10	8,165	...	3,464	57	16,080	27,091	15,568	26	10,525	5,188	507	...
Naibati ...	82 00	70 00	...	2,999	1,199	2,237	-390	3,171	16,480	9,860	151	4,731	1,666	137	161
7% cum. preference ...	98 00	101 00	100	750	...	...	...	...	...	...	...	...	...	...	...
4½% R. C. P. ...	85 00	66 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures ...	...	...	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
Naskarpara ...	9 75	12 50	10	2,000	1,151	20	9	4,548	3,649	2,669	5	1,566	1,164	4,512	...
5½% Debentures ...	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
National ...	19 50	23 75	10	3,500	2,328	1,974	20	2,205	3,805	1,763	100	4,525	1,634	227	...
7% C. P. ...	93 00 N	100 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Nellimarla ...	9 50	12 25	10	2,625	2,675	497	138	3,875	5,970	2,686	713	3,592	2,448	649	124
6% Cum. preference ...	71 40	86 00	100	500	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures ...	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
New Central ...	19 50	29 25	10	17,082	7,915	14,818	...	70,196	93,093	13,654	1,817	27,145	3,817	1,089	...
7% Cum. preference ...	85 50	99 00	100	3,300	...	...	...	...	...	...	...	...	...	...	...
Northbrook ...	27 00	18 00	10	1,688	2,280	1,559	28	6,341	12,184	7,122	445	7,241	2,308	83	260
8½% Cum. pref. ...	73 00	77 75	100	1,500	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	...	...	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
Nuddes ...	44 25	55 00	50	6,680	3,250	503	49	12,090	23,081	12,188	442	8,655	2,364	295	...
Orient ...	...	...	100	2,491	1,927	506	27	834	7,656	5,435	78	2,358	283	846	...
Premchand ...	...	...	100	3,996	...	...	-4,142	1,915	6,201	4,620	76	44	20	48	...
Presidency ...	5 06	5 75	5	2,500	750	391	23	1,683	10,608	7,599	334	3,116	1,461	85	4
Rameshwara ...	8 06	9 37	10	2,000	...	43	21	2,319	3,396	1,206	72	2,676	127	18	...
6% Cum. preference ...	9 81	12 37	10	700	...	...	...	...	...	...	...	...	...	...	...
7% C. P. ...	5 56	6 50	10	4,950	...	200	-3,144	1,747	12,497	6,698	195	1,036	554	668	...
5% Debentures ...	78 50	79 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Shree Ambica ...	24 12	24 00	10	3,000	975	209	70	9,520	12,450	9,165	1,328	4,450	5,333	361	...
7½% Cum. preference ...	82 00	86 00	100	1,170	...	...	...	...	...	...	...	...	...	...	...
Soorah ...	18 56	21 25xd	10	1,400	1,180	80	64	4,243	7,257	5,250	1,445	2,614	808	93	...
7% Cum. pref. ...	95 00	78 00xd	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Union ...	160 00	195 00	100	3,599	2,407	1,823	36	3,292	8,938	5,059	894	4,680	2,862	114	28
7% C. P. ...	77 35	87 50	100	600	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures ...	...	...	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
Waverley ...	4 75	3 94	1	250	185	335	194	684	5,487	4,554	60	283	353	1,769	...
5% Cum. P. P. ...	40 50	40 12	50	750	...	...	...	...	...	...	...	...	...	...	...
3½% Debentures ...	...	...	500	1,000	...	...	...	...	...	...	...	...	...	...	...

INDUSTRIALS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	June 1961 Rs. np.	June 1960 Rs. np.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Investments Rs. 000	Stocks & Store Rs. 000	Outstandings Rs. 000	Cash Rs. 000	Others Rs. 000
WESTERN AND CENTRAL INDIA															
Alambic Chemicals ...	260 00	279 60	100	8,500	2,908	2,738	20	11,521	18,707	6,576	2,343	8,983	3,226	294	...
64% 1st C. P. ...	81 00	91 20	100	500	...	...	...	...	...	...	...	...	...	...	...
5% 2nd R. C. P. ...	86 00	86 00	100	500	...	...	...	...	...	...	...	...	...	...	...
6% 3rd C. P. ...	75 00	75 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Amar Dychem ...	385 00	470 00	100	5,998	...	110	30	6,047	7,467	1,127	421	5,890	1,684	233	38
6% R.C.P. ...	100 00	105 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Anil Starch Products ...	...	...	100	2,989	101	2,393	47	10,086	11,863	4,989	6	5,635	3,418	183	...
5% C. P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Associated Cement ...	166 00	142 60	100	190,628	15,700	92,146	42	144,526	420,540	167,069	11,140	105,490	47,559	15,894	9,567
Associated Stones Indust	21 52	21 28	10	1,850	1,100	71	6	2,416	1,401	795	171	1,537	2,192	1,138	...
6% C. P. ...	100 00 N	100 00 N	100	200	...	...	...	...	...	...	...	...	...	...	...
Atul Products ...	...	...	100	20,000	...	3,908	73	39,705	35,604	10,540	10,245	10,685	4,532	7,055	...
Automobile Products ...	...	...	10	1,200	...	113	-571	14,666	10,742	1,968	...	8,136	1,340	10	336
5% R. C. P. ...	...	...	100	28,000	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P. ...	...	...	100	388	...	...	...	...	...	...	...	...	...	...	...
Bagalkot Cement ...	8 48	8 53	10	8,427	...	66	2	15,124	22,619	3,188	8	2,575	1,071	68	466
Bharat Line ...	6 28	10 00	10	10,000	6,826	3,289	-711	18,296	39,922	20,517	6,221	2,265	7,271	204	2,335
Bombay Burma Trading...	...	...	2500	250	5,396	34,184	67	22,798	56,339	22,717	11,027	11,205	15,702	5,189	1,075
Old Shares ...	616 00	598 00	125	8,925	...	...	...	...	...	...	...	...	...	...	...
New Shares ...	230 00	217 50	50	4,200	...	...	...	...	...	...	...	...	...	...	...
Bombay Cycle ...	26 75	26 00	20	1,600	...	509	24	1,326	728	440	442	1,444	1,196	500	...
Bombay Gas ...	...	...	21	4,000	576	2,102	48	4,267	8,959	4,706	3,362	1,275	1,342	262	...
Bombay Potteries & Tiles	180 00	161 03	100	1,418	90	653	4	1,770	2,768	1,426	10	439	515	2,605	...
61% C. P. ...	75 00	75 00	100	113	...	...	...	...	...	...	...	...	...	...	...
41% C. P. ...	60 00	60 00	100	863	...	...	...	...	...	...	...	...	...	...	...
Bombay Safe Deposit ...	405 00	405 00	200	240	64	...	1	168	584	427	261	...	17	37	...
Bombay Uganda Co. ...	58 00	49 00	80	1,596	200	59	31	613	266	148	1	2,310	59	14	...
W. H. Brady & Co. ...	452 50	331 25	150	4,500	2,700	4,557	156	4,939	1,157	548	4,606	5,318	4,043	2,316	...
Burma Shell ...	...	...	100	138,206	80,000	27,472	15,557	42,639	263,048	77,920	...	26,166	157,387	11,058	4,129
51% Debenture ...	...	...	...	80,000	...	...	...	...	...	...	...	...	...	...	...
Caltex Oil ...	...	...	100	45,000	...	16,920	24,102	57,248	145,449	21,980	...	8,122	31,492	187	...
51% Debenture ...	...	...	...	20,000	...	...	...	...	...	...	...	...	...	...	...
Ceat Tyres ...	201 25	275 00	50	11,400	...	13	...	1,907	812	15	...	750	684	875	1,305
G. Claridge & Co. ...	190 00	190 00	100	300	615	759	3	1,037	2,451	1,634	1	1,286	1,034	76	...
Colour Chem ...	370 00	490 60	100	10,000	...	600	-39	3,196	9,695	482	...	1,944	1,009	490	1,108
Crescent Iron ...	...	...	20	574	35	102	7	870	1,480	504	...	651	50	10	10
G.G. Dandekar Mee. Works	...	...	100	399	70	128	1	766	1,191	638	278	122	221	540	...
Partly Paid Ordry ...	...	...	50	248	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Delhi Safe Deposit ...	10 00 N	10 00 N	100	194	82	25	1	389	441	105	359	2	93	138	...
Ordry P.P. ...	7 00 N	100 00 N	100	200	...	...	...	...	...	...	...	...	...	...	...
6% C.P. ...	100 00	11 08	25	2,580	...	85	3	240	19	6	2,638	...	76	1	100
Dena Invnt. ...	11 60	235 00	50	1,369	2,020	797	44	6,541	7,757	3,610	36	3,472	3,074	4	...
Dharamsi M. Chemical ...	282 50	168 00	100	13,441	3,050	2,442	49	19,919	41,540	16,822	8,995	8,450	3,773	136	839
Digvijay Cement ...	160 00	84 60	100	7,994	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	76 00 x3	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Empire Dying ...	68 50	40 00	15	900	410	356	10	1,143	2,194	1,620	219	270	857	899	...
Eastern Shipping Corpn.	...	...	100	82,000	1,450	6,697	-361	42,685	85,139	22,601	6,428	73	13,279	30,296	19,063
Estrela Batteries ...	66 00	57 60	50	1,497	365	166	18	2,993	3,757	2,316	4	2,713	1,735	143	...
5% C. P. ...	32 00	38 00	50	997	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Shipping ...	14 60	17 92	10	9,000	6,495	15,127	132	54,313	85,180	21,553	80	56	5,016	18,758	...
51% R. C. P. ...	91 00	90 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Greaves Cotton & Co. ...	177 00	175 00	100	13,500	3,400	1,612	44	24,826	2,126	706	15,875	13,295	31,062	2,605	...
5% C. P. ...	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P. ...	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Gwalior Rayon ...	52 00	42 00	10	25,000	17,500	6,447	2,081	23,340	64,253	41,224	45	22,470	4,314	37,837	748
6% R.C.P. 'A' ...	185 00	99 50	100	15,000	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P. 'B' ...	...	...	100	76	...	...	...	...	...	...	...	...	...	...	...
Hind Cycles ...	95 00	142 00	100	3,107	700	625	-949	9,161	12,344	7,681	4	6,340	4,768	118	...
5% T. R. C. P. ...	65 00 N	65 00 N	100	500	...	...	...	...	...	...	...	...	...	...	...
51% T. R. C. P. ...	75 00 N	75 00 N	100	700	...	...	...	...	...	...	...	...	...	...	...
51% T. R. C. P. ...	75 00 N	25 00 N	25	48	...	...	...	...	...	...	...	...	...	...	...
51% T. R. C. P. ...	75 00 N	100 00 N	100	2,000	...	...	...	...	...	...	...	...	...	...	...
6% T. R. C. P. ...	78 50	...	10	1,500	...	...	...	615	317	...	...	...	...	...	...
Hindustan Aluminium ...	13 76	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Hindustan Electric Co. ...	95 00	126 25	100	4,000	300	114	57	12,342	6,224	2,198	236	8,743	5,518	290	1,100
6% C. P. ...	80 00	80 00	100	1,998	...	...	...	...	...	...	...	...	...	...	...
Hindustan Lever ...	47 56	42 50	10	55,700	4,132	8,817	20,969	62,200	57,710	20,419	3	68,875	16,116	30,333	...
Indian Cement ...	...	25 00	100	152	100	50	2	124	142	...	178	...	52	57	...
Indian Vegetable Products	135 50	153 00	100	2,117	276	465	5	1,796	2,714	2,030	79	2,300	1,530	67	...
Indus. Cr. & Invest. Corp.	85 00	73 50	100	50,000	3,300	3,980	77	120,305	2,554	166	67,745	...	60,854	46,675	...
Industrial Investment ...	75 50	74 00	100	9,999	...	2,022	59	1,220	20	17	13,090	...	159	48	...
Investa Machine Tools ...	...	...	100	1,500	...	27	5	2,400	2,583	652	...	2,557	432	12	...
41% C. P. ...	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Jaipur Metals ...	145 00	115 00	100	1,956	100	811	7	7,453	4,867	1,920	245	7,198	1,364	570	2
6% C. P. ...	57 00	57 50	100	800	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	45 00	27 00	10	200	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	...	...	...	1,000	...	...	...	...	...	...	...	...	...	...	...
Lyoti ...	185 00	210 00	100	4,000	300	1,436	10	7,508	6,092	1,867	192	5,695	3,128	14	...
Kamani Metals ...	...	...	10	2,000	60	260	5	5,925	9,662	5,647	503	4,157	560	114	...
5 % C. P. ...	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
8 % Debentures ...	...	...	100	1,100	...	...	...	...	...	...	...	...	...	...	...
Kemp & Co. ...	307 50	310 00	200	1,200	350	288	47	1,656	2,744	1,420	12	1,441	737	29	...
Khandelwal Forro Alloys	77 00	92 00	50	4,749	...	...	-13	5,320	1,432	...	1,357	1,359	1,284	1,347	5,775
74% R. C. P. ...	94 50	48 00	50	2,500	...	...	...	...	...	...	...	...	...	...	...
Kirloskar Brothers ...	62 00	53 00 x3	25	3,000	6,969	1,021	12	8,059	10,587	5,917	1,858	8,111	3,970	554	...
Kirloskar Oil Eng. ...	19 52	17 24	10	2,500	775	666	4	11,475	6,011	2,394	50	7,062	3,273	290	1,705
Ordinary Partly Paid	...	...	5	578	...	...	...	...	...	...	...	...	...	...	...
Kilick Industries ...	99 50	112 00	100	12,483	500	2,817	6	9,093	4,823	1,685	16,778	1,475	2,481	72	994

MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents' Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest	Previous	Second Previous
WESTERN AND CENTRAL INDIA (Contd.)												
Machinery Manfra. Cospn. .	Mahindra & Mahindra 4% Cum. preference 44% C. P.	1,305	2,063	3,923	4,110	...	3-60	—1	—499	nil	nil	nil
Malwa Vanaspati & Chem.	Mohatta Bros. ... 6% Debentures ...	342	114,414	18,235	2,075	30	12-59	696	529	nil	nil	nil
Man. Industrial Corporation .	Jagmohan Radha Kriahna & Co 44% C. P.	198	2,932	4,385	1,984	60	3-59	661	746	nil	nil	nil
T. Naneklal Manufacturing...	T. Maneklal & Co. Navin Kumar Hansraj Pri. Ltd. 44% C. P.	765 1,391	3,072 5,670	4,611 7,823	1,002 1,296	47 64	5-59 3-59	518 652	284 606	14 9	10 9	10 9
National Elect. Industries ...	Directors ...	7,772	14,454	22,188	9,011	...	12-59	(a)16,836	—405	44	44	44
National Machinery Manfra.	Directors ...	1,764	11,210	22,819	379	...	3-59	7,225	286	nil	nil	nil
National Newsprints & Paper	Chinai & Co. Private Ltd. Ord. Partly Paid	9,612	34,343	71,731	2,513	...	12-60	24,879	25,696	22T	22T	14
National Rayon Corpn. ...	5% Cum. preference 54% Debentures Forbes Forbes Catpueell 54% C. P.	...	...	...	...	...	12-59	—137	—95	5T	5	5
Palampur Veg. Products ...	N. Pestonjee & Co. Polson Agenciesriv P Co Ltd.... 6% C. P. T.	132 960	...	1,152 10,782	166 1,751	20 101	12-59 12-58	1,892 1,138	190 1,281	4T 10	4 10	3 12
Pioneer Magnesite Works ...	Directors ...	615	8,707	15,956	3,693	...	3-60	4,320	2,197	11T	6	6
Polson Ltd. ...	74% T. R. C. P Directors ...	2,345	2,089	7,334	3,415	...	6-59	1,123	789	74	74	74
Polychem ...	Aero Auto Private Jammalal Sons Private Ord. Partly Paid 5% C. P. Deferred	2,162	14,715	21,256	396	82	6-58 3-60	4,744 844	6,705 492	6 8-10T	6 5	6 9
Praga Tools ...	J. K. (Bros) Private Ltd. 5% C. P.	4,576	12,069	24,399	7,746	322	12-59	3,678	3,001	11T	8	5
Premier Automobiles ...	M. B. Amin & Co. 5% C. P.	618	2,242	3,536	711	20	12-59	159	190	5T	5	5
Radio Lamp Works ...	Sathe Food Industries pri. Ltd. Partly Paid 7% R. C. P.	255	2,370	4,538	556	32	3-60	370	226	9	6	6
Scindia Steam ...	Directors ...	20,185	117,260	176,683	...	...	6-59	36,513	39,539	9T	6	6
Shangrila Food Products ...	44% Debentures Directors ...	323	717	1,677	132	...	3-59	—366	—287	6T	6T	6T
Shivrajpur Syndicate ...	5% C. P. Killick Industries Ltd.	3,339	...	8,639	3,493	11	11-59	1,231	3,017	nil	nil	nil
Sirpur Paper ...	Birla Bros. Private 6% R. C. P.	4,757	17,282	28,873	656	293	6-59	7,184	5,854	50T	80	80
Supreme Industries ...	Mody & Co. ... 64% Cum. Pref.	202	1,223	2,090	1,078	9	3-60	331	220	64T	6T	8T
Tata Chemicals ...	Tata Industries Private 5% Cum. preference 5% Debentures	5,538	10,178	35,227	...	445	6-59	6,438	(a)24,557	13T	9	6
Tata Oil Mills ...	Tata Industries Private 44% Cum. preference	11,014	...	80,929	2,197	625	3-60	6,502	4,865	64T	6T	8T
United Salt Works & Indus.	Directors ...	...	1,202	853	...	...	9-59	(a24)494	107	44T	44	44
Volta Ltd. ...	Directors ...	18,168	173,168	199,047	...	...	8-60	12,309	10,012	6T	6T	9
Western India Match ...	Swedish Match Co. Hasham Premji	19,086 440	...	176,121 22,537	2,658 1,545	1,237 39	12-59 3-60	13,514 512	9,546 778	16T 9T	11 8	11 8
Western India Veg ...	Directors ...	...	...	...	...	...	6-59	470	...	7	7	7
West Coast Paper ...	6% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Zandu Pharmaceutical Works	Jagatram & Co 6% C. P.	1,305	4,514	6,869	1,741	54	3-58	586	428	7	6	6
NORTHERN INDIA												
Alkali & Chemical ...	Imp. Ch. Industries Private ... 5% Cum. preference Kayell Siyal & Co. Ordinary 74% C. P.	4,045 30	12,951	34,393	5,601	...	9-59 5-56	(a)10,869 96	6,132 88	9T 5	8 5	8 5
All India Finance & Commerce	...	...	...	1.69	...	20	...	...	...	7T	8	8
Aluminium Corpn. ...	J. K. Industries Private Ltd.... 6% Cum. preference 5% Cum. preference 5% Debentures 54% Debentures	3,893	3,507	12,938	3,001	289	3-60	3,508	3,590	7T	7T	7T
Amrit Banaspati ...	Amrit Agency Ltd. 6% C. P. 5% R. C. P. Deferred	2,06	354.43	367.26	66.68	...	3-55	22.07	19.54	10	10	9
Anderson Wright ...	Directors ... 44% Cum. preference 4% Debentures	139	8,718	10,035	...	...	12-59	717	147	5T	5	5
Anglo Brothers ...	Turner Morrison & Co. Pri. ... Directors ...	749	17,429	20,113	...	183	8-60	1,638	1,228	7T	7	6
Asboka Cement ...	64% Debentures Eastern Corporation Private ... Deferred 4% Debentures	1,137	3,303	16,859	1,084	...	3-60	1,394	1,204	44T	44	44
Assam Bengal Cement ...	Directors ... 44% Cum. preference 4% Debentures	927	3,518	4,724	857	48	3-59	—193	589	25	20	15
Assam Match Co. ...	Directors ... Assam Saw Mills Assam Sillimanite Associated Hotels	1,683 467 342	13,133 519 358	17,744 2,779 2,093	692 1,092 216	...	12-58 9-59 3-59	1,179 (j) 572 384	1,225 (x) —62 411	7T 12T	7 12	7 12
Assam Sillimanite ...	U. P. Comm'l Corpn. Oberoi Hotels (India) Private Ltd 7% Cum. preference Tax 41% Debentures 64% Debentures	1,463	1,627	6,397	227	93	3-58	956	1,067	4T	4T	4T
Associated Mining ...	Directors ... 5% Cum. preference Deferred	25,612	100	114	9	...	12-57	123	324	6	6	7
Atlas Cycle Indus ...	Directors ... 6% R.C.P.	2,778	15,632	23,419	5,939	...	12-58	979	829	7	7	7

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	June 1961	June 1960			General	Other	Carry Forward				Investments	Stock & Stores	Out Standing	Cash	Others
	Ra. np.	Ra. np.			Ra.	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
WESTERN AND CENTRAL INDIA (Contd.).															
Machinery Manfra. Corpn.	...	...	100	3,814	...	489	—2,439	10,281	14,027	4,125	2	5,394	1,419	141	51
4% Cum. preference	...	...	100	1,395	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspati Chem.	...	...	10	3,134	...	...	—908	4,493	5,442	1,855	32	3,303	172	63	...
6% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Man. Industrial Corpn.	125 00	100 00	100	3,000	...	26	71	2,318	4,334	987	2	2,244	744	79	...
4 % C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
T. Maneklal Manufacturing	355 00	212 50	100	1,000	100	35	15	2,484	1,987	624	8	1,002	759	487	16
National Elec. Industries	89 00	76 00	50	778	125	799	25	3,920	2,358	1,028	307	2,742	1,783	37	...
44% C. P.	80 00 N	80 00 N	100	542	...	...	...	...	...	...	...	...	...	...	...
National Machy. Manfra.	...	...	100	25,240	...	304	—1,829	23,087	29,088	9,936	...	20,362	7,170	96	22
National Newsprint & Paper	...	...	10	487.21	...	203	—13,638	26,106	50,901	11,108	3	6,360	2,835	10,161	2,928
National Rayon Corpn.	561 00	539 00	100	24,110	4,900	15,427	441	37,549	134,290	60,253	160	17,283	890	2,573	4,953
Ordly Partly Paid	...	...	80	6,331	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference	99 25	71 50	100	17,425	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	...	150.00	...	...	...	...	...	...	...	...	...	...	...
Palampur Veg. Products...	...	...	10	1,500	...	...	849	3,375	2,757	...	10	193	84	4	28
54% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Pioneer Magnesias Works...	...	...	100	1,189	11	68	2	620	1,456	837	317	331	388	233	2
Polson Ltd.	168 00	157 00	100	2,695	966	1,440	48	1,377	6,553	1,635	3	2,356	628	620	...
6% C. P. T.	76 00	76 20	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Polychem	247 50	295 00	50	4,000	1,200	896	28	3,853	5,851	1,197	5	4,089	1,805	3,333	...
74% T.R.C.P.	44 00	46 00	50	3,999	...	...	...	...	...	...	...	...	...	...	...
Praga Tools	...	...	50	13,592	...	168	—508	1,646	7,509	14,357	2	6,296	1,739	3,478	238
Premier Automobiles	169 50	157 00	100	21,733	1,973	6,390	479	75,116	39,061	19,368	466	70,494	10,558	2,529	...
Radio Lamp Works	...	106 25	100	2,500	75	209	7	13,178	1,733	564	2,896	6,845	6,893	502	...
Ordly. Partly Paid	...	74	100	738	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	...	...	10	173	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	100	7,500	1,238	740	57	15,675	16,961	8,175	2,299	12,438	3,567	464	147
Raymond Woollen	124 00	126 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	50	1,362	...	42	9	2,545	2,534	375	3	1,491	740	94	...
Sanites chem Indus.	...	...	50	511	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	100 00 N	100 00 N	180	473	...	237	29	1,640	3,067	969	1	586	527	178	...
Sathe Biscuits	50 00 N	50 00 N	50	511	...	...	...	...	...	...	...	...	...	...	...
Partly Paid	94 20	94 20	100	500	...	...	...	...	...	...	...	...	...	...	...
7% R. C. P.	14 44	15 88	20	112,799	8,000	100,600	360	191,384	320,226	85,584	88,593	3,310	53,532	53,352	15,192
Scandia Steam	97 00	...	...	37,478	...	...	...	...	...	...	...	...	...	...	...
44% Debenture	...	...	100	1,700	...	...	—1,665	4,008	4,049	616	32	552	294	14	13
Shangrila Food Products	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	72 50	71 50	10	1,046	2,000	5,482	5	6,897	18,215	9,853	302	5,439	3,163	22	122
Shivrasa Syndicate	14 88	18 48	10	21,855	3,015	12,609	72	33,596	52,798	14,050	150	10,699	3,755	241	13,351
Sirpur Paper	87 00	87 00	100	5,997	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P.	153 75	167 50	100	622	...	273	3	1,197	845	239	97	1,105	719	30	...
Supreme Industries	69 00	68 50	100	462	...	...	...	...	...	...	...	...	...	...	...
61% C. P.	19 96	18 04	10	25,172	526	2,508	7	28,857	49,541	18,653	1,878	19,797	6,431	886	5,690
Tata Chemical	83 50	95 00	100	5,997	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference	97 00	...	...	2,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	75 00	85 00	25	7,007	1,947	2,994	46	46,160	24,794	15,671	1,236	25,877	19,565	3,386	1,954
Tata Oil Mills	60 00	55 59	100	2,989	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	...	...	250	1,335	2,016	1,064	1	361	7,666	4,515	30	1,218	67	219	...
United Salt Works Ind.	273 00	262 00	100	23,500	3,700	1,938	425	111,681	10,745	2,435	1,542	66,458	62,295	3,627	112
Volts	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Western India Match	260 00	245 00	100	27,500	11,100	6,659	421	21,941	46,208	19,216	304	18,856	10,913	9,399	1,160
Western India Veg.	117 00	122 50	100	1,700	...	344	1	2,760	3,370	1,703	6	2,523	312	217	...
West coast Paper	184 00	205 00	100	9,999	...	470	...	42,714	51,157	...	...	5,798	1,828	72	399
6% C.P.	85 00	110 00	100	5,999	...	...	...	...	...	...	...	...	...	...	...
Zandu Pharmaceutical W.	111 00	112 00	100	1,500	504	397	4	1,980	2,527	1,083	412	1,741	1,221	69	...
6% C.P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
NORTHERN INDIA															
Alkali & Chemical	37 19	32 31	10	30,997	1,800	7,350	140	25,6	57,440	9,228	22	12,415	6,041	330	1,995
5% Cum. Preference	91 50	101 00	100	3,100	...	...	...	...	...	...	...	...	...	...	...
All India Finance & Com.	...	...	100	300	53	18	...	13,21	...	36	8	73	10,66	7,76	68
Ordly.	...	...	10	190	...	...	...	...	...	...	...	...	...	...	...
71% C. P.	...	...	110	128	...	...	...	...	...	...	...	...	...	...	...
Aluminium Corpn.	18 69	19 00	10	6,250	2,600	17,752	114	7,883	39,514	11,944	1,393	4,673	2,605	5,357	...
6% Cum. preference	99 50	100 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	70 00	75 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
54% Debenture	...	...	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
Amrit Banaspati	...	...	10	5,325	19,25	5,83	—14,14	152,86	160,85	53,32	36,36	85,91	25,33	1,40	...
6% C. P.	...	...	10	1,600	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	10	2,450	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	1,000	...	...	...	...	...	...	...	...	...	...	...
Anderson Wright	...	...	10	2,000	350	1,173	51	7,205	84	56	5,189	...	4,336	10	4,194
61% C. P.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Angelo Brothers	24 75	20 94	10	3,000	2,584	1,470	223	2,907	3,709	2,634	745	5,159	2,022	1,151	...
Asoka Cement	9 37	11 50	10	5,990	250	355	4	10,514	17,494	1,363	2	4,079	1,362	13	27
54% Debentures	...	...	24	4,580	...	...	...	...	...	...	...	...	...	...	...
Asam Bengal Cement	4 94	5 50	10	4,314	1,054	...	...	7,384	15,145	8,105	534	3,468	3,717	1,122	...
Deferred	0 50	1 06	1	471	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	500	2,498	...	...	...	...	...	...	...	...	...	...	...
Asam Match Co.	20 95ad	16 57	10	3,000	1,050	708	198	1,681	3,932	2,088	6	2,484	2,100	78	125
Asam Saw Mills	2 56	3 19	3	1,400	...	1,950	—275	1,956	3,398	1,649	2	2,317	769	58	12
Asam Sillimanite	11 19	11 75	10	3,000	...	...	83	1,570	3,138	1,323	...	792	182	233	...
Associated Hotels	5 12	6 00	10	2,000	1,000	2,685	155	3,030	10,572	4,222	4,279	794	1,545	788	...
70% C. P. T.	49 50	54 25	100	2,167	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	...	1000	2,200	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	...	...	1000	520	...	...	...	...	...	...	...	...	...	...	...
Associated Mining	9 27	8 62	10	892	...	...	3	924	742	...	191	1,293	216	796	44
5% C. P	27 50	36 00	50	500	...	...	...	...	...	...	...	...	...	...	...
5% C. P	4 90	5 25	1	410	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	3,462	525	494	15	10,392	5,898	1,204	1	7,789	3,305	131	...
Asas Cycle Industry	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

**Indian Finance
MISCELLANEOUS**

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Pre- vious	Second previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
NORTHERN INDIA (Continued)												
Ballarpur Paper	K. C. Thapar & Bros. Ltd.	2,406	9,164	23,543	751	682	6-60	7,444	8,378	14.30T	nil	nil
5% R.C.P.P.	...	...	...	...	...	...	...	...	...	7.14T	nil	nil
Ballar Lawrie & Co.	Directors	8,684	110,200	128,151	5,627	...	12-59	4,473	4,908	25.1T	20	15
Barrow Coke	Jardine Henderson	907	1,581	2,733	376	30	3-60	—273	—273	...	...	...
Bathgate & Co.	Indo Corporation/Priv. Ltd.	293	515	1,404	455	12	12-59	—266	—267	...	...	...
6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Behar Rice Mills	H. V. Low & Co.	...	...	...	...	...	6-54	36	33	...	...	...
Bengal Assam Steamship	Andrew Yule & Co. Ltd.	901	2,035	...	...	32	10-60	941	(a6)167	7.1T	3T	6
7% Cum. preference	...	...	...	...	...	...	...	...	...	7.1T	7	7
Bengal Chemicals	Directors	3,770	9,970	19,690	...	...	3-60	2,330	2,090	7.1T	7	6
7 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	7.1T	7	7
4 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	4.1T	4	4
5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Flour	Ballar Lawrie & Co. Ltd.	584	21,150	23,953	1,085	164	12-0	1,536	1,781	40T	45T	25
Bengal Paper	Directors	4,735	10,814	30,750	178	...	12-59	4,905	3,812	32T	22	12 1/2
7% Cum. preference	...	...	...	...	...	...	...	...	...	10T	7	7
7% A Cum. preference	...	...	...	...	...	...	...	...	...	10T	7	7
6% B R.C.P.T.	...	...	...	...	...	...	...	...	...	6T	6	6
4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Potteries	B. R. Bhagat & Co.	4,175	2,206	16,629	2,264	264	12-59	127	1,554	14.29T	10	10
Ord. P. Paid	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Timber	Jardine Henderson	10	...	13	5	...	6-58	—15	—142	...	...	...
8% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Bhagwati Pressing	Ramdudd Ramkissendass	7	...	171	...	...	12-59	129	138	8T	7	7
5% Cum. preference	...	...	...	...	...	...	...	...	...	5T	5	5
Bharat Carbon & Ribbon	Murari Lal Batra & Co.	592	4,293	15,098	...	23	12-59	313	285	10.1T	9	9
6 1/2% C.P.	...	...	...	...	...	...	...	...	...	6.1T	6 1/2	6 1/2
7 1/2% B C.P.	...	...	...	...	...	...	...	...	...	7.1T	7 1/2	7 1/2
Bharat Commerce	Directors	584	3,298	3,718	479	...	12-57	(a)138	130	...	...	...
5% C.P.	...	...	...	...	...	...	...	...	...	...	...	...
Bharat Nidhi	Directors	...	...	3,439	180	...	12-59	2,744	2,740	(u)	6	5
6% C.P.T.	...	...	...	...	...	...	...	...	...	6T	6	6
Bharat Starch & Chemical	K. C. Thapar & Bros.	453	4,453	6,301	1,644	19	1-68	361	217	...	...	...
Bhartia Company	Directors	...	...	...	...	...	3-54	2,68	—3,24	...	...	...
Mids Investments	Lovelock & Lewes	...	...	863	...	12	9-59	536	433	11	7	5
5 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	5.1T	5 1/2	5 1/2
Bira Stone Lime	Bird & Co. Private Ltd.	7,331	...	14,286	499	295	3-60	2,804	1,629	30T	18 1/2	17 1/2
Directors	...	4,119	8,452	27,157	1,545	...	3-60	4,695	3,580	25T	14	12
8% Cum. preference	...	...	...	...	...	...	...	...	...	8T	8	8
5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Dr. Burma Petroleum & Dr. Ceylon Corpn.	A. T. C. Inv. Co.	...	...	...	...	...	3-60	82	13	8T	...	2
Directors	...	...	...	...	...	...	12-58	109	509	...	6	15
6% Cum. Part preference	...	...	...	...	...	...	...	...	...	...	...	...
British India Corpn.	Directors	15,707	38,262	78,589	32,850	...	12-60	16,044	7,088	4T	...	...
8% Cum. preference	...	...	...	...	...	...	...	...	...	8T	8	8
Brushware	Begg Sutherland & Co. Pri. Ltd.	134	68	380	68	1	11-60	23	22	5	5	5
Burma Lime	S. C. Chunder & Co.	100	162	527	7	12	9-59	190	95	10T	6	5
Partly Paid	...	...	...	...	...	...	...	...	...	10T	6	...
6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Calcutta Chemical	Directors	2,160	8,650	14,473	2,305	...	6-59	1,032	781	18T	12	12
6% C.P.	...	...	...	...	...	...	...	...	...	8.1T	6	6
4 1/2% C.P.	...	...	...	...	...	...	...	...	...	6.1T	4 1/2	4 1/2
Calcutta Credit Corpn.	Jainarain Ram Chander	...	...	6,727	2,303	57	6-59	744	836	30	62 1/2	20
8 1/2% T.C.P.	...	...	...	...	...	...	...	...	...	8 1/2	6	6
5 1/2% T.C.P.	...	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
6% Debentures	...	...	...	943	...	...	...	...	...	...	...	...
Calcutta Gas Co.	Saorajmull Nagarmall	...	...	...	...	88	9-59	648	821	3.1T	5	5
8 1/2% R.C.P.T.	...	...	...	...	...	...	...	...	...	3.1T	5 1/2	5 1/2
4% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Calcutta Investment Co.	Ramdudd Ramkissendass	43	2,759	...	...	3	12-59	476	459	3T	3 1/2	2 1/2
Calcutta Landing & Shipping	Gladstone Lyall	791	424	1,647	...	33	10-58	(a4)586	590	7.1T	15	15
Calcutta Safe Deposit	Amritlal Ojha & Co.	89	332	...	...	9	3-58	105	106	5	5	5
4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Calcutta Steam Nav. Co.	Hoare Miller & Co.	1,382	2,516	...	...	26	6-60	573	1,188	10T	10	10
Camby Invt.	Camby Trading Co.	...	475	...	119	3	3-59	17	484	...	...	...
Camperdown Pressing	Pyne & Co.	2	...	60	...	12	7-58	46	15	7	3	4
Cherra Chhatrak Ropeway	Tania Bros. Private	...	1,359	...	69	15	3-60	111	—5	9	...	5
Christian Mica Indus	Ram Kumar Agarwala & Bros.	...	10,503	14,269	4,037	163	12-57	1,575	1,735	7.1T	7 1/2	6 1/2
5 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	5.1T	5 1/2	5 1/2
Deferred share	...	...	...	...	...	...	...	...	...	10	10	7 1/2
4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Clive Buildings	Gillanders Arbuthnot & Co.	91	...	660	...	34	12-59	347	319	6.1T	3 1/2	2 1/2
Management Shares	...	...	...	...	...	...	...	...	...	6.1T	3 1/2	2 1/2
4 1/2% Debentures	...	...	...	...	...	...	...	...	...	7.1T	8 1/2	7 1/2
Clive Row Invt.	Andrew Yule & Co. Ltd.	...	1,637	...	...	68	12-59	1,458	1,305	...	...	...
Dalmia Cement (Bharat)	Hari Brothers Private Ltd.	4,640	17,186	21,229	1,836	520	12-59	(a29)7,447	(a20)4,622	12T	10	12 1/2
Ord. partly paid	...	...	...	...	...	...	...	...	...	12T	...	...
6% Cum. preference	...	...	...	...	...	...	...	...	...	8.57T	6	7
Deferred	...	...	...	...	...	...	...	...	...	12	10	12
Darjeeling Ropeway	Goenka & Co.	...	...	161	...	6	3-60	83	71	5T	7 1/2	7 1/2
5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Dellhi Flour Mills	Directors	447	25,195	26,511	487	...	10-59	321	282	10 1/2	10	10
7% Cum. preference	...	...	...	...	...	...	...	...	...	7 1/2	7	7
7% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Dharamdutta Chem. Works	Sahu Bros. Private	12,139	9,877	15,415	762	8	3-59	815	920	4	6	6 1/2
6% R.C.P.	...	...	...	...	...	...	...	...	...	4	6	6 1/2
Duncan Brothers	Directors	...	...	23,289	547	...	12-59	3,460	3,112	14T	10	11
4% Cum. preference	...	...	...	...	...	...	...	...	...	4T	4	4
Dunlop Rubber Co.	Directors	30,706	81,462	304,656	...	...	12-60	26,464	24,380	21 1/2	21 1/2	16 1/2
6% Cum. preference	...	...	...	...	...	...	...	...	...	6	6	6
6 1/2% Cum. preference Tax	...	...	...	...	...	...	...	...	...	6	6	6
6 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...

**8 July 1961
INDUSTRIALS—Contd.**

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	PUBLIC DEPOSIT ASSETS				
	June 1961	June 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standing	Cash	Other
	Rs. np.	Rs. np.			Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
NORTHERN INDIA (Continued)															
Ballarpur Paper	38 00	66 75	25	5,721	2,550	1,764	331	20,613	27,654	21,586	2,447	5,905	6,884	10,789	711
5% R.C.P.P.	112 00 N	117 00	100	1,809											
Belmer Lawrie & Co.	252 00xd	218 00	100	8,001	7,273	1,034	515	19,919	7,788	4,134	11,409	6,982	14,164	529	
Barrow Coke	15 00	15 31	10	1,200	800	50	—554	1,118	3,808	3,412	7	1,276	887	48	
Bathgate & Co.	0 87	1 16	10	2,000		16	—608	493	2,039	186	2	735	462	49	
6% C. P.	19 00	28 00	10	1,000											
Behar Rice Mills	2 81	1 95	10	1,692			—436	3	7 69	4 95	9 60	1	13	2	
Bengal Assam Steamship.	94 50	90 50	100	2,000	650	8,868	23	1,923	12,316	2,150	159	59	534	1,653	1,72
7% C. P.	43 87xd	60 00	60	300											
Bengal Chemicals	109 00	113 00	100	5,023	2,120	3,175	1,390	6,843	14,757	7,189	1,692	5,646	6,352	948	
7 1/2% C. P.	12 31	13 25	10	900											
4 1/2% C. P.	66 00	72 00	100	1,191											
5% Debentures				1,500											
Bengal Flour	44 87	42 23	10	1,200	2,250	289	188	1,031	3,724	3,181	6	1,316	1,992	4,080	329
Bengal Paper	86 50	103 08	25	4,500	4,434	545	135	9,081	23,413	16,775	132	7,798	6,043	117	650
7% C. P.	48 50	43 25	50	200											
7% A. C. P.	102 00	96 50	100	400											
6% 'B' R. C. P. T.	61 95	66 00	100	2,000											
4 1/2% Debentures			500	84											
Bengal Potteries	7 12	5 66	2 1/2	5,523	493	11,057	15	11,784	15,736	5,200		4,198	4,089	49	
Ord. P. Paid			1												
Bengal Timber	14 00	15 25	100	600			—961	395	567	567	64	5	256	9	
8% C. P.	7 75	30 00	100	300											
Bhagwati Pressing	5 37	6 00	10	400	165	6	3	161	972	262	75		75	175	
5% C. P.	34 00 N	35 00	100	300											
Bharat Carbon & Ribbon			10	900	200	100	4	4,495	2,012	504	86	3,185	1,621	43	
6 1/2% C. P.			100	380											
7 1/2% 'B' C. P.			100	200											
Bharat Commerce	23 00	16 87	10	5,000			—4,119	1,774	4,171	86		769	739	62	
5% C. P.	100 00		100	3,000											
Bharat Nidhi	8 81	10 75	10	14,777		1,323	28	9,107	69	50	16,728	180	13,577	90	
6% C. P. T.	44 67xd	52 50	100	5,360											
Bharat Starch & Chemical	8 06 N	8 06	10	1,000	378	189	—1,608	5,887	3,699	2,573	38	2,930	1,638	37	76
Bhartia Company	55 00	34 75	100	2,100	50		—9	79				12,92	8,59	69	
Birds Investment	13 10	14 62	10	2,800	227	633	55	4,805			6,418		3,654	47	
5 1/2% C. P.	56 50	53 50	100	2,400											
Bisra Stone Lime	44 44	38 25	10	1,000	550	3,249	36	6,760	7,732	4,118	8	2,374	5,254	130	215
Britannia Biscuits	54 75	34 75	10	4,597	3,580	2,150	214	5,799	12,249	5,350	154	3,417	5,636	1,389	
8% Cum. preference	8 66 N	9 30	10	15											
5 1/2% Debentures				1,200											
Br. Burma Petroleum (£2)			4 1/2	562		182	1	249			747		54	199	
Br. Ceylon Corporation			10	3,500	2,500	6,185	3	2,306	9,940	3,724	1,710	5,960	3,219	141	
6% Cum. Part Pref.			10	1,750											
British India Corporation.	7 69	7 72	5	32,500	4,000	15,544	334	18,405	33,783	26,555	12,432	39,598	15,971	795	5,119
8% Cum. preference	110 50	109 00	100	8,100											
Brushware			10	100	170	167	5	38	243	243	129	162	35	184	29
Burma Lime	8 50xd	7 25xd	10	200	75	20	3	201	614	256	102	16	124	22	
Partly Paid			5	63											
6% Debentures			1000	60											
Calcutta Chemical	16 50	15 25	10	971	960	2,040	153	3,277	3,296	1,477	2,204	2,305	1,713	787	
6% C. P.	7 50		10	208											
4 1/2% C. P.	5 75		10	337											
Calcutta Credit Corps.	14 00	21 25	10	500	1,250	72	192	7,864	2,232	438	65	3,691	4,923	90	
6% C. P.	34 50 N	42 50	100	200											
5 1/2% T. C. P.	23 50	29 00	100	200											
6% Debentures			100	285											
Calcutta Gas Co.	4 70 N	5 00	10	6,500	100		152	2,996	1	1	11,616		3,069	1,063	
5 1/2% R. C. P. T.	57 50 N	63 00	100	3,000											
4% Debentures			1000	3,000											
Calcutta Investment Co.	40 75 N	43 78	100	5,500	2,350	412	36	3,111	1,808	672		5,062	5,177	34	
Cal. Landing & Shipping	13 00	11 62	10	625	240		21	1,208	1,922	1,320	142	27	1,191	131	
Calcutta Safe Deposit	7 37	8 00	10	742	14	105	3	467	1,406	199	46		128	15	
4 1/2% Debentures			1000	65											
Calcutta Steam Navig.	13 00	16 00	10	1,260	574	873	109	1,793	7,768	4,654		243	1,247	5	
Cambay Inv.	95 00	100 00	100	2,000		2,130	82	2,415	1	1	4,777	119	1,640	89	
Camperdown Pressing	100 00	103 00	100	430	85	2		110	689	495	280		14	151	
Cherra Chhatrak Ropeway.	5 30	7 00	5	475		473	4	333	1,202	1,063	11	158	865	116	
Christian Mica Indus.	12 00	12 44	10	3,000	1,000	4,084	247	11,262	7,409	1,649	4,675	5,071	9,955	132	
5 1/2% Cum. preference	48 00	49 58	100	3,000											
Deferred share	7 08	7 55	5	1,500											
4 1/2% Debentures			1000	1,500											
Clive Building	150 00	150 00	150	1,500	262	1,014	125	478	4,887	811	416		149	321	
Management Shares			15	15											
4 1/2% Debentures			500	1,568											
Clive Row Inv.	8 51	8 62	10	13,880	1,000	444	216	4,998			19,083		1,431	24	
Dalmia Cement	10 80xd	11 75	10	16,593	1,800	4,736	25	26,122	26,350	6,048	20,136	9,312	3,894	433	1,865
Ord. Partly Paid	2 06	2 44	2 1/2	6											
6% Cum preference	7 16xd	8 56	10	6,158											
Deferred	2 41xd	2 06	1	500											
Darjeeling Ropeway	7 12	7 75	10	248	25	35	2	69	499	262	18	30	57	5	12
5% Debentures			500	100											
Delhi Flour Mills	14 00 N	15 00	10	560	1,000		51	1,715	3,974	2,754	521	656	1,880	19	
7% Cum. preference			100	90											
7% Debentures			500	500											
7% Debentures			500	330											
Dhruvachitra Chem. Works	116 00	147 00	100	6,449	4,900	889	—111	35,374	16,928	6,731		9,345	2,393	123	30,147
6% R. C. P.	51 00		100	4,700											
Duncan Brothers	120 00xd	118 00	100	9,000	7,100	3,349	308	12,313	2,825	1,152	18,089	547	6,486	9,774	
4% Cum. preference	50 55xd	56 00	100	4,500											
Dunlop Rubber Co.	51 62	44 44	10	30,000	45,288	14,680	2,513	34,435	103,979	48,120	423	59,292	42,174	887	
6% Cum. preference	109 00xd	115 00	100	3,000											
6% Cum. Pref. Tax	78 00	84 30	100	4,000											
6 1/2% Debentures			100	20,455											

NAME	Managing Agents' Agents/Secretaries	Salaried	Other Major	Sales	Stocks	Managing	Year ended	NET PROFIT		DIVIDEND PER CENT		
		and Wages	Expenses			Agents Commission		Latest	Previous	Latest	Previous	Second Previous
		Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
NORTHERN INDIA (Continued)												
East India Hotel	Oberoi Hotels Private	125	228	639			3-59	80	16	nil	nil	nil
Eastern Investments	Bird & Co. Private Ltd			1,943		6	12-60	1,848	1,673	14c	14	9
Eastern Manig. Co.	McLeod & Co. Ltd.	19.22	19.19	78.33	3.73	1.10	12-54	10.44	2.25	7 1/2	3	3
Electric Construction	Directors	1,326	5,866	8,124	5,121		11-58	957	1,092	10	10	10
Frank Ross	Directors	338	3,846	4,175	1,176		2-60	84	65	1 1/2 T	nil	nil
Frazer & Co.	Directors			1,335			3-60	—130	271	4 1/2	4 1/2	4 1/2
Franch Motor	Mg. Director	2,385	44,596	47,666	7,574		3-60	1,278	1,685	20c	12 1/2	12 1/2
Ganges Rope	Macneill & Barry Ltd.	1,522	4,842	7,947		94	3-60	(a)27,984	867	17 1/2 T	17	15
General Inv. & Trust	Bird & Co. Private			47		3	2-60	29	41	5 T	3 1/2	2 1/2
Gillanders Arbuthnot	5% Cum. preference Tan									7 1/4 T	5	5
Gladstone Lyall & Co.	Directors	3,694	13,723	23,514	3,113		3-60	2,849	2,555	10 N	6	6
Godfrey Phillips	5% R. C. P. T.									5 T	5 T	5 T
Great Eastern Hotel	Directors	2,130		6,014	1,459		10-59	681	209	6	6	6
Hindustan Building	6% C. P. T.			41,381	6,758		12-60	4,536	3,125	40 T	26 T	20
Hindusthan G. E. Corporn.	5 1/2% C. P. T.	2,920	6,814	6,515	326	53	3-60	867	725	3 1/2	5 1/2	5 1/2
Hindusthan Housing	B. P. R. Syndicate									9c	6	4
Hindusthan Ice	Directors			73	73		7-59	94	291	nil	4	4
Hindusthan Motors	4% C. P.									nil		
Hindusthan Pilkington	K. C. Thapar & Brothers	679	1,476	2,946	1,550		7-59	—786	—67	nil	nil	nil
Hindusthan Woolen	5% c. p. p.									nil	nil	nil
Hoare Miller	Deferred									nil	nil	nil
Hooghly Flour	Jainarayan Ramchander	36	272	212	1,663	5	3-59	68	126	1	3	3
Hooghly & Ganges Hyd.	R. N. Jhun Jhun Wala	40	1,21	2,69		18	9-54	65	37	nil	nil	nil
Imperial Tobacco	5% Debentures											
India Genl. Navigation & ...	Birla Brothers Private	11,762		217,726	5,759	1,874	3-60	21,890	11,686	9c	5	nil
India Linoleum	6% R. C. P.									8.57c	6	6
India Paper Pulp	Talukder Law & Co Private	276	3,168	6,769	408		10-58	1,717	1,159	6	6	6
India Steamship	Directors			182			3-58	135	96	1	1 1/2	1 1/2
Indian Aluminium	Directors	1,215	69,339	73,686	989		12-59	470	499	6 T	5	5
Indian Cable	Shaw Wallace & Co.	593	10,606	12,859	569	78	12-59	721	634	27 1/2	40	45
Indian Copper & ...	B. N. Elias & Co.	78	42	1,53			6-54	43	1,08	4 1/2	2 1/2	5
Indian Oxygen	4 1/2% R. C. P.									4 1/2	4 1/2	4 1/2
Indian Plastics	4% Debentures											
Indian Rubber Manfrs.	Directors			371,190	95,536		3-60	34,278	35,334	8c	6	7
Indian Wood Products	Kilburn & Co. Private			3,555			12-59	(b)269	211	nil	nil	nil
Indo Burma Petrol	6% C. P.									nil	nil	nil
Investment & Finance	Hindustan Investment	351	1,941	3,458	909		3-60	1,135	698	nil	nil	nil
J. K. Comm. Corp. Ltd.	Andrew Yule & Co. Ltd	3,506	23,956	23,956	799	529	3-60	3,796	(a)3,358	15 T	10	10
J. K. Investment Trust	Lionel Edwards Private	7,837	60,646	84,633		56	3-60	(a)307,497	(a)15,623	10 T	10	10
Jaipur Udyog	5% R. C. P.	12,597	42,455	96,968			12-59	23,401	13,706	5 T	5	5
James Wright	Directors									12 T	7	6
Jardine Henderson	5% C. P. T.									5 T	5	5
Jaswanthi (1929) Ltd.	6 1/2% Debentures									22 1/2 T	15	15
Jeonson & Nicholson	Directors	12,793	44,478	79,688	22,499		3-60		(a)12,655	22 1/2 T	15	15
John Peterson	6% C. P. P.									22 1/2 T	15	15
Kalimpong Rapeway	5 1/2% Debentures											
Kalyampur Lime & Cement	Gillanders Arbuthnot & Co.		2,039	2,887	456	86	12-59	1,202	991	27 T	18	18
Kanara Valley State	Directors	11,446	33,223	64,552	11,487		9-60	14,318	11,940	15c	15	10
Karnapur Development	Barila Gwalior Private	1,735	5,457	8,616	1,583		3-60	360	284	nil	nil	nil
Kathwell Bullen & Co.	5 1/2% C. P.									5 1/2 T	5 1/2	5 1/2
Kishore Trading Co.	Directors									7 1/4 T	5	5
	5% C. R. P.					34	3-36	3.68	1.80	6 T	6	6
	Gill. Arbuthnot & Co.									7 1/4 T	5	5
	Directors	616	1,760	5,250	3,213	160	9-60	1,502	1,163	30 T	25 T	25
	Steel Bros. & Co. Limited	3,182	21,729	17,734	1,375	738	12-60	11,179	7,512	30 T	25 T	20
	7% C. P. T.									7 T	7	7
	Bired & Co. Private			118		6	2-60	93	90	7 1/4 T	5	4
	5% C. P.									6 T	6	6
	6% C. P.									8 T	8	8
	Directors			4.54			6-55	5.69	2.22	8 T	8	8
	Directors			6.93			6-55	5.86	4.47	8 T	8	8
	B. Ordinarv									6 T	6	6
	Sahu Jain Ltd.	2,956	26,052	53,624	4,535		3-60	7,580	5,205	3 T	3	3
	3% C. P. T.											
	Directors	127	4,345	6,848	457		12-57	(b)31	23	nil	nil	5
	6% C. P.									6	6	6
	Deferred									7 T	5	2
	Directors	2,180	120,092	131,172	2,166		3-60	2,857	2,752	5 1/2 T	5 1/2 T	5 1/2
	5 1/2% C. P. T.									4 1/2 T	2 1/2 T	6
	Directors	2,471	16,664	22,428	8,961		12-60	1,868	842	6 T	6 T	7
	Directors	4,173	10,113	21,700	6,005		12-60	1,216	1,025	7 1/2 T	7 1/2	7
	7 1/2% R. C. P.									102	74	74
	Khanan Corpn. Private	28	458	747	12		3-58	(a)18195	102	nil	24	nil
	Directors	49	32	94			3-54	—32	—	nil	nil	nil
	Directors	940		11,250	961		12-59	1,361	1,235	nil	nil	nil
	7% P. T.									nil	nil	nil
	6% 2nd Pref.									nil	nil	nil
	Directors	25	117	178	18		6-58	18	—15	6	6	6
	Bird & Co. Private Ltd.	443		1,370	83	45	12-59	410	392	5 T	5 T	5 T
	Founders									15 T	6	5
	Directors			1,263			12-59	1,046	795	7 T	6	5
	5 1/2% C. P. T.									5 1/2 T	5 1/2	5 1/2
	4% C. P.									4 T	4	4
	Directors			250			12-58	—74	1,711	nil	nil	nil

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	June 1961	June 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
	Ra. n.p.	Ra. n.p.			Ra. 000	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)															
East India Hotel	...	...	10	4,655	...	...	...	54	2,950	39	...	27	41	147	3,296
6% C.P.	...	...	100	1,249	...	...	...	...	...	...	...	...	...	...	...
Eastern Investments	134 00	137 00	100	5,126	5,920	...	349	2,457	...	...	16,350	...	...	2	...
5% Cum. preference	67 44	69 94	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Eastern Manufacturing Co.	...	...	100	850	5,00	3,70	10	16,10	28,71	19,24	1	17,29	5,21	1,09	35
5% Cum. preference	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
Electric Construction	14 56	14 12	10	2,538	650	36	30	5,986	2,190	1,030	20	5,272	2,762	25	2
Frank Ross	3 24	3 19	6	495	...	57	2	930	239	140	...	1,176	443	42	...
44% Cum. preference	51 00	60 00	100	275	...	...	...	...	...	...	...	...	...	...	...
Fraser & Co.	11 00	13 25	10	605	200	457	563	584	1,474	612	1	...	392	27	...
French Motor	40 00	41 00	20	3,000	400	2,108	182	10,099	3,852	1,504	938	7,574	3,971	959	...
Ganges Rope	236 00	218 00	100	1,400	400	948	71	3,180	3,798	2,268	5	2,565	1,882	18	...
General Inv't. & Trust	...	...	75	225	26	30	8	51	...	...	531	...	4	5	...
5% Cum. preference	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Prefr. Tax	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot	14 44	11 81	10	6,500	2,300	1,324	171	27,052	3,058	1,591	11,539	3,326	18,989	2,707	1,800
5% R. C. P.T.	58 00	52 50	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Gladstone Lyall & Co.	...	...	10	4,000	775	162	25	5,764	915	567	3,854	1,535	4,868	163	1,379
6% C. P. T.	...	...	100	1,417	...	...	...	...	...	...	...	...	...	...	...
Godfrey Phillips	21 75	23 37	10	4,000	...	509	1,338	9,079	7,986	4,435	...	8,828	2,952	137	2,546
54% C. P. T.	50 00	56 09	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Hotel	232 00	250 00	250	3,000	1,000	811	21	1,177	8,865	4,329	2	429	833	208	...
Hindustan Building	3 69	5 00	10	1,500	52	...	8	677	8	3	1,376	...	915	20	920
4% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Hindustan C. E. Corp.	...	...	10	1,900	...	229	5,164	12,879	5,883	1,455	13	4,586	874	39	924
5% c. p. p.	...	...	100	845	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	175	...	...	...	...	...	...	...	...	...	...	...
Hindustan Housing	...	...	75	1,916	300	...	6	2,391	30	4	1,088	1,698	1,763	37	...
Hindustan Ice	1 05 N	1 05	5	1,000	45	1,00	3,57	1,73	22,57	10,00	...	31	1,33	26	13
5% Debentures	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
Hindustan Motors	22 44	20 69	10	49,613	...	4,951	363	29,070	73,656	32,548	1,448	36,835	11,153	22,798	...
6% R. C. P.	222 00	186 09	50	32,147	...	...	...	...	...	...	...	...	...	...	...
Hindustan Pilkington	27 81	35 75	10	8,800	700	...	5	102	2,343	2,659	9	1,892	541	1,719	...
Hindustan Woollen	...	...	10	3,497	...	51	8	233	48	...	581	...	3,129	29	...
Hoare Miller	6 50	7 75	10	3,520	2,100	...	17	9,427	1,247	692	2,253	1,015	9,454	20	1,766
Hooghly Flour	19 75xd	20 66	10	800	325	105	25	1,590	1,653	1,340	...	648	1,228	754	...
Hooghly & Ganges Hyd.	5 50	7 12	10	800	54	86	7	1,62	15,50	4,70	5,92	10	1,21	6	...
44% R. C. P.	...	...	100	400	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco	11 25	12 50	10	151,600	46,500	45,394	2,477	28,855	113,166	28,877	7,754	103,554	47,950	31,289	...
India Genl. Navigation	71 00	67 00	£ 10	656	170	1,022	4	1,914	5,778	3,679	33	644	904	319	5
6% C. P.	77 00	80 00	£ 10	244	...	...	...	...	...	...	...	...	...	...	...
India Linoleum	...	...	100	2,500	2,500	3	38	1,385	3,275	2,692	...	1,392	2,173	27	...
India Paper Pulp	19 19	21 37	10	8,820	1,555	6,471	40	4,701	24,156	11,878	134	5,312	2,522	1,130	210
India Steamship	8 94	11 12	10	24,750	14,000	19,299	4,076	154,248	226,882	49,615	1,351	383	20,494	11,226	...
5% R. C. P.	76 50	81 08	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Indian Aluminium	33 62	28 50	10	39,768	1,500	18,565	3,342	59,197	97,238	30,011	13	31,081	15,403	43,125	...
5% R. C. P.	66 20	70 25	100	4,000	...	...	...	...	...	...	...	...	...	...	...
64% Debenture	...	...	...	30,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	478	...	...	...	...	...	...	...	...	...	...	...
Indian Cable	37 69	33 50	10	23,578	9,000	11,300	4,564	23,476	29,548	13,719	738	32,917	25,409	8,093	...
6% C. P. P.	34 00	33 25	10	1,288	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	2ah	9,780	...	...	...	...	...	...	...	...	...	...	...
Indian Copper	5 78	5 14	2ah	1,371	1,598	560	107	2,121	3,271	1,917	568	1,350	2,053	433	...
Indian Oxygen	38 75	39 25	10	20,000	8,724	4,157	1,378	39,587	59,968	24,806	446	16,000	16,460	3,015	2,823
Indian Plastics	10 62	11 58	10	2,988	10	65	34	4,873	5,193	1,757	...	4,120	2,611	44	...
54% C. P.	40 50 N	46 00	100	2,250	...	...	...	...	...	...	...	...	...	...	...
Indian Rubber Manfrs.	17 00	18 25	10	828	5,08	53	63	4,1	16,75	9,50	4	615	794	5,85	...
5% C. R. P.	59 75	73 00	100	828	...	...	...	...	...	...	...	...	...	...	...
Indian Wood Products	31 37xd	30 12	10	2,000	1,800	498	129	2,353	2,270	1,896	2	3,853	235	2,016	301
Indo Burma Petrol	27 06	24 81	10	10,000	5,894	19,464	465	17,973	10,660	5,537	25,674	3,362	6,311	26,113	1,951
7% C. P. T.	89 50	89 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Investment & Finance	...	...	100	500	149	117	24	122	...	...	...	...	...	...	...
5% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
J. K. Comml. Corp. Ltd.	...	...	10	2,080	822	3	...	48,15	29	17	4,167	...	3,546	4	...
J. K. Investment Trust	...	...	700	7,008	25,50	46	7	40,23	2	1	11,502	...	1,578	803	...
B. Ord.	...	...	25	250	...	...	...	...	...	...	...	...	...	...	...
Jaipur Udyog	10 50	15 00	10	20,000	500	4,462	144	49,643	79,862	19,221	58	13,076	5,390	171	...
3% C. P. T.	37 00	37 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...
James Wright	2 75	0 85	5	588	38	53	...	877	300	73	581	458	530	7	...
6% C. P.	19 75 N	19 75	50	130	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 45	0 69	1	117	...	...	...	...	...	...	...	...	...	...	...
Jardine Henderson	67 59	70 25	100	20,000	6,800	511	321	52,946	4,266	1,592	47,898	2,166	30,341	68	...
54% C. P. T.	55 50	57 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Jaswanlal (1929) Ltd.	9 50xd	8 37	10	7,200	1,440	148	10	8,746	4,774	2,739	6	9,491	4,779	608	625
Jenson & Nicholson	...	...	10	3,250	1,850	813	595	9,980	6,390	3,532	88	6,289	8,824	214	784
74% R. C. P.	...	...	100	2,569	...	...	...	...	...	...	...	...	...	...	...
John Paterson	2 25	2 50	10	529	...	17	36	345	512	98	13	38	258	...	...
Kalimpong Ropeway	1 75	2 25	10	450	65	...	1,28	1,38	5,97	2 63	9	1,34	33	134	...
Kalyanpur Lime & Cement	105 00	103 00	100	6,425	...	3,351	416	11,201	16,681	3,851	52	2,472	3,838	241	2,102
7% P. T.	80 00	80 00	100	400	...	...	...	...	...	...	...	...	...	...	...
6% 2nd Pref.	100 50	108 50	100	1,575	...	...	...	...	...	...	...	...	...	...	...
Kangra Valley Slate	89 00 N	89 00	10	158	85	71	...	68	294	128	2	22	38	154	...
Kanarpura Development	17 12xd	14 06	10	1,500	2,105	579	255	4,964	4,508	1,324	1,859	149	822	1,735	2,757
Founders	...	...	10	508	...	...	...	...	...	...	...	...	...	...	...
Kastlewell Bullen & Co.	137 00	137 00	100	4,000	1,151	1,840	204	4,169	246	142	8,915	...	5,335	10	...
54% C. P. T.	57 50	58 25	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	55 75	56 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Kinore Trading Co.	70 00	75 00	100	2,000	175	2,633	18	974	2	1	4,774	...	631	162	...

Indian Finance MISCELLANEOUS

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
NORTHERN INDIA (Continued)												
Kumardhubi Fireclay	Bird & Co. Private Ltd	5,954	2,930	17,432	1,758	213	12-60	2,710	2,366	18 T	18 T	12 T
	54% R.C.P.T.									5 T	5 T	5 T
	54% Debentures											
Kusum Products	East India Development Co.	631	32,723	38,447	2,951	67	3-58	766	442	nil	nil	nil
	54% R.C.P.T.									5 T	5 T	5 T
	44% Debentures											
Macfarlane & Co.	James & Co. Ltd.	291	1,382	1,993	1,105	20	3-58	37	180	nil	nil	nil
	7% C.P.											
	Deferred											
Macneill & Barry	Directors	6,078	12,046	27,061			3-60	4,759	4,766	7 T	7 T	7 T
	54% C.P.T.									5 T	5 T	5 T
	5% Debentures											
Martin Burn	Directors	9,214	67,781	86,231	19,707		9-60	8,722	8,630	27 T	27 T	21 T
	5% C.P.									6 T	5 T	5 T
	4% Convertible Notes											
Marwar Trading Corp.	Directors			53			12-58	—13	(a)19,213	nil	nil	5 T
McLeod & Co.	Directors			29,996	900		12-59	2,050	1,935	15 T	12 T	12 T
	5% 1st C.P.T.									5 T	5 T	5 T
	5% 2nd C.P.									5 T	5 T	5 T
	Deferred									10 T	7 T	7 T
	Convertible Notes											
Metal Box Co.	Directors	1,625	26,342	84,637	22,873		3-60	12,657	11,159	25 T	17 T	17 T
	6% R.C.P.T.									6 T	6 T	6 T
Metal Corporation	Directors		8,838	10,025	5,686		3-60	1,266	587	nil	nil	nil
	5% C.P.T.									nil	nil	nil
	54% Debentures											
Midnapore Zamindary	Andrew Yule & Co.	67		158		9	4-59	—215	—124	nil	nil	nil
	Neorulla Ghazianarulla			183			10-58	54	53	5 T	5 T	5 T
Magadab Water Supply	Cotton Agents Private	529	2,396	5,537	818	22	6-60	321	186	nil	5 T	nil
C. & E. Morton India Ltd.	Gupta & Sval Ltd.	78		1,346			6-55	7,88	3,94	40 T	15 T	15 T
Motor & Genl. Finance	10% 1st C.P.									10 T	10 T	10 T
	7% 2nd C.P.									7 T	7 T	7 T
	7% 3rd C.P.									7 T	7 T	7 T
National Insulated Cable	Asso. Indust. Development Co.	2,211	19,601	34,914	3,607	786	3-60	7,502	3,908	25 T	20 T	20 T
	54% Debentures											
National Pipes & Tube	Asso Indust. Dev. Co.	1,022	4,632	8,240	1,886	166	9-58	1,662	1,492	12 T	20 T	20 T
	54% R.C.P.									5 T	5 T	5 T
National Rolling	Asso. Indust. Development			14,189	982	298	6-60	3,130	1,532	13 T	10 T	10 T
National Rubber	Directors	2,851	13,222	20,206	4,397		12-59	1,067	886	8 T	6 T	10 T
	6% C.P.									6 T	6 T	6 T
National Tobacco	B. N. Elias & Co. Private	6,828	72,639	97,122	6,636	781	12-59	6,635	5,732	16 T	11 T	9 T
	5% R.C.P.									5 T	5 T	5 T
	44% R.C.P.									4 T	4 T	4 T
	4% Debentures											
New Bharat Vanijiya	Directors	46	3,550	2,781	2,721		5-60	577	—147	nil	nil	nil
	44% C.P.									nil	nil	nil
New India Investment	Ramduiti Ramkiseendes	6	1,347	1,954	3,531	40	12-59	501	258	6 T	5 T	5 T
Octavius Steel & Co.	Directors	1,643		3,846			12-59	1,603	1,728	12 T	8 T	8 T
	6% C.P.T.									6 T	6 T	6 T
Orient Paper	Bria Brothers Private Ltd.	9,882	33,939	68,339	10,045	1,277	3-60	18,494	14,742	22 T	15 T	15 T
	54% C.P.									5 T	5 T	5 T
	54% C.P.T.											
	54% Debentures											
Orissa Cement	Dalmia Agencies Private	4,896	15,818	27,010	5,879	507	12-59	7,458	7,926	11 T	15 T	15 T
	44% C.P.									4 T	4 T	4 T
Orissa Minerals	Bird & Co. Private Ltd.	4,645		13,075	941	220	6-60	2,890	2,869	36 T	36 T	25 T
Philips India	Directors	7,635		49,638			12-59	6,999	(a)6,458	12 T	8 T	20 T
Post Shipping	Andrew Yule & Co.	1,925	826	2,793		20	12-59	45	—210	nil	nil	12 T
Publicity Society	Directors	248	306	1,184			3-60	478	324	70 T	37 T	50 T
Punjab Minerals	Bird & Co. Private Ltd.	5	19	27			9-60	—5	—4	nil	nil	nil
R. B. Rodda	Director	117	1,041	2,047	681		3-59	182	199	6 T	6 T	5 T
	54% R.P.									5 T	5 T	5 T
Reliance India	Directors	6,041	160,272	183,498	17,384		8-60	5,122	2,855	4 T	nil	nil
	6% C.P.T.									6 T	6 T	6 T
Reliance Firebrick	Directors	1,998	1,698	6,602	352		2-58	1,150	1,080	40 T	40 T	20 T
Reliance Industries	Saha Jain Ltd.	15,796	128,123	176,405	38,598	1,320	3-60	21,585	(1)24,725	20 T	15 T	20 T
	7 to 9% C.P.									9 T	9 T	9 T
	44% C.P.									4 T	4 T	4 T
	64% Debentures											
	6% Debentures											
Saba Properties	Directors	4		140			12-59	60	107	6 T	5 T	5 T
	6% Debentures											
Scientific Instrument Co.	Directors			3,820	5,77		3-55	1,91		8 T	8 T	5 T
Sen Raleigh	Directors	4,064	17,496	29,357	4,343		9-59	3,344	1,958	8 T	5 T	5 T
	5% C.P.									5 T	5 T	5 T
Shaw Wallace & Co.	Directors	8,139	44,215	70,908	9,889		12-59	6,222	4,971	15 T	10 T	10 T
	6% C.P.T.									6 T	6 T	6 T
Shiva Jute Press	Kadamath Mohanlal	28		157			6-58	60	21	5 T	1 T	1 T
Shree Gopal Paper	K. Ch. Thapar & Bros. pri.	4,539	23,504	47,661	775	1,101	12-59	10,187	8,603	17 T	12 T	12 T
	6% C.P.P.									11 T	8 T	8 T
	7% R.C.P.									10 T	7 T	7 T
	54% Debentures											
Smith Stanistreet	Directors	2,053	12,595	17,196	5,203		6-60	1,181	(1)042	25 T	25 T	16 T
	10% Prof. Cum. ac to 7%									10 T	14 T	14 T
Somakunda Baling	Bird & Co (Pak) Ltd.	344	186.39	200.88	52.00	6	2-55	—2.50		nil	nil	7 T
	8% C.P.									nil	nil	7 T
	5% C.P.									nil	nil	7 T
Sone Valley Port Cement	Directors			14,440	2,27		12-59	94	1,106	nil	nil	5 T
Star Co.	Directors						3-58	19		nil	6 T	6 T
Star Paper Mills	Bejaria & Co.	1,489	5,629	10,792	223	87	9-59	(b)1,242	1,574	3 T	6 T	6 T
	5% C.P.									5 T	5 T	5 T
	64% R.C.P.									6 T	6 T	6 T
	7% R.C.P.									7 T	7 T	7 T
Star Trading & Inv.	Bejaria & Co.			25			6-59	—6	—25	7 T	nil	nil
Star Products	J. K. Agents Private Ltd.	1,201	4,258	8,812	2,690	79	12-59	(a)1,766	(a)10,126	15 T	12 T	12 T
Star Stone & Lime	Directors	772	1,316	2,644	2		12-59	478	438	28 T	17 T	17 T

8 July 1961 INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	June 1961 Ra. np.	June 1960 Ra. np.			General Ra. 000	Others Ra. 00	Carry Forward Ra. 000				Invest- ments Ra. 000	Stocks & Stores Ra. 000	Out Standings Ra. 000	Cash Ra. 000	Other Ra. 00
	June 1961 Ra. np.	June 1960 Ra. np.			General Ra. 000	Others Ra. 00	Carry Forward Ra. 000				Invest- ments Ra. 000	Stocks & Stores Ra. 000	Out Standings Ra. 000	Cash Ra. 000	Other Ra. 00
NORTHERN INDIA (Continued)															
Kumardhubi Fireclay ...	18 45xd	22 75	10	3,000	628	3,467	33	9,823	512,681	6,621	397	5,474	5,206	20	194
54% R. C. P. T. ...	58 20xd	54 50	100	400											
54% Debentures ...				2,000											
Kusum Products ...	10 00	2 25	10	800		41	88	3,570	4,211	2,690	13	3,471	1,165	127	
54% R. C. P. T. ...	64 80 N	64 00	100	800											
44% Debentures ...			1000	1,000											
Macfarlane & Co. ...	8 25	3 53	5	634		5	68	1,176	777	589	152	1,121	773	23	
7% C. P. ...			100	309											
Deferred ...	1 56	0 97	1	66											
Macneill & Barry ...	103 00 N	98 50	100	15,000	4,300	3,188	293	8,764	5,717	1,905	23,234	1,522	13,630	1 152	6,000
54% C. P. T. ...	51 57xd	55 50	100	10,000											
5% Debentures ...			1000	7,500											
Martin Burn Limited ...	27 25	26 75	10	14,696	8,000	3,496	260	66,384	5,724	1,819	19,675	20,194	52,510	778	2,518
5% C. P. ...	86 80	97 50xd	100	6,000											
4% Convertible Notes ...			500	835											
Marwar Trading Corp. ...	160 00	200 00	100	525		1,926	—8	126							
McLeod & Co. ...	213 00	219 00	100	4,000	3,700	3,711	248	15,305	3,101	1,270	26,391	923	7,231	583	
5% 1st C. P. T. ...	50 00	51 25	100	1,000											
5% 2nd C. P. ...	60 25	66 00	100	4,000											
Deferred ...			10	500											
Convertible Notes ...				4,500											
Metal Box Co. ...	51 00	42 25	10	16,100	10,000	6,475	2,397	20,450	33,632	12,574	379	24,326	10,681	1,977	
6% R. C. P. T. ...	84 00	84 00	100	3,000											
Metal Corporation ...	10 31	11 69	10	5,000		1,043	—1,442	6,882	11,854	6,682	15	7,587	570	39	
5% C. P. T. ...	99 00	88 00	100	700											
54% Debentures ...			1000	1,200											
Midnapore Zamindary ...	13 87	20 25	85	8,695			—2,085	2,165	100	47	51		5,410	3,260	
Moradabad Water Supply	4 96xd	5 09xd	10	446		5	1	123	733	286	1	36	55	29	9
C. & E. Morton (India) Ltd			10	885	850	262	20	1,956	2,746	1,626	70	1,789	877	117	
Motor & General Finance			10	400	11,00	4,00	10	70,63	63	24	11,42	26	82,39	1,60	
10% C. P. ...			25	250											
7% 2nd C. P. ...			20	100											
7% 3rd C. P. ...			10	275											
National Insulated Cable .	38 19	27 56	10	9,000	8,000	5,757	86	24,014	10,946	5,135	8	15,304	23,429	1,136	
54% Debentures ...			2,000	1,000											
National Pipes & Tubes ...	25 75	17 75	10	3,000	1,500	6	116	2,692	4,519	2,156	2	3,427	2,245	277	
54% R. C. P. ...			100	1,000											
National Rolling ...	23 00	15 06	10	4,000	1,500	1,519	191	4,195	8,322	3,577	3	4,449	2,086	62	
National Rubber ...	11 59	15 69	10	4,997	400	516	15	10,213	8,355	3,367	10	7,894	3,213	863	151
6% C. P. ...	76 00xd	77 00	100	945											
National Tobacco Co. ...	21 44	22 62	10	7,997	5,717	4,493	708	14,387	13,671	7,568	93	23,759	5,953	3,092	
5% R. C. P. ...	72 50	77 50	100	2,500											
4% R. C. P. ...	66 25	66 50	100	1,998											
4% Debentures ...			1000	1,200											
Nav Bharat Vanaijya ...	5 75	4 00	5	1,500			22	686	4	2		2,721	484	1	
44% C. P. ...	75 00	90 00	5	1,000											
New India Investment ...	41 50xd	53 50xd	75	2,332	1,000	102	45	1,666	5	4	4,012		384	149	
Octavius Steel & Co. ...			100	5,000	3,300	3,102	334	5,671	1,036	361	8,649		8,898	185	
6% C. P. T. ...			100	1,000											
Orient Paper ..	34 35	45 00	10	14,682	2,000	30,150	422	26,765	100,140	30,778	2,35	20,165	8,285	53	
54% R. C. P. ...	81 00	84 00	100	12,000											
54% R. C. P. T. ...	63 75	62 50	100	6,000											
54% Debentures ...			1000	10,000											
Orissa Cement ...	14 50	13 19	10	22,500		6,500	877	31,080	53,955	18,650	1,592	14,918	6,95	4,525	1,634
44% C. P ...	35 06 N	35 06	100	4,000											
Orissa Minerals ...	45 50	40 25	10	2,000	1,455	4,400	111	7,396	6,891	2,826	4,342	2,256	5,620	125	104
Philips India ...	33 50xd	27 50	10	22,000	446	4,623	47	21,146	14,874	4,882	247	17,327	19,126	1,565	305
Port Shipping ...	10 75	10 81	10	1,408	625	1,865	—508	1,274	5,037	1,279	5	131	773	6	
Publicity Society ...	15 00	15 00	4	286	150	313	122	1,323	195	189	70		1,584	534	
Punjab Minerals ...			10	300			—140	23	159	2			17	1	9
R. B. Rodda ...	3 40	5 06	100	650	100	92	5	512	137	61	43	781	600	89	
54% R.C.P. ...			100	350											
Rallis India ...	140 00	126 00	100	22,500	500	100	449	17,616	7,039	3,389	8,630	18,552	14,901	2,917	
6% C. P. T. ...	73 00	86 00	100	7,500		319	37	3,716	3,716	2,569	1,088	952	2,341	152	
Reliance Firebrick ...	23 08	25 37	10	600		1,121	4,029	3,716	147,638	61,893	11,274	50,754	15,232	1,015	663
Rohas Industries ...	19 50	39 12	10	25,080	20,070	4,255	193	82,276							
7 to 9 C. P. ...	117 00	118 00	100	2,000											
44% C. P. ...	56 50	59 25	100	8,477											
64% Debentures ...			1000	9,500											
6% Debentures ...			1000	12,200											
Sahu Properties ...	2 45xd	3 12	500	750		369	1	239			1,649		199	10	
6% Debentures ...			100	999		1,45	4	14,91	1,71		72	5,80	18,27	1,16	
Scientific Instrument Co.	24 75	20 45xd	10	7,000	650	3,223	161	25,076	25,462	5,219	853	14,223	3,077	307	401
Sen-Raleigh ...	146 00	158 00xd	100	3,000											
5% C. P. ...	24 87	25 19	10	7,500	2,250	2,294	515	44,278	11,750	2,607	18,115	11,447	24,844	706	81
Shaw Wallace & Co. ...	68 50	70 25	100	450		110	10	32	85	975	522	20	30	178	6
Shiva Jute Press ...	26 62	29 50	10	12,551	4,575	7,321	137	28,349	34,080	12,674	4,916	12,250	4,786	2,674	19,151
Shree Gopal Paper ...	95 20xd	103 00	100	750											
8% C. P. ...	91 90xd	102 50	100	7,498											
1% R. C. P. ...			1000	1,000											
54% Debentures ...			1000	3,000											
6% Debentures ...			1000	5,000	600	869	99	4,687	2,440	1,505	302	5,203	1,343	448	
Smith Stanistreet ...	13 56	13 50	5	500											
10% Pref. cum. act to 7	63 12	69 62	100	600	5,02	16,73	—5,67	6,025	38,53	13,27		54,01	7,79	77	
Sonakunda Baling ...			100	200											
8% C. P. ...			100	350											
5% C. P. ...			5	7,500	1,415	435	62	6,596	22,510	15,876	106	6,282	2,349	423	214
Sone Valley Port Cement.	4 80	5 84	100	1,040	735	397	3	728	460	11	1,611		843		
Star Co. ...	80 50	80 00	10	6,000	450	389	6	9,541	7,736	4,304	107	9,503	5,584	1,209	2,874
Star Paper Mill ...	13 37	13 07xd	100	1,000											
64 C. P. ...	73 50 N	73 50xd	100	3,000											
9% R. C. P. ...	93 00	87 00xd	100	2,325											
7% R. C. P. ...	81 00		25	500			—143	736	2	1	122	817	150	2	
Star Trading & Inv. ...	8 00 N	8 00	10	1,500	9,400	6,467	53	4,612	11,849	2,852	983	3,613	1,919	6,061	395
Straw Products ...	9 87	12 75	10	484	65	481	35	789	1,954	701	18	41	401	141	
Sutna Stone & Lime ...	16 19	17 50	10												

NAME	Managing Agents Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended Rs. 000	NET PROFIT		DIVIDEND PER SHARE		
								Latest Rs. 000	Previous Rs. 000	Latest	Previous	Second previous
NORTHERN INDIA (Continued)												
Tide Water Oil	Andrew Yule & Co. Ltd.	875	6,079	7,037	2,832	34	10-60	426	292	30 T	22T	15
Thangur Paper Mills	F. W. Heilgers & Co. Private Prefd. Ordinary ... 8% C. P. ... 44% C. P. ... 54% Debentures	14 720	40,746	98,948	1,427	962	3-60	11,597	13,763	25 T	25	23 1/2
Tangabhadra Industries	Cotton Agents Private Debentures	753	32,847	35,296	4,219	19	9-59	1,151	676	4 1/2 T	4 1/2	4 1/2
Union Co.	Directors	...	...	195	...	...	3-58	21	65	nil	nil	nil
Union Carbide	Directors	10,732	41,039	70,992	24,334	...	12-59	15,582	10,553	18 T	14	14
United Flour	Shaw Wallace & Co. Ltd.	511	8,498	10,460	365	68	11-59	662	523	52 1/2 T	37 1/2	40
Walford Transport	Directors Prefd. Ordinary ...	1,161	18,974	19,343	3,728	...	12-59	953	505	20 T	14	14
...	...	...	...	...	...	...	...	...	...	15 T	12	12
SOUTHERN INDIA												
Aluminium Industries	Seshasayee Brothers Pri.	2,178	29,169	34,072	7,460	398	3-60	4,770	3,355	18 T	12 1/2	12 1/2
Amrutnjan	R. N. Brothers 74% C. P.	139	1,788	3,154	81	56	3-60	541	321	75 T	35	35
Andhra Cement	Andhra Engineering Co. Pri. 6% C. P.	1,033	4,012	9,134	264	95	12-59	1,756	(a17)1,670	10 T	7 1/2	7 1/2
Andhra Scientific Co.	Shimanth Industrials Pri. Ltd. 5% C. P.	530	693	1,752	769	29	6-57	293	179	6	6	6
Ashok Leyland	Directors	2,753	523,426	57,788	17,195	...	12-59	5,502	3,943	8 T	6	6
Aspinwall & Co. (Trav.)	Directors	935	2,591	4,112	872	...	12-59	85	32	4	6	6
Aspinwall & Co.	Directors 6% C. P.	1,860	5,771	10,234	1,170	...	12-59	(b)946	(a8)486	6 T	6	6
Asso. Industrial Engg.	Gannon Danberley	68	...	4,944	1,378	58	3-59	524	412	9	9	9
Bangalore Printing	Directors Second Ordinary	221	180	503	183	...	12-59	57	84	10 T	10	10
Bisby & Co.	Directors	1,425	2,125	7,662	334	...	12-59	3,045	2,384	10	10	10
Central Scientifics	Guru Agencies Private 6% C. P. P	88	630	1,054	178	11	3-59	112	100	10	10	10
Coimbatore Chem. & Fort...	Venus & Co.	...	...	8,92	...	5	3-55	11	15	8	8	8
Enfield India	Directors 7% R. C. P.	948	6,544	8,239	2,216	...	12-59	659	492	5 T	nil	nil
Fertilisers & Chemicals	Seshasayee Bros. Private	5,069	10,027	23,958	4,409	388	12-59	6,272	5,983	6 T	4	4
Forest Industries	Seshasayee Bros.	107	1,175	2,489	153	...	3-58	871	1,159	nil	nil	nil
General Papers Ltd.	Gany & Co.	52	2,385	2,980	879	41	3-59	365	303	12 1/2	12 1/2	nil
India Cements	Eason Pri. Ltd. 7 1/2% C. P.	1,901	18,416	27,087	506	558	3-60	(a28)7,104	3,669	11 T	18	9
Investment Trust of India	Kathari Mehta & Co., Pri. Ltd.	...	...	85	...	5	9-60	46	54	7 1/2 T	7 1/2	7 1/2
Jeymare Mining	R. S. Indus'l Corpn.	64	1,14	8,76	7,17	9	6-55	1,08	1,00	10	5	5
Kirloskar Elec	Kirloskar Associates	2,208	15,532	21,826	2,694	237	6-59	2,928	2,928	10 T	7 1/2	7 1/2
Madras Indus'l Invt. Corpn	Directors 4 1/2% Debentures	...	...	1,400	...	...	6-58	750	692	3	3	3
Madras Safe Deposit	Kathari & Sons	15	...	59	...	2	6-60	28	21	6 T	5	5
Madras Vanaspathi	Kubera Vanaspathi Ordinary 5 1/2% C. P.	...	...	...	4	...	4-58	-141	-153	nil	nil	nil
Manikar (Motors)	H. O. L. Marikar & Sons Pri	207	5,622	6,239	676	13	3-59	153	130	6	6	6
McDowell & Co.	Directors 6% C. P.	231	3,478	4,038	1,222	...	12-59	(a)436	388	30 T	20	24
Mettur Chem & Indus. Corp.	Seshasayee Bros. private Ltd. 6% C. P. 5% Debentures 6 1/2% Debentures	1,293	6,690	11,732	657	205	3-60	2,303	2,099	8,57T	6	6
Modern Housing	Directors 6% C. P.	...	...	...	...	...	6-58	2	2	12 1/2 T	8 1/2	8 1/2
Mysore Chem & Fort	Directors	542	2,848	4,755	453	...	3-60	1,052	867	10 T	5	5
Mysore Chem. Manfrs.	Directors 6% C. P.	154	2,488	2,889	331	...	3-60	619	625	20 T	20	20
Mysore Chrome	Directors	...	...	464	165	...	6-58	...	...	6 1/2	6	6
Mysore Coffee Curing	Directors	89	428	812	111	...	12-59	282	375	14 T	12 1/2	10
Mysore Elec. Industries	Directors	916	4,425	7,417	179	...	3-60	1,021	659	24 T	15	11
Mysore Glass & Enamel	Directors	...	...	...	4	...	3-59	7	...	12	11	11
Mysore Indus. & Test Lab.	Directors	384	523	1,536	185	...	3-58	325	244	12	11	11
Mysore Lamp	Directors 4% C. P.	272	387	1,777	296	...	3-59	312	297	16	15	12 1/2
Mysore Match	Directors	...	...	1,20	8	...	...	...	...	4	4	4
Mysore Paper	Directors	2,368	8,126	14,131	196	...	6-56	3	10	10	10	10
Mysore Stone Ware Pipes	Mysore Indus'l Develop. Co.	...	...	1,213	107	...	3-60	2,311	1,648	15 T	12 1/2	10
Mysore Tobacco	Directors	455	1,067	1,989	246	25	3-60	252	368	14 1/2 T	10	10
Mysore Veg. Oil	Directors	106	2,690	1,598	109	...	6-60	98	137	12 1/2	12 1/2	15
Ogale Glass Works	S. P. Ogale & Co.	1,561	2,044	6,633	265	30	12-59	621	332	8 T	4	nil
Parry & Co.	Directors 5% C. P. 4 1/2% Debentures	9,042	60,805	76,236	12,858	...	9-59	2,153	1,868	nil	5	nil
Parry's Confectionary	Parry & Co.	1,329	6,823	11,398	2,696	123	3-60	...	...	5 T	5	5
Punakur Paper	A. & F. Harvey	1,593	5,148	9,372	383	167	6-58	1,189	850	30 T	20	20
Radio & Electricals	Directors	47	1,421	1,950	2,189	...	12-58	1,922	1,020	10	7 1/2	5
Radio & Electricals Manfrs.	Directors	1,103	7,585	7,585	243	...	3-60	259	306	7 1/2	9	9
Ram (Madras)	Iyer & Co. Ltd. 7% C. P. 6% C. P.	210	10,034	10,920	2,151	49	3-60	2,410	2,242	2 1/2 T	16	16
Ruby Rubbers	Ruby Industries Private 6 1/2% C. P.	120	2,222	2,588	1,040	17	6-59	473	395	14 T	10	6
...	...	...	...	...	...	...	...	265	226	8 3/4 T	6	6

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	June 1961	June 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standings	Cash	Others
	Rs. np.	Rs. np.			Rs. 000	Rs. 000	Rs. 0				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
NORTHERN INDIA (Contd.)															
Tide Water Oil ...	20 25	16 00	10	600	450	489	125	2,263	446	173	7	2,832	1,322	382	823
Titagar Paper Mills ...	34 31	39 62	10	11,205	4,849	30,291	249	43,124	90,011	43,496	1,093	23,169	25,911	1,003	3,113
Prefd. Ordinary ...	3 87	3 94	2 1/2	437	...	...	...	...	...	...	...	...	...	...	...
8% C. P. ...	99 00	116 00	100	1,150	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Cum. preference ...	73 00	81 50	100	1,500	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures ...	...	...	...	8,000	...	...	...	...	...	...	...	...	...	...	...
Tungabhadra Industries ...	9 44	...	10	3,059	...	30	56	6,607	6,869	1,769	25	5,400	56	163	...
5 1/2% Debentures ...	...	...	...	1,503	...	...	...	...	...	...	...	...	...	...	...
Union Co. ...	76 00	80 00	100	1,250	726	725	-21	3,237	18	14	3,406	1,384	1,64	...	...
Union Carbide ...	56 31	39 25	10	20,000	5,000	6,555	4,363	39,012	38,512	9,532	303	26,312	7,375	8,941	3,000
United Flour Mills ...	43 50 N	47 00xd	10	500	295	361	10	1,437	862	562	18	466	910	906	...
Walford Transport ...	3 20xd	3 44	1	841	1,150	1,007	167	4,140	1,311	904	127	4,194	2,262	525	...
Prefd. Ordinary ...	2 24xd	3 12	1	210	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA															
Aluminium Industries ...	23 40	23 15xd	10	8,600	2,000	1,984	153	24,6107	13,872	5,551	84	14,489	12,524	950	379
Amrutanjan ...	...	...	100	250	175	158	5	1,17	873	166	176	304	444	434	...
7 1/2% C. P. ...	124 17	130 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Andhra Cement ...	9 95xd	11 10cd	10	7 102	350	399	23	8,717	16,052	6,938	594	4,807	2,320	41	...
6% Cum. preference ...	92 74	106 00	100	249	...	...	...	...	...	...	...	...	...	...	...
Andhra Scientific Co. ...	11 29	11 10cd	10	800	...	...	-487	1,588	926	534	...	838	842	28	...
5% C. P. ...	7 04	10 88	10	200	...	...	...	...	...	...	...	...	...	...	...
Ashok Leyland ...	9 28	8 95xd	5	24,679	650	1,914	20	19,413	22,070	6,077	101	17,509	9,458	84	...
Aspinwall & Co. (Trav.) ...	4 22	5 00	10	1,000	...	411	...	696	573	352	64	992	801	29	...
Aspinwall & Co. ...	6 64	6 50	10	3,588	44	911	1	4,194	3,322	1,853	593	1,504	5,050	3 5	...
6% C. P. ...	7 62	7 83	10	214	...	...	...	...	...	...	...	...	...	...	...
Ass. Indusl. & Engg. ...	82 10	85 50	100	2,480	35	2	5	837	313	170	433	2,081	674	28	...
Bangalore Printing ...	13 95xd	15 00	10	316	188	108	7	151	783	454	50	232	177	2	...
Second Ordinary ...	...	...	10	31	...	...	...	...	...	...	...	...	...	...	...
Binny & Co. ...	213 00	190 00	100	10,000	3,650	1,300	439	10,684	3,628	1,881	21,177	399	2,485	264	...
Central Scientifics ...	6 70	6 84	5	150	165	70	7	158	128	66	10	180	255	92	...
6% C. P. P. ...	5 10	5 35	5	150	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Chem & Fert	...	...	25	139	...	...	...	3,39	1,45	29	1	3,11	21	30	...
Enfield Industries ...	13 25	18 00	10	1,499	...	353	5	2,432	4,801	718	...	2,666	461	62	...
6% C. P. ...	95 00	100 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Fertilisers & Chemicals ...	10 65cd	10 50	10	34,598	...	1,462	1,959	30,424	51,368	28,028	2,575	10,569	6,839	2,068	26
Forest Industries ...	2 95	3 35	2 1/2	1,992	...	...	-210	1,627	613	498	...	324	1,163	1,747	23,059
General Papers Limited...	10 40	13 25	10	750	300	166	6	490	121	43	46	878	616	89	4
India Cements ...	6 67	6 87	5	14,945	...	5,998	79	26,555	44,225	10,339	865	6,472	10,020	555	...
7 1/2% Cum. preference ...	81 00	92 00	100	3,335	...	...	...	...	...	...	...	...	...	...	...
Invst. Trust of India ...	70 00	70 50	100	1,000	40	221	4	90	...	...	1,212	...	7	37	115
Jyore Mining ...	...	...	100	400	2,40	31	46	10,94	6,35	1,63	36	8,83	4,10	4	...
Kirloskar Elec	13 50	12 90	10	3,871	1,212	1,218	4	8,199	7,808	3,665	...	6,789	3,113	353	172
Madras Indusl Invt. Corp.	...	...	1000	12,996	...	380	5	13,734	15	5	3,648	1	23,878	3,192	...
4 1/2% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Madras Safe Deposit ...	43 75	47 50	80	158	...	14	1	103	...	...	...	...	...	...	...
Madras Vanaspati (a.s.)...	15 00	15 00	100	1,500	...	...	-1,234	2,817	3,943	...	95	...	13	50	...
Ordinary ...	...	...	10	193	...	...	...	...	...	...	...	58	9	1	61
5 1/2% C. P. ...	55 00	17 20	100	794	...	...	...	...	...	...	...	...	...	...	...
Marikar (Motor) ...	57 00	51 00	50	436	...	400	...	...	...	...	...	...	...	...	...
5% C. P. ...	52 33	50 00	50	209	...	...	...	1,300	...	...	89	686	930	395	...
McDowell & Co. ...	34 25	33 00	10	600	390	30	149	1,591	1,486	...	137	1,326	685	194	...
5% C. P. ...	86 94	97 00cd	100	400	...	...	13	3,893	14,366	7,381	1,424	4,649	3,735	211	...
Mettur C.chem. & Indl Corp.	14 55	12 70	10	5,925	322	1,914	...	...	...	...	...	...	...	...	...
5% C. P. ...	9 70	96 00	10	2,000	...	...	...	...	...	...	...	...	...	...	...
10% Debentures ...	84 00	...	100	1,275	...	...	...	...	...	...	...	...	...	...	...
11% Debentures ...	...	...	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Modern Housing ...	...	...	10	1,792	...	...	-1,259	307	...	577	227	248	696	740	5
5% C. P. ...	...	...	100	1,272	...	...	...	...	...	...	...	...	...	...	...
Jyore Chem & Fert ...	11 50	9 90	10	2,481	693	411	11	2,314	5,564	4,080	359	1,775	925	1,363	...
Jyore Chem. Manfr. ...	24 00	25 00	10	600	200	252	85	2,294	1,119	897	208	1,777	1,303	10	...
5% C. P. ...	8 50	8 48	10	200	...	...	...	...	...	...	...	...	...	...	...
Jyore Chrome ...	...	...	10	494	90	...	-206	405	634	169	1	265	42	9	...
Jyore Coffee curing ...	14 75	16 30	10	799	52	194	1	1,231	752	489	...	560	1,351	21	...
Jyore Electric Indus. ...	219 00	175 00	...	1,405	130	500	4	1,814	1,330	628	83	876	2,111	155	...
Jyore Glass & Enamel ...	...	...	10	631	...	...	-144	30	523	219	...	87	41	61	24
Jyore Indus. & Test. Lab	8 30	8 00	5	938	60	257	4	800	653	437	436	576	819	188	...
Jyore Lamp ...	28 50	24 50	10	656	535	404	3	469	1,219	685	...	928	778	77	...
5% C. P. ...	5 95	6 30	10	250	...	...	...	...	...	...	...	...	...	...	...
Jyore Match Co. ...	14 87	10 00	10	499	...	...	-1,30	77	3,65	...	84	16	97	20	...
Jyore Paper ...	21 25cd	24 50	10	2,500	1,250	2,043	52	5,333	15,221	10,396	56	3,594	2,129	390	2
Jyore Stoneware Pipes ...	15 00	15 15	10	600	300	268	7	395	1,132	763	159	246	479	108	...
Jyore Tobacco ...	9 85	13 35	10	1,000	180	176	...	737	1,930	1,127	188	626	401	77	...
Jyore Veg. Oil ...	...	...	8	270	134	76	3	690	518	398	255	242	317	239	...
Jyale Glass Works ...	5 90	6 00	5	1,487	...	399	116	3,929	5,081	2,346	4	1,808	1,175	209	...
Jerry & Co. ...	...	...	2	4,000	4,750	2,056	230	27,358	5,363	2,972	2,477	13,103	22,523	1,143	...
5% C. P. ...	7 15cd	8 44	10	3,000	...	...	...	...	...	...	...	...	...	...	...
10% Debentures ...	...	...	...	257	...	...	...	...	...	...	...	...	...	...	...
Jerry's Confectionery ...	4 90	5 60cd	1	750	500	302	152	3,919	1,255	600	12	2,956	1,738	248	...
Junalur Paper ...	...	...	25	1,505	850	3,952	103	3,205	10,674	5,446	1	2,204	1,100	185	898
Jadio & Electricals ...	2 85	4 50	5	1,500	600	10	1	1,903	744	205	11	2,235	394	14	442
Jadio & Electricals Manfg.	20 50xd	19 00	10	2,457	550	177	22	7,046	3,837	2,169	48	2,778	5,636	176	...
Jane (Madras) ...	6 80	6 25	5	1,226	368	13	18	2,782	828	482	225	2,151	1,355	689	...
5% 'A' C. P. ...	4 30	4 70	5	175	...	...	...	...	...	...	...	...	...	...	...
5% C. P. ...	4 40	4 65	5	190	...	...	...	...	...	...	...	...	...	...	...
Jaby Rubbers ...	6 20	8 83	10	890	...	...	4	1,785	1,571	276	140	1,051	373	41	25
1% C. P. ...	10 00	8 45	10	246	...	...	...	...	...	...	...	...	...	...	...

Indian Finance MISCELLANEOUS

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Previous	Second Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTHERN INDIA (Continued)												
Simpson & Co. ...	Directors	1,731	48,485	59,241	6,341	...	5-58	3,513	5,043	9	6	13
Spencer & Co. ...	Directors	4,826	28,675	37,924	10,630	...	6-60	2,382	2,342	18	18	15
	64% 'A' C. P.	...	...	...	...	...	...	...	...	6	6	6
	84% 'B' C. P.	...	...	...	...	...	...	...	...	8	8	8
Standard Motor Products ...	Standard Motor Co.	1,819	35,428	38,975	11,746	...	12-60	2,854	1,815	9	9	7
	64% C. P.	...	...	...	...	...	...	...	...	9	9	7
	Deferred	...	...	...	...	...	...	...	...	6	6	6
Stanes & Co. T ...	Directors	581	6,243	8,088	740	...	9-60	882	791	32	20	20
	7% C. P.	...	...	...	...	...	...	...	...	7	7	7
Stanes Motors ...	Directors	882	3,765	8,714	1,265	...	3-58	567	591	20	15	12
T. I. Cycles ...	Directors	...	...	30,470	5,807	...	6-58	7,299	7,785	10	10	6
Textool Co. ...	Directors	4,904	9,061	16,637	4,132	82	4-69	1,049	1,085	15	15	15
Thomas & Co. A. V. ...	Directors	292	446	1,345	95	...	12-58	233	236	25	15	15
	6% Cum. Preference	...	...	...	...	...	...	...	...	25	15	15
	5% Cum. Preference	...	...	...	...	...	...	...	...	6	6	6
A.V. Thomas & Co., (India) Ltd	Directors	46	126	204	196	...	6-60	88	52	nil	nil	nil
Travancore Cements ...	Directors	1,120	...	3,334	1,717	30	12-59	(a13) 1,008	996	5	5	5
Trav. Chem. & Manfg. Co.	Directors	144	1,361	3,282	342	...	3-60	485	315	15	10	7
	64% R. C. P.	...	...	...	...	...	...	...	...	8,93	6	6
Travancore Ogale Glass ...	Ogale Bros. Private Ltd.	434	...	1,209	6	10	12-59	156	137	6	4	nil
United Coffee Supply ...	Directors	452	3,883	5,364	802	...	6-58	205	193	11	10	15
United Elec. Industries ...	Directors	192	1,332	2,287	17	...	12-59	33	178	nil	nil	nil
	5% Cum. Pref.	...	...	...	...	...	...	...	...	nil	nil	nil
Vanjinad Matches ...	Directors	85	4,24	5,43	1,36	...	12-54	18	31	nil	nil	nil
	64% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Vasant Soap Works ...	Ramkrishna & Sons	23	162	270	34	6	12-58	30	11	nil	nil	nil
	54% C.P.	...	...	...	...	...	...	...	...	nil	nil	nil
W. I. Plywood ...	Directors	642	3,740	5,800	2,275	...	3-60	1,609	1,524	10	10	10
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6

(a) After transferring Rs 2,000,000 from Dividend Equalisation Fund.

(b) After transferring Rs 67,000 from Dividend Equalisation Reserve.

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

(d) After transferring Rs 1,500,000 from General Reserve.

(e) After transferring Rs 1,10,000 from General Reserve Rs 40,000 from Dividend Equalisation Fund.

(f) Includes Rs 135,478 being surplus on sale of Fixed Assets.

(g) After transferring Rs 1,300,000 from provision for Bad and Doubtful debts.

(h) After transferring Rs 62,000 from General Reserve.

(i) After writing back Rs 261,971 being over provision in previous years.

(j) After transferring Rs 719,682 from General Reserve.

(k) After transferring Rs 125,000 from General Reserve.

(l) After transferring Rs 150,000 from provision for contingencies.

(m) After transferring Rs 800,000 from General Reserve.

(n) After writing back Rs 141,948 being excess provision for depreciation and Rs 19,398 being Investments written off.

(p) After transferring Rs 800,000 from General Reserve.

(q) Bonus shares in the ratio of one fully paid ord. share for every five ord. shares will be issued in lieu of Dividend.

(r) Includes Rs 17,99,170 being indemnity receivable from the Government of India.

(s) After transferring Rs 700,000 from Repair and Replacement Reserve and Rs 64,000 from Taxation Reserve.

(t) Dividend in the form shares in The Punjab National Bank at one share for every 20 shares held in Bharat Nidhi.

(v) After transferring Rs 600,000 from Dividend Equalisation Reserve and writing back Rs 268,463 being excess provision made in previous years.

(w) After transferring Rs 450,000 from General Reserve.

COTTON

NAME	Managing Agents/ Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit	Net Profit for the previous period	Dividend per cent		
											Latest	Previous	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Ahmed Advance ...	Tata Industries Private	49,168	1,016	7,978	23,190	4,951	50	6-60	(b) 3,127	(a3) 1,436	10	7	5
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	54% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Ahmed Mfg. & Calico ...	Karamchand Pranchand Pri.	139,120	2,372	29,619	99,950	19,997	1,537	3-60	16,667	12,724	24	17	5
	44% 1st Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	44% 2nd Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	44% 3rd Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Ajit Mills ...	Chimubhai Narabhai	25,376	513	4,908	12,772	2,077	50	12-59	(a) 830	(a33) 706	16	12	14
	44% 'B' R. C. preference	...	...	...	...	...	...	...	...	...	...	...	...
	5% 'C' R. C. preference	...	...	...	...	...	...	...	...	...	...	...	...
	44% 'D' R. C. preference	...	...	...	...	...	...	...	...	...	...	...	...
Apollo Mills ...	Rajputana Textiles Pvt & Co.	56,468	898	7,390	13,665	2,151	25	12-59	910	2,475	45	40	28
Arvind Mills ...	Narottam Lalbahai	66,412	1,216	11,504	37,387	4,969	892	12-60	10,039	8,535	3	5	5
	5% Cum. preference T.	...	...	...	...	...	...	...	...	...	...	...	...
	44% Cum. preference T.	...	...	...	...	...	...	...	...	...	...	...	...
	44% R. C. preference T.	...	...	...	...	...	...	...	...	...	...	...	...
Aaska Mills ...	Lalibhai Dulpethbhai	37,368	914	8,603	21,206	1,494	50	12-59	(a47) 1,632	(a46) 1,987	25	20	30
	5% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
	44% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
Asam Jahi Mills ...	Government of Andhra	36,136	716	9,076	11,951	4,896	...	9-59	315	30	4	4	4
B. R. Cotton ...	Directors	30,596	1,021	8,986	14,647	2,996	...	3-59	693	624	nil	nil	nil
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	44% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Bisnod Mills ...	B. Ram, Balchand	60,640	1,338	141,15	203,58	28,53	6,69	12-55	24,54	6,30	10	...	...
Bombay Dyeing ...	Newrojee Wadia & Sons Private	223,552	3,984	56,270	99,942	33,652	600	12-60	...	...	...	...	...

8 July 1961 INDUSTRIALS (Contd)

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	June 1961	June 1960			General	Others	Carry Forward				Invest ments	Stocks & Stores	Out Standings	Cash	Ot
SOUTHERN INDIA (Continued)															
Simpson & Co.	...	...	10	7,500	2,500	10	1,887	20,428	14,009	7,263	16,355	7,778	1,175	265	
Spencer & Co.	22 50xd	20 30	10	4,000	5,609	4,583	756	8,976	15,382	7,819	4,159	11,086	3,140	1,165	2
64% 'A' C. P.	7 55	8 50cd	10	2,320	...	...	...	...	...	...	...	...	...	...	
84% 'B' C. P.	10 20	11 12cd	10	3,680	...	...	...	...	...	...	...	...	...	...	
Standard Motor Products	16 75	16 70	10	3,790	600	1,940	3	10,003	13,584	3,974	2	9,257	59	40	3
64% C. P.	95 00	102 00	100	5,000	...	...	...	...	...	...	...	...	...	...	
Deferred	...	...	1	300	...	...	...	...	...	...	...	...	...	...	
Stanes & Co. T.	32 50	32 00	10	1,156	200	1,328	41	2,155	1,362	739	1,342	1,042	2,124	431	5
7% C. P.	82 65	83 10	100	150	...	...	...	...	...	...	...	...	...	...	
Stanes Motors	...	...	10	691	400	1,438	7	944	931	477	208	1,338	832	649	...
T. I. Cycles	...	...	100	7,000	2,450	5,997	64	10,374	14,170	3,274	467	9,349	3,340	279	1.5
Textool Co.	182 00	173 00	100	3,322	500	868	5	14,490	6,949	2,620	16	6,212	8,541	88	
Thomas & Co. A V (Allep.)	20 00xd	21 00	10	200	300	308	6	750	686	356	152	118	1,012	182	
B. Ordinary	...	...	100	35	...	...	...	...	...	...	...	...	...	...	
6% Cum Preference	5 80	6 48	10	121	...	...	...	...	...	...	...	...	...	...	
A. V. Thomas & Co India	4 00	4 00	10	300	...	...	3	150	110	33	158	234	108	55	
5% Cum Pref.	3 25	5 45xd	10	200	...	...	...	...	...	...	...	...	...	...	
Travancore Cements	8 10cd	9 40	10	5,000	...	1,177	29	6,204	13,789	5,799	48	3,956	397	19	
Trav. Chem. & Manfg. Co.	18 00	15 50	10	1,000	...	108	72	1,888	1,805	607	25	919	518	7	
64% R. C. P.	9 10	10 00	10	300	...	...	...	...	...	...	...	...	...	...	
Travancore Ogale Glass	7 20cd	8 00	10	999	...	15	12	545	1,585	666	...	350	113	100	
United Coffee Supply	...	...	15	600	314	419	8	1,086	1,050	590	356	857	545	215	
United Elec. Industries	9 50	9 50	10	936	...	6	348	1,549	839	224	...	1,129	356	69	
5% C. P.	10 20	10 00	10	15	...	...	...	...	...	...	...	...	...	...	
Vanjinai Matches	...	...	6	270	...	...	14	2,43	7,72	3,94	9	3,66	1,63	23	
64% Cum. preference	...	...	10	450	...	...	...	...	...	...	...	...	...	...	
Vasant Soap Works	...	...	100	225	...	49	423	455	463	168	...	90	33	2	
54% C. P.	...	...	100	121	...	...	...	...	...	...	...	...	...	...	
W. I. Plywood	231 00	303 00	100	3,129	250	2,394	5	4,749	9,882	2,555	1	2,488	1,245	71	
6% C. P.	92 00	100 00	100	618	...	...	...	...	...	...	...	...	...	...	

**Indian Finance
COTTON**

NAME	Managing Agents Agents/Secretaries	Spindles	Locoms	Raw Materials	Sales	Stocks	Managing Agents' Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Pre-vious	Seco-ndary
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Central India	Tata Industries Private	115,188	2,064	19,001	32,883	11,875	...	6-60	—893	—5,269	nil	nil	nil
Century Spg. & Mfg.	5% Cumulative preference .. Birla Gwalior Priv. Ltd.	126,752	2,752	42,628	93,019	17,164	932	12-59	16,477	(a)14,648	314T	22	22
Coorla Spg. & Wvg.	6% R. C. P. Cowasjee Jehangir & Co.	24,848	680	6,896	15,272	1,093	54	3-60	1,106	(n)1,060	11T	7 1/2	12
Davangere Cotton	R. Hanumantappa & Sons	25,214	300	8,565	14,139	4,611	156	3-60	1,961	1,635	12T	9	9
Cawn Mills	Ramnarain Sons Ltd.	40,962	...	5,845	14,186	3,264	184	3-59	2,022	1,421	20	10	15
Edward Textiles	P. Buba Sons	48,718	928	11,843	23,282	4,986	85	12-60	2,238	683	5T	9T	7
Elphinstone Spg.	Director 7% C. P.	41,300	886	9,369	22,671	6,824	...	12-60	3,608	1,854	14 1/2	18T	7T
Finlay	James Finlay & Co. Ltd.	49,528	784	7,393	23,004	4,677	135	12-58	(a)36,258	(a)15,190	16	20	20
Gaskwar Mills	Directors	...	...	6,583	14,642	3,789	...	12-59	2,367	1,623	16T	10	10
Gokak Mills	F. F. Campbell & Co. pri. 6% Debentures	74,286	...	21,562	27,367	1,008	50	12-59	(i)1,035	(n)1,396	6T	8	8
Gold Mohur	James Finlay & Co.	45,768	1,020	6,414	22,636	5,730	328	12-59	(a)14,313	(a)7,520	21 1/2T	15	15
Hind Mills	Hind Agents Private	71,596	1,387	185.72	324.27	115.33	2,80	6-56	22,77	15.63	6	5	5
Hindustan Spg.	5% C. P. Directors	49,448	1,122	12,682	19,781	2,375	...	3-60	(a)23,2375	(a)37,1651	50T	35	35
India United	44% R. C. P. T. Agarwal & Company	244,300	6,278	44,496	100,283	37,978	19	12-58	(a)48,5553	—3,852	4 1/2	4 1/2	4 1/2
Indore Malwa	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
Jampur Spg. & Wvg.	Directors	51,180	1,420	...	28,771	6,933	...	12-59	(a)13,390	284	7T	5	5
Jam Ranjitsinghji	Shree Laxmi Traders	...	...	3,484	6,166	2,944	...	12-58	—221	—35	nil	nil	nil
Khatav Mankaji	5 1/2% R. C. P. Directors	...	...	...	5,502	8,399	...	6-58	—315	(a)43—107	nil	4	6
Kashmeer Mills	Khatav Mankaji & Co. Private	92,852	1,489	15,155	51,009	8,992	854	6-60	9,161	5,814	32T	16	10
Lakshmi Cotton	4% Cum. Preference Killick Industries Limited	120,504	1,846	31,592	52,453	5,628	110	12-59	(c)2,152	(a)27,1914	9 1/2T	10	18
	Directors	48,996	1,219	10,328	22,619	4,973	...	12-59	(f)1,543	(a)32,2504	10T	6	6
	5% Cum. preference T.	...	...	...	...	...	...	...	...	...	5	5	5
Mafatlal Fine Spg.	N. C. Purbhooandas & Co.	51,996	896	8,358	24,491	2,025	532	12-59	5,745	4,287	29T	18	15
	4 1/2% 1st R. C. P.	...	...	...	...	...	...	...	...	...	6.43T	4 1/2	4 1/2
	4 1/2% 2nd R. C. P.	...	...	...	...	...	...	...	...	...	6.43T	4 1/2	4 1/2
Mahendra Mills	J. R. Patel & Sons Pri	...	...	9,230	14,660	2,478	145	12-59	3,841	2,659	8T	8	8
	Ord. P. P.	...	...	...	...	...	...	...	...	...	8T	8	8
	6 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	9.30T	6	6
Marden Spg. & Mfg.	Marden Agents Co. Pri.	23,508	482	5,821	16,001	3,950	50	12-58	522	(a)19,852	6	6	6
Minerva Mills	N. Sirur & Company Private	39,896	704	6,549	13,458	3,292	40	12-59	38	—766	nil	nil	nil
Model Mills	B. A. Dadabhai & Co.	52,408	952	89,83	141,66	36,34	54	6-55	4,83	—7,72	nil	nil	nil
Modern Mills	N. Sirur & Company Private	49,200	644	8,171	16,746	6,736	120	10-59	1,815	(a)4,866	10T	6	10
Monogram Mills	M. Bakubhai & Sons. Private	27,460	528	8,101	18,768	4,051	50	12-59	850	557	8 1/2T	6	6
Morarjee Goculdas	Piramal Sons Privt. Ltd.	70,416	1,652	13,537	40,202	9,975	325	6-60	3,784	3,300	21 1/2T	21 1/2T	15
	4 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	6.43T	6.43T	4
Mysore Spinning	N. Sirur & Company Private	50,480	500	9,679	17,117	3,416	45	2-60	881	387	14T	10	10
	4 1/2% Cum. preference T.	...	...	...	...	...	...	...	...	...	4 1/2T	4 1/2	4 1/2
Navsari Cotton	Directors	...	...	3,835	8,986	1,830	...	12-59	(v)726	1,171	12T	12	12
	5% C. P.	...	...	...	...	...	...	...	...	...	7.14T	5	5
New City of Bombay	W. H. Brady & Co. Ltd.	45,944	432	8,333	14,049	1,222	...	12-59	—1,164	—288	nil	nil	nil
New Commercial	Triumfal Bhopal	45,836	866	8,926	22,614	4,798	185	12-59	2,389	2,349	14 1/2T	10 1/2	11
	4% 2nd R. C. P.	...	...	...	...	...	...	...	...	...	5.72T	4	4
New Great Eastern	Board of Directors	49,012	1,018	6,741	13,247	4,299	...	12-59	—1,251	(b)101	5 1/2T	4	4
	5 1/2% Cum. preference T.	...	...	...	...	...	...	...	...	...	5 1/2T	4	4
New Kaiser-I-Hind	Directors	54,052	1,217	10,333	28,977	10,366	...	3-60	634	—1,814	5 1/2T	5 1/2T	5 1/2T
	5% C. P.	...	...	...	...	...	...	...	...	...	5 1/2T	5 1/2T	5 1/2T
New Shorrock Spg.	Mafatlal Chandulal & Co.	51,106	907	9,795	28,515	2,902	872	12-59	8,798	7,240	44T	28	28
Osmanshahi Mills	Bannal Bisesadas Private	37,788	902	11,101	20,787	6,117	50	9-60	758	—982	44T	28	28
Podar Mills	Podar Sons Private	32,600	930	10,257	14,875	1,717	49	12-59	(a)16,1393	(a)38,1271	12T	18	11
	4% Cum. preference	...	...	...	...	...	...	...	...	...	12T	18	11
Pulgaon Cotton	Hardeyal sons	...	...	6,294	10,800	2,030	...	6-59	—125	—184	nil	4	4
Raja Motilal	Raja Motilal Banailal & Sons	...	...	3,752	7,159	2,779	50	12-58	377	429	nil	4	4
Rohit Mills	Directors	35,196	648	8,849	24,900	4,745	...	12-59	(m)1,622	(a)1,802	10T	8	8
	5 1/2% Cum. preference T.	...	...	...	...	...	...	...	...	...	5 1/2T	5 1/2T	5 1/2T
	4% R. C. P. (2nd)	...	...	...	...	...	...	...	...	...	5 1/2T	4	4
	4% R. C. P. (5th)	...	...	...	...	...	...	...	...	...	5 1/2T	4	4
Ruby	Chunilal Jeewandas & Co.	...	...	2,951	7,117	1	35	3-59	228	121	5 1/2T	4	4
	...	...	...	...	...	...	...	...	...	...	10	6	6
Sassoon & Alliance	Directors	9,520	277	4,727	7,777	2,777	...	12-59	31	—73	nil	nil	nil
Sassoon Spinning	M. G. Invst. Corporation Pri.	94,884	2,127	26,627	53,198	3,620	180	12-59	(r)3,702	(a)20,2464	25T	20	20
Sholapur Spinning	Directors	95,332	2,234	2,086	2,967	1,333	...	3-59	—2,050	—5,456	25T	20	20
	Half. Ord.	...	...	...	...	...	...	...	...	...	25T	20	20
	3% R. Cum. preference	...	...	...	...	...	...	...	...	...	25T	20	20
	6% Debentures	...	...	...	...	...	...	...	...	...	25T	20	20
Shorrock Spinning	Mafatlal Chandulal Ahmed	36,648	720	8,123	20,344	1,430	253	12-59	2,958	3,134	30T	22	22
Shree Niwas Cotton	Marwar Textiles (Agency)	69,070	1,640	18,666	35,338	6,131	252	12-59	(a)18,3896	(a)29,2584	15T	10	10
	4% R. Cum. preference	...	...	...	...	...	...	...	...	...	15T	10	10
	6 1/2% Debentures	...	...	...	...	...	...	...	...	...	5.72T	4	4
Shree Saijan Mills	G. Lilledhar & Co.	17,880	440	25,75	60,56	13,77	22	3-55	1,81	42	nil	nil	nil
Shree Subhlaxmi	Shree Govind Cotton Co. Pri	...	...	4,351	11,565	2,463	25	12-59	—344	—406	nil	nil	nil
Shri Ambika	H. Kalidas & Company	94,128	1,790	20,036	52,575	6,463	1,070	12-59	10,855	10,264	45T	30	2
	5% Cum. preference	...	...	...	...	...	...	...	...	...	45T	30	2
	4% Cum. preference (2nd)	...	...	...	...	...	...	...	...	...	7.14T	5	5
Simplex	F. F. Campbell & Co. Pri.	49,840	1,114	17,490	27,295	6,295	25	3-60	(a)20,2012	(a)24,855	15T	10	10
	6 1/2% Debentures	...	...	...	...	...	...	...	...	...	15T	10	10
Sir Silk	Birla Brothers private	...	...	4,887	23,153	4,810	12	9-59	1,487	1,500	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	...	nil	nil	nil
Standard	Mafatlal Gopalbhai & Sons	97,588	2,409	25,513	62,102	3,344	795	12-59	9,396	(a)21,9,141	29T	20	20
	4% 1st R. C. P.	...	...	...	...	...	...	...	...	...	5.72T	4	4
	4% 2nd R. C. P.	...	...	...	...	...	...	...	...	...	5.72T	4	4
Svedeshi Mills	Tata Industries pri. Ltd.	72,236	2,000	16,899	34,917	6,313	271	12-59	(a)45,4336	2,769	14T	10	10
	5% Cum. preference	...	...	...	...	...	...	...	...	...	14T	10	10
Swan Mills	James Finlay & Co. Ltd.	59,328	551	8,304	23,595	3,058	447	12-59	(a)17,5,932	(a)22,3,352	36T	25	25

**8 July 1961
MILLS (Contd)**

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depre- ciation	Liquid Assets				
	June 1961 Rs. np.	June 1960 Rs. no.			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
WESTERN AND CENTRAL INDIA															
Central India	124 00	107 00	100	4,687	1,407	1,076	—10,424	55,989	46,487	15,061	2,778	20,802	2,100	314	315
5% cum. preference	376 25	392 50	500	5,000											
Century Spg. & Mfg.	675 00	516 00	100	12,295	17,528	16,179	122	38,276	94,276	37,531	1,127	32,499	5,480	1,050	
6% R. C. P.	107 00	104 00		12,500											
Coorla Spg. & Wvg.	135 00	133 00	100	2,600	1,173	2,023	76	3,105	12,199	7,824	89	4,097	380	36	
Davangere	116 50	114 00	100	2,966	1,610	1,262	9	8,230	12,128	5,771		5,240	2,436	44	
Dawn Mills.	132 00	122 00	50	2,800	1,063	1,611	12	8,124	9,369	5,909	380	6,406	2,333	30	
Edward Textiles	398 00	290 00	200	3,400	3,267	262	—280	6,121	9,861	6,786	1,373	7,167	435	109	890
Elphinstone Spg.	90 00	63 00	50	3,000	1,200	2,996	106	9,692	16,481	8,715	56	9,882	892	247	651
7% C. P.	63 50	76 00	100	2,500											
Finlay	328 00	320 00	100	5,000	6,139	1,024	37	8,819	18,117	9,584	1,019	9,424	2,026	17	
Gadwar Mills	220 00	267 00	100	4,000	1,372	4,543	25	7,523	12,849	8,583	1,614	8,297	3,603	682	
Gokak Mills	186 50	144 00	100	4,881	2,624	225	1	8,392	18,703	9,162	210	6,713	2,154	16	490
6% Debentures				4,000											
Gold Mohur	262 50	220 50	100	5,000	5,037	797	10	5,045	9,235	6,862	81	9,081	1,062	2,292	
Hind Mills			10	5,000	4,27	5,46	25	127,39	144,07	82,06*	10	124,26	20,36	65	
5% C. P.			100	2,000											
Hindustan Spg.	4750 00xd	4825 00	1000	1,200	4,993	7,280	—192	4,207	21,682	14,290	1,585	6,617	2,220	874	
41% R.C.P.T.	625 00	650 00	1250	1,200											
India United	15 00	13 60	10	200,00		116	—5,770	42,892	50,902	36,818	295	44,101	2,469	504	
Deferred	1 88	1 78	1	5,000											
Indore Malwa	163 00	120 00	100	5,000	1,299	151	—1,253	12,976	16,452	12,105	2,606	8,748	2,137	335	
Jaipur Spg. & Wvg.			100	2,500		139	—366	686	4,203	2,281		3,231	112	194	
51% R. C. P.			100	2,500											
Jam Ranjitsinghji	1500 00	1500 00	1000	1,554	1,546	284	—577	4,203	5,941	3,388	32	4,141	220	38	26
Khatav Mahanji	585 00	480 00	100	5,985	5,400	2,879	39	24,955	37,613	26,891	2,042	18,862	10,169	458	
4% Cum. preference	74 50	75 00	100	2,992											
Kohinoor Mills	313 00	344 50	100	10,000	1,700	9,760	28	12,066	38,190	29,567	720	21,525	2,594	91	
Lakshmi Cotton	531 25	499 00	250	3,200	3,498	2,245	27	6,596	19,863	14,817	100	8,883	3,007	129	
5% cum. preference T.	147 50	166 00	250	1,600											
Mafatlal Fine Spg.	905 00	1070 00	100	5,800	10,030	4,192	7	5,728	21,843	14,679	7,588	5,336	2,740	3,731	2,098
48% 1st. R. C. P.	78 30	86 00	100	1,450											
48% 2nd. R. C. P.	92 00	92 00	100	1,450											
Mahendra Mills	315 00	315 00	100	2,500		3,096		16,723	23,594	7,606		5,366	2,344	95	27
Ordinary P. P.	40 00 N	40 00	40	500											
61%	99 00	99 00 N	100	1,000											
Marsden Spg. & Mfg.			200	2,731	2,437	903	42	5,714	7,925	5,294	92	5,836	3,051	185	
Minerva Mills	80 00	75 00	100	2,960	423	170		8,910	10,510	5,074	843	5,833	1,874	139	137
Modern Mills	70 00	55 00	250	9,334	392	21,99	—2,59	84,32	169,26	78,82*	23	99,68	789	2,72	
Modern Mills	80 50	88 00	50	4,647	1,750	1,254	32	8,180	14,123	7,057	124	9,241	570	62	
Monogram Mills			200	2,600	2,844	570	53	7,757	7,801	5,272	75	7,081	3,433	196	
Morarjee Goudas	435 00	335 00	100	5,175	4,250	820	43	14,747	30,282	21,700	14	13,618	4,464	81	
4% cum. preference	64 00	70 70	100	1,725											
4% cum. preference	70 00	92 50	50	2,978	3,219	1,279	25	7,397	11,773	6,935	2,723	6,541	1,465	76	
4% cum. preference	22 76	26 75	50	745											
Navsari Cotton	216 25	220 00	100	3,150	701	4,454	1	4,136	6,635	4,419	1,298	5,564	3,139	726	
5% C. P.	91 00	91 00 N	100	500											
New City of Bombay	145 00	126 00	100	2,400	178	939		3,585	8,376	4,870	8	3,225	207	156	
New Commercial				6,300	1,363	1,414	6	14,069	15,738	11,227	1,172	8,168	9,631	245	
4% 2nd. R. C. P.			100	525											
New Great	221 00	178 00	100	3,000		466	—1,250	8,113	11,025	6,337	10	6,133	257	40	
51% C. P.	105 00	105 00	200	800											
New Kaiser-I-Hind	60 00	66 00	100	4,500		40	—2,257	14,417	13,340	9,715	964	11,520	1,773	212	106
5% C. P.	65 00	74 50 N	100	1,500											
New Shorrock Spg.			125	5,200	7,346	6,896	163	9,001	19,298	12,222	4,409	7,125	4,477	6,430	89
Osmanshabhi Mills	63 00	41 00	100	8,723	1,886	158	1	8,975	17,771	7,408	170	8,218	588	300	104
Poda Mills	153 00	160 00	100	4,500	3,280	1,018	16	2,107	8,065	3,195	3,058	3,462	443	87	
4% Cum. Preference	63 00	65 00	100	1,000											
Pulgaon Cotton	11 00	10 24	10	1,500		24	—662	7,331	5,595	3,028	10	5,068	366	183	
Raja Motilal	105 00	82 50	100	2,821	900	1,205	11	6,215	10,762	4,264	53	3,926	620	55	
Rohit Mills			100	4,875	684	1,695	14	15,376	14,991	8,509	151	8,062	8,226	278	
5% C. P. T.			100	1,000											
4% R. C. P. [2nd.]			100	200											
4% R. P. [5th.]			100	250											
Ruby	62 00	62 50	25	1,500	300	368	72	2,784	6,236	3,516	26	1,919	348	12	
Sassoon & Alliance	14 88	9 52	10	1,000	178		—330	7,636	2,994	1,674		2,948	1,204	12	
Sassoon Spinning	65 30	68 30	10	3,770	6,112	6,068		10,568	28,169	16,424	190	9,766	3,713	4,413	339
Sholepur Spinning			1000	1,590	126,86	3,191	—26,638	17,697	31,938	20,602	148	2,764	889	38	
Half Ordinary			500	10											
3% R. C. P.			100	3,196											
6% Debentures				3,443											
Shorrock Spinning			100	2,925	5,877	2,563	28	3,972	12,424	8,325	203	4,295	3,244	3,261	63
Shree Niwas Cotton	265 00	265 00	100	8,000	2,800	2,953	42	18,553	17,414	7,341	9,211	12,546	2,894	77	426
4% R. C. P.	66 00	61 00	100	480											
61% Debentures				3,000											
Shree Saijan Mills			100	2,615		27	—66	34,83	36,43	17,73*	94	38,81	1,85	27	
Shree Shubalsaxmi	125 00 N	125 00 N	100	2,100	388	300	—750	7,102	5,065	1,206		3,399	1,854	27	
Shree Ambica			100	6,376	21,000	9,776	59	10,199	24,370	14,591	4,945	15,910	11,107	6,930	
5% cum. preference			100	560											
4% cum. preference [2nd]			100	700											
Simplex	211 00	180 00	50	5,040	1,634	639	—250	12,491	22,778	10,086	110	9,394	2,967	38	273
64% Debentures			10	6,000			—323	42,497	57,518	1,000	96	9,463	5,421	103	
Sir Silk			100	20,000											
5% C. P.	1430 00	1700 00	100	19,975	8,634	16,521	91	14,907	38,761	22,324	557	14,441	6,804	11,368	1,722
Standard	75 50	75 50	100	600											
4% 1st. R. C. P.	76 00	76 90	100	600											
4% 2nd. R. C. pref.	277 00	246 00	100	10,000	8,927	767	2	15,068	31,662	17,464	698	13,437	4,735	1,647	1,540
Sureshji Mills	88 00	88 00	100	1,500											
5% Cum. preference	615 00	463 00	100	9,600	6,842	1,972	26	7,370	19,834	10,947	72	7,409	1,947	896	
Swan Mills															

COTTON

NAME	Managing Agents/ Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents/ Commission	Year ended	Net Profit	Net Profit for the previous period	Dividend per cent		
											Latest	Previous	Second Previous
				Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
WESTERN AND CENTRAL INDIA (Contd.)													
Tata Mills ...	Tata Industries Pri. Ltd. ...	65,448		1,800	14,541	30,619	5,740	30	12-59	2,013	200	10r	6
Victoria Mills ...	5% Debentures ...	50,056		958	8,404	21,930	3,003	119	12-59	1,604	1,326	20r	20
Vijaya Mills ...	4% R. Cum. preference ...	36,176		780	8,683	20,971	3,476	135	12-59	1,807	1,429	10r	8
Vishnu Cotton ...	H. Acharya & Co. ...	47,240		1,331	10,189	21,181	4,386	50	12-59	(b)1,164	(a)1,060	450r	44
	4% 2nd Cum. Preference T. ...											4r	4
	4% 3rd R. Cum. Pref. T. ...											4r	4
	The Bombay Co. (Pri) Ltd. ...											450r	44
	7% Cum. preference T. ...											7r	7
	5% Debentures ...											7r	7
NORTHERN INDIA													
Basanti Cotton ...	Calcutta Agency ...	13,044	356	3,210	8,334	1,215	36	12-58	189	543	5	6	6
Bengal Fine Spinning ...	64% C. P. ...										6r	6r	6r
Bengal Luxmi Cotton ...	54% Debentures ...										6r	6r	6r
	B. C. Nawn & Bros Pri ...				4,908	6,560	563	24	12-58	174	425	nil	4
	5% C. P. ...										nil	5	5
	Directors ...	6,601			6,216	11,522	3,508		3-59	181	(a)30,369	nil	10
	Ordinary Partly Paid ...												
	Ordinary Partly Paid ...												
	5% R. C. P. ...												
Bengal Nagpur ...	Directors ...	29,936	810		7,154	5,578			12-57	(a) 671	(a) 171	nil	nil
	7% C. P. ...										nil	nil	7
Birla Cotton ...	Birla Brothers Private ...	39,896			20,625	31,991	7,329	50	3-59	188	1,312	7r	15
Bowrah Cotton ...	Kettwell Bullen & Co. Ltd. ...	42,960	841	8,886	19,772	5,790		152	12-60	2,171	1,763	10 T	15
	8% 'A' C. P. ...										8	nil	8
	7% 'B' Pref. ...										8	nil	8
	64% Debentures ...										8	nil	8
Cawnpore Textiles ...	Bess Sutherland & Co. Private ...		591	4,706	13,088	931			12-59	1,368	—850	nil	nil
Delhi Cloth ...	Bharat Ram Ch. Ram & Co. Pri. ...	141,180	2,352	169,489	317,863	51,021	1,834		6-60	26,954	23,378	10r	10r
	Ordinary ...										41r	41r	41
	44% 1st 2nd C. P. ...										4r	4r	4
	44% 3rd C. P. ...										5r	5r	5
	44% 4th C. P. ...										5r	5r	5
Dunbar Mills ...	54% Debentures ...												
	Kettwell Bullen & Co. ...	42,944	518	13,000	24,239	9,270		275	12-60	4,420	1,982	20 T	10
Elgin Mills ...	6% Debentures ...										11r	11r	7r
	B. I. Corporation ...	48,452	1,198	22,531	39,976	5,760		373	9-60	5,822	4,523	10 1/4	10 1/4
	8% C. P. ...										6 1/2	6 1/2	5
	5% C. P. ...										6 1/2	6 1/2	5
Jagatjit Cotton ...	K. C. Thapar & Bros. Pri. ...	26,560	530	14,095	26,710	2,294	321	1-60	2,986	3,036	14r	10	11r
	5% C. P. ...										7r	5	6r
Jay Shree Textiles ...	Debentures ...										7r	5	6r
	Birla Brothers Private Ltd. ...				4,747	10,343	3,464		12-59	1,791	1,865	8	6r
	54% Debentures ...										8	6r	5
	7% Debentures ...												
Kesoram Cotton ...	Birla Brothers Ltd. ...	74,672	1,992	31,061	62,818	18,225	50	3-60	6,400	1,708	5r	2r	2r
	7% C. P. ...										7r	7	7
Mahini Mills ...	54% R. C. P. ...										51r	5r	5r
	Chakravarti Sons & Co. ...	23,484	435	9,012	18,792	6,043	213	12-57	2,261	3,052	12r	12r	12r
	Ordinary ...										12r	12r	12r
Muir Mills ...	5% R. C. P. ...										5	5	5
	Indian Tex. Syndicate ...	88,640	1,834	145,19	218,04		60	12-55	—5,06	—10,24	nil	nil	nil
New Victoria ...	6% C. P. ...										nil	nil	nil
	J. P. Srivastava & Sons Pri ...	70,072	1,333	12,938	23,797	10,887			12-57	—635	—2	nil	nil
	Deferred ...										nil	nil	nil
	6% C. P. ...										nil	nil	nil
Oriana Textiles ...	B. Patnaik & Co. Private ...	47,728	864	13,261	25,699	6,698	36	3-59	—160	—134	nil	nil	nil
	5% R. C. P. ...										nil	nil	nil
Raza Textiles ...	J. P. Srivastava & Sons. ...	34,532	600	5,766	13,465	4,757		12-58	—1,640	—440	nil	nil	nil
	64% 'A' C. P. ...										nil	nil	nil
	64% 'B' C. P. ...										nil	nil	nil
Shree Madhusudan ...	Directors ...				19,720	57,255	7,748		6-60	(m)3,872	120	nil	nil
	44% C. P. ...										nil	nil	nil
	64% Debentures ...										nil	nil	nil
Sutlej Cotton ...	Birla Brothers Private ...	27,340	992	14,267	33,331	5,054	654	3-60	6,129	5,158	85 7/10r	60	60
Swadeshi Cotton ...	Directors ...	112,216	2,081	46,756	100,510	25,679		12-58	753	5,083	nil	7r	7r
	Prefd. Ord. ...										4	11r	11r
	6% C. P. ...										6	6	6
SOUTH INDIA													
Adoni Spinning ...	Kothari & Sons ...	24,000		6,350	7,194	344	10	12-59	652	374	nil	nil	nil
	6% c. p. ...										nil	nil	nil
Asher Textiles ...	Sarna & Co. ...	25,744		5,801	8,393	2,745	28	6-60	910	335	12 1/2r	6	6
Bangalore Woollen ...	Binny & Co. (Madras) Ltd. ...	40,608	1,157	21,361	55,200	7,139	658	12-59	6,261	6,448	10	10	30
	6% C. P. ...										6	6	6
Buckingham & Carnatic ...	Binny & Co. ...	120,288	2,762	36,933	107,336	10,563	856	12-59	(r)10,892	(a)28,674	10	10	10
	74% C. P. ...										7r	7r	7r
	5% Debentures ...										7r	7r	7r
Cambodia ...	Peirce Leslie & Co. Ltd. ...	37,356	4	7,563	11,264	576	33	12-59	—319	—1,464	nil	nil	5
	7% C. P. ...										nil	nil	5
Cannanore Spg. ...	K. Damodaran ...	20,000		4,437	7,827	383	52	3-60	859	684	17r	15	12 1/2
Cauvery Spg. ...	Directors ...	17,600		5,342	9,239	1,320		3-60	884	590	17r	9	9
	64% C. P. ...										8 3/4r	6r	6r
	54% Debentures ...										8 3/4r	6r	6r
	64% Debentures ...										8 3/4r	6r	6r
Coimbatore Cotton ...	R. Bhoosra Naichu & Co. ...	28,864		8,955	11,313	3,237	54	12-59	1,129	788	6	6	9
Coimbatore Kamala ...	Directors ...	17,264	24	2,703	4,355	900		12-58	—84	89	nil	nil	nil
	Partly Paid ...										nil	nil	nil
	6% Debentures ...										nil	nil	nil

Includes stock on hand.

MILLS—Contd.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocation				Sundry Liabilities	Gross Block	Depreci- ation	LIQUID ASSETS				
	June 1961 Rs. np.	June 1960 Rs. np.			General	Others	Carry Forward	Invest- ments				Stocks and Stores	Out- standings	Cash	Others	
																Rs. 000
WESTERN AND CENTRAL INDIA (Contd.)																
Tata Mills ...	68 00	46 50	25	6,538	2,848	2,175	18	16,638	25,878	10,423	363	11,534	2,489	852	1,446	
5% Debentures ...			1000	3,951												
Victoria Mills ...	480 00	367 50	100	1,600	4,396	2,057	77	6,004	10,896	6,484	64	5,443	4,936	79		
4% R. Cum. preference ...			25	800												
Vijaya Mills ...			500	3,500	1,924	2,246	37	10,617	14,585	9,647	149	6,686	6,603	497	94	
4% 2nd C. P. T. ...			100	350												
4% 3rd R. C. P. T. ...			100	280												
Vishnu Cotton ...	130 00	110 00	100	3,200	1,242	1,839	-1,121	7,136	19,482	13,001	454	7,394	2,310	75	38	
7% Cum. preference T. ...	410 00	422 50	500	1,566												
54% Debentures ...				3,000												
NORTHERN INDIA																
Basanti Cotton ...	8 31	9 50	10	1,500	115	200	41	2,330	3,916	2,509	1,155	2,596	129	99		
64% C. P. ...	8 56	9 06	10	500												
54% Debentures ...			500	700												
Bengal Fine Spinning ...	6 25	8 00	10	631	500	201	28	4,639	5,061	1,603	5	2,313	1,135	70		
5% C.P. ...			100	983												
Bengal Luxmi Cotton ...	26 00	39 00	40	1,012	108	50	168	5,767	8,353	6,250	20	4,081	872	14		
Ord. partly paid ...			30	131												
Ord. partly paid ...			20	170												
5% R. C. P. ...			40	523												
Bengal Nagpur ...	4 50	5 56	10	2,700												
7% C. P. ...	75 00	75 00	100	300			-812	6,840	8,045	6,024	37	6,634	681	55		
44% Debentures ...				400												
Birla Cotton ...	20 00	20 00	10	3,500	5,922	1,595	-117	14,667	14,217	11,384	2,087	13,955	4,185	578		
Bowroah Cotton ...	23 75xd	178 00	100	2,400	750	665	114	13,816	15,245	6,787	53	7,747	1,995	84	606	
80% 'A' C. P. ...	94 60xd	104 00xd	100	600												
7% 'B' Pref. ...	70 25xd	65 00	100	600												
64% Debentures ...																
Cawnpore Textiles ...	8 94	6 75	5	3,000	600	2,893	-329	856	8,145	6,608	998	2,368	1,532	478		
Dalhi Cloth ...			25	33,836	12,889	33,668	272	95,547	144,604	83,759	2,681	99,093	25,414	5,418		
Ordinary ...			24	100												
44% 1st & 2nd C. P. ...			25	2,000												
44% 3rd C. P. ...			25	3,735												
24% 4th C. P. ...			10	1,195												
54% Debentures ...			1000	10,000												
Dunbar Mills ...	25 75		10	2,850	3,638	410	216	14,256	15,769	9,855	58	10,821	3,793	142	642	
6% Debentures ...				2,500												
Elgin Mills ...	20 31	20 25	10	6,300	300	13,759	89	16,783	21,331	15,872	8,633	16,671	7,177	541	269	
8% C. P. ...	100 00	108 00	100	1,100												
5% C. P. ...		6 97	10	420												
Jagatjit Cotton ...	18 75xd	18 00	10	3,871	900	2,348	103	19,463	22,441	12,777	1,817	14,651	898	98	7,103	
5% C. P. P. ...	73 75xd	58 75	100	1,547												
Debentures ...				3,000												
Jayshree Textiles ...	15 62	16 25	10	4,918		802	34	2,545	8,800	4,300	19	4,726	1,508	137		
54% Debentures ...			1000	1,371												
7% Debentures ...			1000	68												
Kesoram Cotton ...	35 06	31 12	10	16,000	3,112	20,887	68	43,447	76,755	14,337	4,468	20,997	6,948	394	282	
7% C. P. ...	103 00	106 00	100	2,000												
54% R. C. P. ...	86 00		100	9,992												
Mohini Mills ...			25	600	5,80	3,045	73	9,899	11,101	9,664	1,558	6,996	5,753	3,768		
Ordinary ...			10	3,399												
5% R. C. P. ...			10	1,997												
Muir Mills ...	58 00	65 00	100	3,000	25,00	25,00	-51,31	105,33	164,51	115,59	1,05	105,64	7,36	1,05		
6% C. P. ...	72 00	83 00	100	3,000												
New Victoria ...	1 75	1 34	24	2,742			-1,807	17,071	12,305	7,649	121	13,579	2,513	51		
Deferred ...			1	307												
6% C. P. ...	3 25	2 50	5	2,605												
Orissa Textiles ...	9 40	8 90	80	4,740			-3,746	21,212	23,794	12,034	10	10,081	2,404	452		
5% R. C. P. ...	65 00	64 50	100	2,500												
Raza Textiles ...			10	6,000		4,306	-3,083	6,271	11,130	5,627	1,090	6,745	1,857	42		
64% 'A' C. P. ...			100	750												
64% 'B' C. P. ...			10	1,000												
Shree Madhusudan ...	13 12		10	6,000		16	33	23,359	22,689	2,151	10	13,333	4,827	84	116	
44% C. P. ...	75 08		100	3,000												
64% Debentures ...			1,000	6,500												
Sutlej Cotton ...	101 00	97 50	10	1,500	31,800	8,131	398	10,770	11,710	9,193	14,843	15,765	5,353	14,009		
Swedish Cotton ...	12 12xd	9 50	10	1,750	6,000	17,528	3	68,197	63,382	19,698	19,516	32,668	14,589	2,206	64	
Prefd. Ord. ...	8 94xd	8 62	10	157,50												
5% C. P. ...	73 20xd	61 00	100	3,500												
SOUTH INDIA																
Adoni Spinning ...	12 25	8 90	10	2,993		544	31	4,123	7,305	721						
6% C. P. ...	7 80	10 75	10	2,000							120	2,219	404	181	182	
Asher Textiles ...	204 05	212 80	100	1,199	200	300	3	3,921	4,908	2,615	10	2,992	311	17		
Bangalore Woollen ...	202 50	195 00	100	12,150	3,500	12,408	269	12,286	37,967	30,619	853	21,673	2,552	7,313	1,463	
5% C. ...	111 64	117 00	100	600												
Buckingham & Carnatic ...	225 00	206 00	100	17,848	7,650	24,824	231	17,853	80,580	47,898	1,371	32,722	8,009	552	1,731	
74% C. ...	120 00xd	133 50	100	2,130												
5% Debenture ...			1,000	6,531												
Cambodia ...	10 75	10 00	10	2,600	1,900	19	-2,179	3,707	5,123	2,605						
7% C. P. ...	108 00	108 00	100								31	1,924	1,063	11		
Cannanore Spg. ...	167 50	161 00	100	1,500	511	18	19	2,159	5,383	3,376						
Cauvery Spg. ...	14 75	14 50	10	937		661	15	2,524	6,826	3,333	24	1,591	473	102		
54% C. P. ...	89 50	97 00	100	652							32	1,577	572	40		
54% Debentures ...			100	375												
64% Debentures ...			100	550												
Combarbore Cotton ...	173 00	167 00	100	3,599	900	1,490		5,211	11,151	4,162	325	3,418	441	28		
Combarbore Kamala ...	102 00	102 00	100	341			-477	3,226	2,660	1,547	12	1,083	958	45		
Party Paid ...	50 00	50 00	50	72												
6% Debentures ...			500	250												

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Share
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTH INDIA—(Contd.)													
Coimbatore Murugan	T. A. Ramalingam Chettiar	23,660	100	2,979	4,590	1,784	30	12-58	—137	(a6)284	nil	7 1/2	12
Coimbatore Pioneer	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Spinning	T. R. Narayanaswami Naidu	28,194	...	7,396	11,495	2,649	153	12-57	(a12)2077	1,824	20	20	20
Dhanalakshmi Mills	64% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Gnanambikai Mills	R. G. S. Naidu & Co.	72,188	407	...	17,728	5,280	50	12-59	685	—167	nil	nil	nil
Hemalatha Textiles	M. Nanjappa Chettiar & Sons	38,052	201	8,443	16,337	3,937	213	12-59	2,482	(a11)1,660	17 1/2	10	10
Janardana Mills	V. C. V. Gounder & Bros.	17,248	...	...	31,455	...	...	12-54	2,84	1,91	10	6	6
Jawahar Mills	64% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
	Sudarsanam Private	...	...	3,467	5,055	288	9	6-59	279	281	6 1/2	6 1/2	6
	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
	G. Venkataswami Naidu & Co.	23,784	...	...	65,11	6,19	97	12-56	5,57	4,93	20	20	10
	Umayambika & Co.	33,472	...	6,569	9,169	2,378	105	12-59	1,382	606	15 1/2	15	15
SOUTH INDIA—(Contd.)													
Kasthuri Mills	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
Kasthuri Textiles	C. N. V. Naidu & Co.	25,820	...	2,420	3,914	182	30	3-60	337	43	8 1/2	...	...
	Kothari & Sons	41,040	300	10,660	14,239	3,378	187	12-59	2,480	(a31)343	10 1/2	10 1/2	10 1/2
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	6% B. Preference	...	...	...	...	...	...	...	...	...	...	...	...
	G. Kuppuswamy Naidu & Co.	93,160	201	23,918	39,213	1,507	549	3-60	6,452	4,743	20 1/2	12	12
	A. Class Ord.	...	...	...	...	...	...	...	...	...	...	...	...
	Thiagaraja Chetty & Sons Pri Ltd	24,242	224	6,784	9,119	1,210	...	6-59	317	59	nil	2 1/2	5
	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
	A. & F. Harvey Ltd.	485,296	...	168,966	13,652	...	...	12-60	18,274	6,425	15 1/2	12 1/2	ni
	Directors	22,592	100	147	1,736	...	...	12-58	—412	(d)2,60	nil	4	ni
	Boardsell & Co. Private	25,656	603	6,594	17,579	140	359	3-61	3,675	4,069	30 1/2	30 1/2	7 1/2
Palamalai Ranganathan	S. K. R. Naidu & Co.	10,016	...	2,419	2,998	850	...	3-59	—65	—200	nil	nil	6
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...	...
	Palani Andavar Mills	41,200	...	5,628	9,693	1,526	50	12-58	(a35)536	629	20	15	3 1/2
	Baghyalakshmi & Co.	...	...	...	...	...	...	...	...	...	...	...	...
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	Directors	27,980	...	5,380	5,602	1,984	...	12-59	—90	—812	nil	nil	ni
	K. N. Swami Naidu & Co.	...	...	10,385	16,118	2,501	192	3-60	2,389	1,375	18 1/2	12	9
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
	A. G. Gurusamy Naidu & Co.	55,664	300	8,106	17,147	3,302	196	12-60	2,473	1,413	12 1/2	9 1/2	2 1/2
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
	Ramco Agencies Private	24,996	...	6,462	10,154	2,218	115	3-60	1,268	(a40)536	9 1/2	6	6
	Gudiyatham Textiles Pri	8,400	...	2,223	3,457	150	43	12-59	466	315	12 1/2	9	6
	Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
	S. N. Rangaswami Naidu Sons	...	...	4,875	8,003	1,756	147	3-60	1,734	1,176	23 1/2	16	10
	Ordinary P.P.	...	...	...	...	...	...	...	...	...	...	...	...
	P. S. G. Naidu & Sons	32,128	88	4,076	7,225	1,231	34	12-60	523	203	6 1/2	10	16
	Rajalacema Develop. Co.	14,800	...	4,555	7,054	152	52	12-59	642	682	10	10	10
	Sivanandam	...	...	3,586	6,733	6,155	90	12-58	1,112	633	15	12	12
	S. R. P. P. Chetty & Sons	...	...	7,168	13,194	2,964	...	3-60	1,216	969	11 1/2	8	9
	Directors	30,744	292	...	...	...	...	...	...	...	...	...	...
	Sri K. Rajendra	20,472	200	...	62,94	5,42	57	12-55	(a7)48	3,32	10	6	ni
	Sri Sarada Mills	...	...	...	...	...	...	...	...	...	...	...	...
	V. S. Sengottiah & Bros.	...	...	...	...	...	...	...	...	...	...	...	...
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	G. Ramaswamy	...	...	3,986	6,509	1,195	15	12-59	616	—10	7 1/2	6	6
	P. S. Narayana & Sons	...	...	4,333	6,676	953	59	3-60	907	350	8 1/2	ni	ni
	64% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
	Emcate & Sons private	...	...	10,705	33,851	2,737	656	12-59	10,726	8,948	20 1/2	12 1/2	10
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	4% Debenture	...	...	...	...	...	...	...	...	...	...	...	...
	Mooljee Ramjee & Sons	18,000	...	1,530	3,456	1,559	36	12-59	393	273	12 1/2	7 1/2	6
	R. K. S. Chetty & Bros.	44,424	...	10,557	16,526	1,116	105	12-59	1,249	(a41)892	16 1/2	12	1 1/2
	64% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	G. V. G. Naidu & Co.	44,660	268	9,442	16,589	2,570	234	12-59	2,857	2,224	30 1/2	16	2 1/2
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	Balakrishna & Co.	26,536	...	4,445	6,940	635	25	12-59	571	—156	6 1/2	6	6
	N. V. Naidu & Sons	...	...	1,668	2,08	132	6	12-58	164	108	10 1/2	ni	ni
	Thiagaraja Chetty & Sons Pri	...	2,00	3,945	5,174	908	45	12-60	512	647	10 1/2	10 1/2	10 1/2
	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
	Do. P. P.	...	...	...	...	...	...	...	...	...	...	...	...

(b) After transferring Rs 200,000 from Development Reserve and Rs 65,000 from General Reserve No. 1.

(c) After transferring Rs 250,000 from Machinery Reserve and Rs 300,000 from Dividend Equalisation Reserve.

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

(e) After transferring Rs 70,000 from Development and Rehabilitation Reserve.

(f) After transferring Rs 234,095 from General Reserve.

(g) After transferring Rs 2,656,822 from General Reserve.

(h) After writing back Rs 380,718 being excess depreciation provided in 1958.

(i) After transferring Rs 1,098,546 from General Reserve No. 1.

(k) After transferring Rs 1,230,000 from Dividend Equalisation Reserve.

(l) After transferring Rs 297,425 from excess provision.

(m) After transferring Rs 119,825 from Development Reserve.

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

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

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

(r) Includes Rs 100,230 being provisions made in previous years written back.

(s) After transferring Rs 3,22,599 from General Reserve and Rs 75,000 from Depreciation Reserve.

(t) After transferring Rs 9,80,000 from General Reserve.

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

(v) After transferring Rs 50,000 from Dividend Equalisation Reserve.

(x) After transferring Rs 890,580 from General Reserve.

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

(z) After transferring Rs 525,000 from General Reserve.

(a1) After transferring Rs 1,075,000 from General Reserve No. 1.

(a2) After transferring Rs 9,00,000 from Reserve for taxation.

(a3) After transferring Rs 351,420 from General Reserve.

(a4) After transferring Rs 380,000 from General Reserve and Rs 168,000 from Machinery Rehabilitation Reserve.

(a5) After transferring Rs 4 lakhs from Reserve fall in place.

(a6) After transferring Rs 109,648 from General Reserve.

(a7) After transferring Rs 780,000 from General Reserve and Rs 45,088 from excess provision for Bonus.

(a8) After transferring Rs 271,942 from General Reserve.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	June 1961	June 1960			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Other
	Rs. np.	Rs. np.													
SOUTH INDIA (Contd.)															
Coimbatore Murugan ...	119 00	98 00	100	1,750	306	180	—137	3,259	4,504	2,602	140	2,014	1,255	36	...
5% C. P.	76 48	88 00	100	71	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Pioneer ...	348 89	364 00cd	100	2,000	...	1,828	1	6,464	8,021	4,409	2,410	2,917	1,320	134	...
54% C. P.	78 50	85 25	100	100	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Spinning ...	51 00	60 03	50	2,077	...	5	—1,258	10,590	13,577	8,909	11	5,555	1,170	10	...
Dhanalakshmi Mills	239 00	223 00	100	4,860	1,700	1,265	1	6,161	13,145	6,100	578	4,609	1,596	160	...
Gnanambikai Mills	...	...	100	927	2,76	...	...	11,78	16,99	8,06	...	11,49	3,04	48	...
64% Cum Preference	...	...	100	21	...	...	...	...	...	...	...	...	...	...	...
Hemalatha Textiles	7 25	7 25	10	1,500	125	52	21	1,466	2,903	1,624	...	2,055	131	130	...
5% Cum. Preference	61 40	67 00	100	431	...	...	...	...	...	...	...	...	...	...	...
Janardana Mills	75 25	69 00	50	890	8,56	2,10	...	10,75	31,40	19,97	1,20	8,21	4,12	5,35	...
Jawahar Mills	12 25	10 75	5	1,686	78	1,290	2	5,299	8,244	4,148	38	3,671	477	72	...
Ordinary	...	...	10	50	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	2	200	...	...	...	...	...	...	...	...	...	...	...
Kasturi Mills	22 50	24 75	25	780	...	340	—304	1,233	3,296	2,235	18	752	212	7	...
Kothari Textiles	12 50	12 20	10	6,720	800	1,772	56	10,978	16,980	4,934	535	8,136	1,241	167	...
5% Cum. Preference	8 65	9 35	10	1,200	...	...	...	...	...	...	...	...	...	...	...
5% 'B' Cum Preference	...	...	10	600	...	...	...	...	...	...	...	...	...	...	...
Lakshmi Mills	169 00	162 75	50	7,100	1,400	6,881	18	12,417	30,341	15,877	2,705	8,170	5,921	106	...
A Class Ordinary	83 00	82 00	25	3,550	...	...	...	...	...	...	...	...	...	...	...
Loyal Textile Mills	42 75	34 00	50	3,152	...	405	—529	5,435	9,050	3,820	24	3,991	579	38	...
5% Cum. Preference	60 00	63 00	100	1,499	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	200	...	...	...	...	...	...	...	...	...	...	...
Madura Mills	39 00	32 75	15	17,502	17,807	28,528	721	24,196	67,044	44,322	5,359	48,087	10,326	563	1,61
Malabar Spinning	...	...	200	1,200	350	17	—502	1,853	29,08	1,964	60	1,808	111	2	...
Mettur Industries	400 00	428 00	100	6,000	825	2,136	153	4,879	6,895	5,318	1,892	4,877	229	3,431	1,98
Palamalai Ranganathan	93 00	103 00	100	240	...	...	—263	2,050	1,609	521	5	915	120	8	...
Partly Paid	...	...	50	109	...	...	...	...	...	...	...	...	...	...	...
Palani Andavar Mills	250 00	149 50	50	400	100	1,062	...	...	...	3,197	16	1,829	348	151	...
'B' Ordinary	300 00	209 25	75	600	...	...	...	4,414	7,629	...	...	...	...	...	...
7% C. P.	125 00	88 50	50	206	...	...	...	...	...	...	...	...	...	...	...
Pankaja Mills	65 00	60 00	100	1,500	...	...	—3,179	6,307	3,594	2,076	...	...	...	...	...
Premier Mills	269 00	238 00	100	2,500	400	975	12	6,703	12,097	5,315	3	2,144	952	10	...
Radha Krishna Mills	...	...	100	1,661	1,490	1,523	2	3,359	11,378	7,138	300	2,708	707	93	...
'B' Ordinary	...	...	50	841	...	...	...	...	...	...	2,915	3,937	269	122	1,22
'C' Ordinary	33 00	28 1xd	25	...	...	...	...	...	...	...	...	...	...	...	...
Rajapalayam Mills	141 00	135 00	100	1,614	403	1,484	...	3,681	6,386	2,779	31	2,387	976	181	...
Rajeswari Mills	...	...	50	899	101	204	...	1,573	2,851	1,422	214	694	142	48	...
Ordinary	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...
Sri Ramakrishna	224 00	240 00	100	1,492	10	309	...	5,338	8,359	5,004	362	1,991	1,484	1	...
Ord. P. P.	...	...	10	45	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning.	45 50xd	44 50	50	1,502	90	1,056	7	2,790	6,188	3,178	114	1,389	46	...	...
Rayaaseema Mills	155 00	112 50	100	2,233	750	384	1	1,711	5,678	2,855	122	1,038	730	320	568
Sivananda	26 71	25 2xd	10	1,000	500	144	3	3,055	5,157	2,599	215	1,118	422	388	...
Sri Kr. Rajendra	72 00	75 50	50	3,670	725	1,575	31	4,225	10,619	7,223	750	4,568	982	53	...
Sri Sarada Mills	67 00	...	100	635	...	...	1	25,15	27,24	9,11	11	13,60	3,44	19	...
7% C. P.	100 00	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Trumurti	112 00	97 00	100	1,455	300	56	...	2,393	5,047	2,514	91	1,311	259	9	...
Tirupati Cotton	11 25	10 20	10	1,278	...	120	23	3,267	4,655	775	134	1,144	178	96	...
64% Cum. Preference	8 75	10 00	10	744	...	...	...	...	...	...	...	...	...	...	...
Travancore Rayons	39 75	37 00	10	10,000	6,000	1,335	229	11,050	41,794	27,018	84	8,046	3,932	4,603	837
5% Cum. Preference	7 55cd	8 45	10	5,000	...	...	...	...	...	...	...	...	...	...	...
4% Debenture	...	...	5000	1,650	...	1,335	...	...	...	...	...	...	...	...	...
Trichinopoly Mills	12 25	11 75	10	1,399	250	614	1	630	2,041	1,500	87	1,956	249	60	...
Vasanta Mills	250 00	238 50	100	2,100	1,800	2,041	18	4,094	9,130	5,796	763	5,090	1,303	52	...
64% C. P.	93 79	101 75	100	300	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	94 02	102 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Sri Venkatesa Mills	197 00	150 00	50	3,372	150	1,292	1	5,857	14,587	8,217	65	3,150	1,113	23	...
5% C. P.	50 00cd	47 00	50	50	...	...	...	...	...	...	...	...	...	...	...
Vijayalakshmi Mills	95 73	92 75	100	1,383	60	100	...	3,119	5,285	2,436	97	961	7,26	29	...
Vijayawari Textiles	125 80xd	104 00	100	1,600	...	36	4	1,639	2,813	133	...	490	101	9	...
Vrudhunagar Textile	49 80xd	47 50	50	1,218	...	210	...	983	2,505	1,046	9,500	1,197	36	1,859	3
5% Cum. Preference	50 00cd	55 00	100	241	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	As. 4	...	...	...	...	...	...	...	...	...	...	...	...
Deferred (P. P.)	...	...	...	8	...	...	...	...	...	...	...	...	...	...	...

Indian Finance COAL

NAME	Managing Agents Agents, Secretaries	Colliery expenses	Coal		Sales	Stock	Managing Agents Commission and allowances	Year ended	Net Profit		Dividend %		
			Raisings	Despatches					Latest	Previous period	Latest	Previous	Second previous
			(000) Tons	(000) Tons					Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Amalgamated Associated Karanpura	Shaw Wallace & Co. Ltd. K. L. Dutt & Co. Private	16,187 316	900 38	906 38	18,802 785	118 24	54 6	3-60 3-59	1,083 89	(d) 2,464 146	10 T 11	15 5	12 Nil
Associated Laikidih	K. L. Dutt & Company Pri. 5% Debenture	167	28	2	592	1	5	3-59	62	60	Nil	Nil	Nil
Bagdigi Kujama Bengal	Purshotam Co. Andrew Yule & Co. Ltd.	912 19,821	68 3,096	66 3,214	1,549 68,876	126 2,394	36 724	9-57 10-60	383 9,342	362 (1) 9,477	6 25 T	4 25 T	4 17
Bengal Bhatdeo Bengal Nagpur Bhatgora	Kalyani Majhi & Co. Andrew Yule & Co. Ltd. H. V. Low & Co. Private	1,188 282 1,883	80 16 60	84 16 58	1,627 332 1,706	177 67	10 2	12-59 12-59 6-58	56 94 109	120 41 358	4 T nil 1	4 T nil 5	4 9 nil
Bharat	Sahu Jain Ltd. 54% C. P. T.	7,140	455	442	9,108	457	...	...	(j) 1,162	(a) 757	5	6	6
Bhulanbaroo Bhuranaga Borra	Directors Ram Saran Das & Rathor Pri. F. W. Heilgers Private	667	149 41	142 36	2,733 737	174 39	...	12-58 3-60	-79 -72	-259 -135	Nil Nil	Nil Nil	Nil Nil
Burrakur	64% C. P. Bird & Co. Private	...	...	...	...	...	35	12-60	592	15 T	10 T	7	7
Central India Central Kurkud Chauria	Hindustan Inv. Corporation Directors F. W. Heilgers Pri.	5,210 1,618 634	375 89 86	374 86	7,703 1,769 447	135 84	136 4	3-60 12-58 12-60	1,616 102 62	1,021 167 99	8 5 3 T	5 5 3	5 5 5
Dhemo Main East Indian (S) Equitable	Macneill & Barry Jardine Henderson Ltd. Macneill & Barry	...	2,74 575 1,763	2,71 591 1,758	5,351 1,322	1,57 159	31	12-58 4-59 12-58	3,65 53 (p) 2,512	-40 39 2,334	Nil 9 3/4 T 15	Nil 7 15	Nil 11 15
Ghusick and Maslia	Bhatia's Agency 5% C. P.	142	150	...	2,961	236	...	3-60	-217	-165	nil	nil	nil
Gourangdi	Bhatia's Agency 5% R. C. P.	134	19	16	284	...	...	3-58	31	34	Nil	Nil	Nil
Guzdar Kajora Harriladih Jainy Central Jogta	Ojha Brothers Macneill & Barry Villiers Directors	...	40 112 3	33 100 2	599 1,865 24	21 299 15	12 30	12-57 12-57 12-54	36 (a) 41 56	17 226 -23	Nil 15 Nil	Nil 25 Nil	Nil 25 Nil
Kalapahari Kamptee Collieries Karanpura Collieries	Andrew Yule & Co. Ltd. K. C. Thapar & Bros. private Bird & Co. Private	497 193 207	93 66 211	85 64 211	1,634 1,292 4,264	285 3 44	17 11 82	12-59 2-59 2-60	118 184 274	143 163 237	Nil nil 7	Nil nil 5	Nil 5 T
Katras Jheriah Khas Kajora	Andrew Yule & Co. Ltd. Directors	1,615 1,905	337 114	347 117	7,397 2,328	113 26	125	1-60 12-58	1,348 283	1,127 283	95 65	54 T 8	54 T 5
Khas Shampore Kuardi Lakurka Mahabir	Ramsaran Das & Rathor P. Ltd. H. V. Low & Co. H. V. Low & Co. Daulat Rawatmull	618 481 1,285 3,57	30 24 99	24 23 86	542 422 4,703 6,21	2 11 51	...	10-59 6-57 4-58 12-55	-154 -179 273 1,36	-78 65 (j) 17 10	nil 13 1	nil 13 1	nil 13 1
Munduipoor Nazira New Beerbhoom	Directors Tantia Brothers Private Andrew Yule & Co. Ltd.	464 ...	18 714	18 717	5,05 15,401	1,41 208	...	6-54 H 10-59	-79 157	...	nil 10 T	nil 7	nil 7
New Churulia	Directors 5% C. P.	...	21	17	310	127	...	9-58	-97	-51	Nil	Nil	Nil
New Huntodih	Daulatram Rawat Mull 5% Cumulative Preference	3,42	...	...	4,95	1,30	12	3-55	25	11	Nil	Nil	Nil
New Joyrampore New Manbhoom North Damuda North West	R. S. Das & Rathor Private Octavius Steel Directors Andrew Yule & Co. Ltd.	1,723 861 2,352	130 78 134	122 69 130	2,439 961 2,548	85 46	...	6-58 3-59 1-56 3-60	-10 126 63 86	-17 100 -172 103	Nil 5 Nil 20 T	Nil 5 Nil 15	Nil 5 Nil 15
Ondal	Partly Paid Ord. F. W. Heilgers Private	...	...	...	...	...	Nil	12-60	128	249	6 T	7 T	5
Oriental	K. C. Thapar & Bros. Private 5% Debentures	...	733	231	5,030	28	...	12-60	551	224	6 T	6 T	2
Parasa	Dopchand Kishemall 54% R. C. P.	2,089	157	144	2,907	202	26	12-59	337	374	6,21	5	5
Pench Valley Pore Sitalpur	Shaw Wallace & Co. Ltd. Amritlal Ojha	719	496 66	497 62	10,234 1,168	47 10	46	3-60 12-57	(a) 919 67	1,151 126	10 T 5	10 7	20
Raneegunge Rawanwara	B. N. Elias & Co. Private Ltd. K. C. Thapar & Bros. private	460 1,476	506 119	506 115	10,355 2,613	632 23	189	3-59 9-60	2,021 443	1,559 374	10 10	10 7	7
Rewa Samsa Searsole Seepore	Shaw Wallace & Co. Ltd. Directors Directors Andrew Yule & Co. Ltd.	475 5,704 381 664	469 348 29 91	469 340 19 91	10,481 6,673 384 2,133	269 142 103 41	151 ...	12-60 12-58 1-59 12-60	1,580 379 -68 453	(a) 541 795 5 508	nil 20 T 5 42 T	nil 10 9 42 T	nil 10 12 25
Sandra Shree Mahakali	Directors Amritlal Ojha & Co. Pri.	479	38	36	716	3	...	12-60 12-57	96 20	(k) 91 37	5 T 3	7 T Nil	5 Nil
Singareni South Karanpura Standard Taker	Indus. Dept. Govt. of Andhra Bird & Co. Private Ltd. F. W. Heilgers Private Villiers	2,230 192 4,92	2,144 191 55	56,621 3,773 56	1,055 10 8,44	357 10 5	...	12-60 8-60 12-60 9-55	7,562 284 134 15	6,746 525 153 23	7 T 2 T 15 T 15 T	15 9 T 15 T 12	15 7 12 Nil
Union United Collieries	Directors K. C. Thapar & Bros. 5% C. B. P.	947 10,7	83 2,15	81 2,13	1,628 31,60	27 62	1,45	12-58 12-54	36 10,38	163 9,98	2 2	3 Nil	Nil
West Ghusick West Jamaria West Laikidih Western Bengal	Bhatia's Agency Macneill & Barry & Co. Ltd. K. L. Dutt & Co. Private Hindustan Inv. Corporation	1,11 277 32 2,915	19 278 29 267	13 278 29 247	1,83 5,504 560 5,081	1,76 161 26 119	...	3-54 12-58 12-58 3-60	-21 23 81 1,088	-5 150 69 828	Nil nil Nil 6 T	5 nil Nil 4	5 5 nil 4

(a) After writing back Rs 186,987 being provision for liabilities no longer required.

(c) After transferring Rs 4,00,000 from General Reserve; and Rs 75,000 from Reserve for Reduction in valuation of Stores.

(d) After writing back Rs 340,981 being provision for liabilities.

(e) After writing back Rs 228,048 being provision for liabilities and Rs 27,208 being provision for taxation.

(f) Includes Rs 60,190 being Refund of Income-tax.

(g) After writing back Rs 210,208 being provision for liabilities no longer required.

8 July 1961

COMPANIES—(All India)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Deprecia- tion	Liquid Assets				
	June 1961	June 1960			Reserves	Other	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Ra. n.p.	Ra. n.p.			Ra. 000	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Amalgamated Asso. Karanpura	24 87 5 50	24 37 6 00	10 10	2,550 900	2,660 ...	885 25	12 -59	5,292 517	12,377 1,284	8,100 146	...	2,860 73	3,179 296	276 2	66 24
44% R. C. Preference Asso. Laikidih	50 50 N 5 50	50 50 3 62	100 10	150 800	...	...	...	...	...	...	...	...	...	...	...
4% Debenture Bagdigi Kujama Bengal	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
4% C. P. T. Bengal Bhatdeo Bengal Nagpur	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
44% C. P. T. Bhatgora Bharat	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T. Bhulanbaroo Bhuranaga	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
6% Debentures Borra Burrakur	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
7% C. P. 6% 2nd C. P. T. 44% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Central India Central Kurkud Chauria	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Dhemo Main East Indian (S) Equitable	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ghusick & Maslia Gourangdi	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Guzdar Kajora Harriladih Jainy Central Jogta	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Kalapahari Kamptee Collieries Karanpura Collieries	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Katras Jheriah Khas Kajora	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Khas Shampore Kuardi Lakurka Mahabir	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Munduipoor Nazira New Beerbhoom	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
New Churulia New Huntodih	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
New Joyrampore New Manbhoom North Damuda North West	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ondal Oriental	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Parasa Pench Valley Pore Sitalpur	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Raneegunge Rawanwara	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Rewa Samsa Searsole Seepore	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Sandra Shree Mahakali	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Singareni South Karanpura Standard Taker	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Union United Collieries	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
West Ghusick West Jamaria West Laikidih Western Bengal	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

(i) After transferring Rs 85,000 from General Reserve.

(j) After transferring Rs 278,000 from General Reserve.

(k) After writing back Rs 9,568 being Development Reserve on block sold and including Rs 128,996 being unclaimed dividends forfeited.

(l) After writing back Rs 180,000 from Reserve provision for taxation.

(m) Includes Rs 702,209 being adjustments in...

(n) 8 per cent Preference shares carry a fixed cumulative preferential dividend of 8 per cent per annum with a right to participate in further dividend of 1 per cent per annum, payable with the ordinary dividend after they are paid dividend at 8 per cent per annum.

TEA

NAME	Managing Agents/ Agents/Secretaries	Total Crop maunds/Kgs.	Average price per pound/Kg.	Total Crop in mds/Kgs. previous year	Average price per pound/Kg. previous year	Managing Agents allowance and Commission	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Rs. A. P.	Mds.	Rs. A. P.	P. A. 000		Rs. 000	Rs. 000			
Amuckie	McLeod & Co. Ltd.	12,016	2'51	9,989	2'48	62	12-59	649	441	15 T	15	10
Ananda (Assam)	7% C. P. P.	...	...	...	...	...	...	...	...	36'71 T	36'71	26'81
Anandabag	Directors	9,075	2'64	8,112	2'09	...	12-58	395	...	87	20	20
Arcuttipore	Gill, Arbuthnot & Co. Ltd.	8,287	2'59	8,424	2'37	43	12-59	357	373	17'4 T	10	5
Atal	Directors	4,059	1'62	3,421	1'61	...	12-58	57	1,04	nil	nil	nil
	Goenka & Co.	5,140	1'72	6,039	1'48	...	12-58	83	106	2 1/2	5	5
	4 1/2% C. P.	...	...	...	...	...	...	...	...	4 1/2	4 1/2	4 1/2
	6 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Baghmari	McLeod & Co.	10,377	2'36	9,018	2'29	25	12-59	332	210	15 T	15	15
Baitakhal	Ramdudd Ramkitesendass	5,790	1'72	4,412	1'69	7	12-58	88	60	2 1/2	2 1/2	15
Banarhat	Andrew Yule & Co. Ltd.	41,649	2'31	38,911	2'00	209	12-59	2,093	(x)1,080	32 1/2 T	20	20
Baradighi	6 1/2% C. P.	...	...	...	...	...	...	...	...	9,30 1/2 T	6 1/2	6 1/2
Basmatia	Jardine Henderson Ltd.	18,781	1'91	19,547	2'23	44	12-57	556	1,019	15	20	30
Batali	Andrew Yule & Co. Ltd.	7,611	2'97	7,439	2'62	33	12-60	442	309	30 T	20	17 1/2
Belpachi	National Tea Corp.	335,928	4'25	385,329	4'34	43	12-60	342	407	30 T	30 T	30
Betjan	National Tea Corp.	240,454	3'83	240,007	3'34	22	12-60	298	265	20 T	20 T	25
Bhatkawa	Gill, Arbuthnot & Co. Ltd.	10,439	2'79	10,802	2'55	57	12-59	494	400	25 T	15	15
Bijaynagar	McLeod & Co. Ltd.	14,977	2'08	14,048	1'98	30	12-59	332	95	10 T	nil	15
Birpara	D. C. Ghose & Co. (Private)	375,578	4'96	739,514	4'66	95	12-60	989	858	20 T	14 T	8
	Duncan Bros & Co. Ltd.	16,625	2'25	15,843	2'06	79	12-59	602	419	22 1/2 T	12 1/2	7 1/2
	8% C. P.	...	...	...	...	...	...	...	...	8	8	8
Bishnauth	Williamson Major	42,380	2'75	48,796	2'44	98	12-59	1,145	680	15 T	nil	10
Bloomfield	Goenka & Co.	2,037	2'31	1,943	2'49	9	12-57	-60	nil	nil	nil	nil
Bolakhhat	Debitures	...	...	...	...	...	...	...	...	...	...	...
Bormahjan	Octavius Steel & Co. Ltd.	4,493	3'02	4,556	2'59	15	12-58	170	40	5	nil	5
	McLeod & Co. Ltd.	8,290	2'39	7,816	2'49	42	12-59	413	431	12 1/2 T	7 1/2	nil
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Borpukhuri	Williamson Major	7,254	2'54	7,518	2'25	9	12-59	135	112	15 T	12 1/2	10
Bweene Bend	Directors	...	...	...	...	...	6-60	1,348	1,615	15 T	12 1/2	10
	6% C. P. T.	...	...	...	...	...	...	...	...	6 T	6 T	6 T
Carron	Duncan Bros & Co. Ltd.	305,122	5'01	326,587	4'61	26	12-60	419	319	20 T	15 T	nil
Central Cachar	Jardine Henderson Ltd.	9,292	1'97	9,946	2'30	20	12-57	-144	322	nil	5	nil
Chamong	Williamson Major	1,753	3'67	1,819	3'51	3	12-59	16	-2	nil	nil	nil
Chandypore	Jardine Henderson	8,904	...	9,718	...	3	12-57	50	62	10	10	4
Chomabutti	Andrew Yule & Co.	13,761	2'19	14,667	2'07	63	12-59	637	564	30 T	22 1/2	20
	6 1/2% C. P.	...	...	...	...	...	...	...	...	9 1/2 T	6 1/2	6 1/2
Chundocherra	Octavius Steel & Co. Ltd.	8,357	2'13	7,835	1'95	58	12-58	563	479	nil	nil	nil
Cleveland	Duncan Bros & Co. Ltd.	187,065	5'35	226,147	6'31	35	12-60	405	719	30 T	25 T	10
Dauracherra	Duncan Bros & Co. Ltd.	164,602	5'66	173,323	5'95	32	12-60	460	467	22 1/2 T	15 T	10
Dejee Valley	McLeod & Co. Ltd.	5,797	2'48	5,179	2'49	39	12-59	322	271	40 T	30	20
Dejei & Purbuteia	Jardine Henderson Ltd.	13,313	2'65	14,033	2'69	20	12-57	-119	300	nil	10	10
Dhalakhat	Duncan Bros & Co. Ltd.	8,724	2'61	8,471	2'72	63	12-58	786	832	20	25	25
Dhansari	Directors	17,756	2'27	9,753	2'14	...	12-59	709	580	23 T	20	20
	7% C. P.	...	...	...	...	...	...	...	...	7	7	7
Dihraugh	McLeod & Co. Ltd.	8,354	2'56	8,315	2'80	45	12-59	459	612	30 T	30	26
Dihram	Dooduwalla & Sons	1,795	3'18	1,853	2'76	12	12-58	72	22	7 1/2	nil	5
Dimalai	Williamson Major and Co.	8,481	2'80	8,536	2'63	41	12-59	401	374	30 T	30	30
	8% C. P.	...	...	...	...	...	...	...	...	8 T	8	8
Dufflaghar	Williamson Major and Co.	10,355	2'71	13,229	2'52	54	12-59	(0)676	695	35 T	45	36
East India	Williamson Major & Co.	14,893	2'56	14,415	2'47	31	12-59	461	217	10 T	5	5
Eastern Cachar	Octavius Steel and Co. Ltd.	4,813	1'82	4,127	1'74	15	12-58	-185	190	nil	nil	nil
Ellenbarrie	Duncan Bros and Co. Ltd.	171,106	5'08	205,666	4'56	7	12-60	126	122	5 T	5 T	5 T
Engo	Directors	3,948	1'89	2,444	1'67	5	12-58	19	-17	nil	nil	nil
Eshbarrie	Directors	6,351	...	6,255	...	...	12-59	33	-4	nil	nil	7 1/2
Gairkhat	Gill, Arbuthnot and Co. Ltd.	14,346	2'05	13,288	1'94	38	12-59	360	106	12 1/2 T	nil	nil
Giallo	Davenport and Co. Private Ltd.	3,139	2'99	2,783	2'86	13	12-59	65	-41	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Gilapukhuri	Directors	8,602	...	9,374	...	...	12-59	474	363	25 T	25	25
Gokpur	Williamson Major and Co. Ltd.	7,332	2'61	7,943	2'46	22	12-59	260	250	10 T	5	20
Gopalpur	Secretary	14,232	...	14,306	...	...	12-50	5,72	5,34	12	10	12
Grob	Octavius Steel and Co. Ltd.	22,205	2'46	23,650	2'18	1,37	12-58	1,480	1,126	30	25	25
	'B' Ordinary	...	...	...	...	...	...	...	...	32 1/2	20	50
Gungnam	Duncan Bros and Co. Ltd.	699,341	4'84	697,367	4'57	83	12-60	867	778	20 T	15 T	nil
Hanqua	Duncan Bros and Co. Ltd.	261,270	4'79	272,714	4'59	19	12-60	340	332	20 T	17 1/2 T	nil
Hantapora	Duncan Bros and Co. Ltd.	99,017	2'19	91,701	1'85	76	12-59	1,640	229	12 1/2 T	nil	nil
	8% C. P.	...	...	...	...	...	...	...	...	10 T	10	10
Hazimara	Davenport and Co. Private	73,519	2'54	67,524	2'69	177	12-59	2,072	949	12 1/2 T	7 1/2	7 1/2
	7% C. P.	...	...	...	...	...	...	...	...	8 T	8	8
Hatikhat	Octavius Steel and Co. Ltd.	22,163	1'70	16,239	1'67	36	12-58	484	-55	5 T	7	7
Hograjali	Directors	8,519	...	8,146	...	...	12-59	436	79	25	5	10
Hongkong	Andrew Yule and Co. Ltd.	14,619	2'45	15,259	2'32	33	12-59	379	447	20 T	17 1/2	12 1/2
Hulibari	Davenport and Co. Ltd.	24,269	1'93	25,107	1'72	62	12-59	712	475	22 1/2 T	15	12
Jaybirpara	Andrew Yule and Co. Ltd.	6,711	2'17	6,362	1'85	13	12-59	138	24	5 T	nil	nil
Jaypore	Birla Bros Private Ltd.	...	...	...	...	275	12-58	3,288	2,829	10	10	10
	6% R.C.P.	...	...	...	...	...	...	...	...	6	6	6
	6% R.C.P.	...	...	...	...	...	...	...	...	6	6	6
Joonkollae	Kettwell Bullen & Co.	471,230	6'08	423,910	5'29	89	12-60	1,045	569	40 T	32 1/2 T	22 1/2
	6% C. P.	...	...	...	...	...	...	...	...	10 T	10	17
Jutibari	Gill, Arbuthnot and Co. Ltd.	11,371	2'47	12,815	2'42	32	12-59	236	454	10 T	10	17
Kalki	Octavius Steel and Co. Ltd.	3,306	2'15	2,917	1'95	15	12-58	123	10	nil	nil	nil
Kalinugger and Khoree	Board of Directors	3,910	1'64	3,987	1'58	...	12-58	40	-18	3	2	8
Kilboot	Duncan Bros and Co. Ltd.	539,462	5'89	518,584	4'79	...	12-60	791	652	25	17 1/2 T	7 1/2
Kingsley Golaghat	Directors	14,340	2'07	14,373	2'04	...	12-58	340	384	25	25	25
	6% preference	...	...	...	...	...	...	...	...	6	6	6
Kotamullai	Duncan Bros & Co. Ltd.	13,358	2'12	17,288	1'84	30	12-59	96	131	nil	nil	nil
	6% Pref.	...	...	...	...	...	...	...	...	nil	nil	nil
Krishnabehari	Directors	4,045	2'40	3,593	2'29	...	12-59	137	78	10 T	6	8

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS					Others Rs. 000
	June 1961 Rs. a.p.	June 1960 Rs. np.			General	Others	Carry Forward Rs. 000				Investments	Stocks and Stores Rs. 000	Outstand- ings Rs. 000	Cash		
															Rs. 000	
Amuckie	25 94	26 25	10	446	671	714	...	1,078	2,294	853	15	1,025	461	41	...	
7% C. P. P.	31 00	37 06	100	75	...	...	...	...	...	...	...	...	...	...	...	
Ananda (Assam)	16 50 N	19 00	10	277	450	251	7	1,435	1,297	482	508	919	137	43	...	
Anandabag	26 50	24 37	10	700	300	456	54	1,058	1,441	501	1	1,131	285	11	...	
Arcuttipore	7 00	7 00	10	300	...	...	198	478	536	195	1	217	24	3	...	
Atal	7 87	6 12	10	450	...	80	1	835	1,693	447	41	438	243	37	21	
4 1/2% C. P.	4 40	5 30	10	300	...	...	...	...	...	...	...	...	...	...	...	
6 1/2% Debentures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...	
Baghmari	22 62	25 37	10	550	862	577	20	979	2,606	[1,004	53	1,056	73	11	...	
Baitakhal	6 69xd	7 05	10	400	270	14	43	247	927	318	64	328	77	45	...	
6% Debentures	...	...	1000	150	...	...	...	...	...	...	...	...	...	...	...	
Banarhat	330 00	336 00	100	2,700	2,952	11	93	4,264	6,367	2,680	86	3,450	1,643	1,554	...	
8 1/2% C. P.	82 42	105 00	100	400	...	...	...	...	...	...	...	...	...	...	...	
Baradighi	25 75xd	29 75	10	1,200	1,200	425	86	1,079	4,261	2,394	2	1,518	345	236	21	
Basmatia	40 75	30 80	10	510	1,040	18	44	1,765	1,849	686	78	1,171	493	571	...	
Beteli	20 75	22 00	5	495	315	253	43	899	1,764	1,090	262	558	97	259	156	
Balgachi	22 25xd	24 80	10	250	400	210	35	459	558	296	1,002	139	31	45	126	
Bojan	35 50	24 56	10	640	520	554	38	1,705	1,566	560	1	1,426	566	458	62	
Bhaktawa	22 50	18 87	10	980	980	895	6	1,259	5,161	2,647	500	1,860	269	356	...	
Bijoynagar	175 00	204 00	100	980	808	948	40	996	3,577	1,178	500	1,340	338	338	...	
Bajpara	101 00	109 00	100	100	...	...	...	1,187	2,849	990	349	1,273	82	394	...	
8% C. P.	26 86	22 06	10	3,300	700	1,112	384	3,719	7,376	3,100	331	4,260	282	67	...	
Bhainath	4 06	2 25	10	400	...	...	384	568	803	102	8	121	24	30	...	
Bhownild	13 70	14 50	10	680	200	126	52	620	1,357	317	1	303	53	1	...	
Debentures	19 94	18 37	10	750	454	452	70	802	1,441	434	53	701	402	465	...	
Bokakhat	66 80 N	62 00	100	100	...	...	...	...	...	...	...	...	...	...	...	
Bormahjan	15 06	18 06	10	450	150	83	118	776	1,386	552	3	601	123	8	...	
6% C. P.	16 12	17 56	10	3,500	735	776	254	3,007	9,438	3,417	510	1,642	788	2,731	79	
Borpukhuri	63 50	66 50	100	3,500	...	...	...	...	...	...	...	...	...	...	...	
Brooke Bond	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	
6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	
Carron	145 00xd	182 00	100	600	570	371	18	663	1,514	515	15	785	99	287	37	
Central Cachar	75 50	77 00	100	1,000	523	240	195	1,891	2,785	1,017	3	1,103	423	149	14	
Chamong	8 00	10 31	10	280	75	50	19	135	431	93	2	158	52	9	...	
Chandypore	...	...	100	250	...	1	47	47	50	...	...	...	9	277	...	
Channabutti	271 00	291 00	100	900	1,327	17	99	1,438	2,534	1,017	402	1,068	474	562	...	
6 1/2% C. P.	100 00	104 50	100	200	...	...	...	...	...	...	...	...	...	...	...	
Chandoocharra	24 94	24 94	10	300	450	358	558	2,034	1,290	461	2	696	503	1,445	225	
Cleveland	...	...	10	400	750	324	53	1,055	1,106	510	1	530	926	329	...	
Dauracherra	8 50	9 31	10	600	850	410	52	577	1,066	286	28	511	263	906	20	
Dejee Valley	50 75	69 00	10	120	325	484	35	578	1,165	394	1	431	202	137	...	
Desai & Purbuthia	154 00	146 00	100	940	650	127	118	2,187	4,104	1,856	...	1,013	1,365	18	42	
Dhalakhat	22 25	23 75	10	1,753	985	87	13	1,583	2,882	806	573	715	820	238	...	
Dhunsari	16 35	17 69	10	700	500	185	10	2,079	2,404	647	2	1,518	203	58	66	
7% C. P.	2 12	3 00	3	120	...	...	...	...	...	...	...	...	...	...	...	
Dibrugarh	39 62	29 94	10	450	577	633	69	1,243	1,872	399	59	747	457	235	2	
Dijaram	104 00	102 00	100	200	107	72	3	91	375	166	1	103	42	118	...	
Dimakusi	26 65xd	30 50	10	473	500	210	157	814	1,691	745	150	818	63	246	...	
8% C. P.	3 10	8 90	10	70	...	...	...	...	...	...	...	...	...	...	...	
Dufflaghur	34 75	43 75	10	701	900	281	384	1,488	2,754	1,469	508	1,290	109	561	...	
East India	19 50	22 75	10	1,000	500	355	131	1,429	3,193	1,154	119	1,166	186	6	...	
Eastern Cachar	2 94	2 94	10	700	...	...	366	1,004	873	135	1	359	78	42	...	
Ellenbarrie	176 00xd	149 00	100	300	200	291	28	429	998	473	...	398	41	37	47	
Ego	136 00xd	196 00	100	120	264	...	60	315	499	285	2	326	63	35	...	
Ehellarrie	8 50	10 81	10	490	53	28	35	755	1,037	315	163	291	49	45	...	
Gairikata	194 00	160 00	100	750	270	405	39	688	1,893	1,188	4	1,104	139	200	...	
Galle	10 94	9 69	10	200	176	126	83	226	867	343	48	164	97	13	...	
6% C. P.	80 00	70 80	100	200	...	...	...	...	...	...	...	...	...	...	...	
Golapukri	26 37	26 44	10	584	573	70	9	2,084	1,774	637	744	498	850	10	...	
Golapur	16 94	19 94	10	676	300	225	131	873	2,256	1,032	147	761	53	20	...	
Gopalpur	22 32	22 62	25	1,850	500	498	132	746	17,66	7,49	3,12	8,26	3,94	3,96	...	
Grob	...	...	10	1,192	980	2,319	45	3,822	5,903	1,755	8	2,779	1,010	80	...	
Grob	11 12	14 00	5	361	...	...	...	...	...	...	...	...	...	...	...	
Gungnam	159 00xd	153 00	100	1,344	1,050	1,376	38	584	2,942	1,239	857	1,461	192	976	203	
Hansaga	16 75xd	18 25	10	500	550	614	22	512	584	560	224	440	19	309	83	
Manpara	142 00	144 50	100	3,600	1,500	2,336	80	1,842	7,147	2,371	508	3,033	464	607	...	
8% C. P.	101 00 N	109 00	100	50	...	...	...	...	...	...	...	...	...	...	...	
Manpara	26 62	24 80	10	3,200	2,575	3,637	260	3,906	11,551	5,885	863	4,212	1,118	2,019	...	
7% C. P.	97 00	106 00	100	300	...	...	...	...	...	...	...	...	...	...	...	
Hatikhira	10 06	13 69	10	1,260	950	250	75	949	3,045	1,329	2	1,527	172	26	...	
Hograjuli	25 25	25 37	10	500	674	13	14	751	1,197	467	52	431	717	22	...	
Huailungorio	195 00	199 00	100	870	1,305	86	76	892	3,283	1,480	12	891	205	311	...	
Huldiari	28 06	28 75	10	825	2,116	42	87	1,283	2,908	1,215	190	1,311	645	519	...	
Jaybirpara	17 00	13 69	10	700	512	1	17	234	1,109	534	3	498	148	240	...	
Jayharoo	23 62	18 75	10	5,857	4,900	486	91	5,979	16,370	5,470	798	3,638	2,062	145	...	
6% R. C. P.	...	...	100	195	...	...	...	...	...	...	...	...	...	...	...	
6% R. C. P.	...	...	50	38	...	...	...	...	...	...	...	...	...	...	...	
Joonkollee	24 00xr	22 87	10	600	1,566	56	133	1,301	1,927	1,027	226	726	108	1,457	2,367	
6% C. P.	...	...	10	36	...	...	...	...	...	...	...	...	...	...	...	
Jutibari	39 00	23 33	10	900	550	312	51	1,478	2,024	582	2	1,588	249	10	...	
Keluti	7 37	6 06	10	244	...	...	66	1,806	357	35	179	298	276	10	...	
Kallinugger & Khoreel	102 00	102 80	100	450	280	130	5	501	387	6	406	328	497	84	...	
Kilboot	19 62	19 25	10	900	875	1,096	59	1,326	2,696	841	307	1,240	221	511	121	
Kingsley Golaghat	157 00 N	160 00	100	360	1,000	322	130	2,281	2,237	850	931	1,182	740	53	...	
6% Preference	71 43 N	80 00	100	240	...	...	...	...	...	...	...	...	...	...	...	
Kotamullai	11 75	15 44	5	100	...	7	230	2,797	2,018	319	...	924	80	187	82	
6% Pref.	15 00	15 06	25	218	...	...	...	...	...	...	...	...	...	...	...	
Krishnabari	10 56	10 22	10	508	240	34	3	574	1,269	297	2	318	47	12	...	

Indian Finance
TEA

NAME	Managing Agents Agents/Secretaries	Total Crop in mds/Kgs	Average price per pound/Kgs	Total Crop in mds/Kgs previous year	Average price per pound/Kg previous year	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Ra. s. p.	Mds.	Ra. s. p.	Ra. 000		Ra. 000	Ra. 000			
Kunchanpore	Duncan Bros and Co. Ltd.	4,497	1.71	3,602	1.68	10	12-58	(g)20	(h)8	nil	nil	nil
Kyang Tea Seeds	Shaw Wallace and Co. Ltd.	...	...	...	...	3	12-58	19	13	5	5	7
Lackatoorah	Directors	12,612	1.92	12,139	2.23	9	12-56	881	1,130	30	30	10
Ledo	Duncan Bros and Co. Ltd.	229,767	5.53	186,700	4.70	...	12-60	139	140	nil	nil	nil
Lingia	Williamson Magor & Co.	8,099	2.93	8,163	3.16	...	12-59	262	355	12 1/2	17 1/2	20
Longview	Daga and Co. Private Ltd.	9,568	...	9,536	...	39	12-56	186	120	2 1/2	5	6
Loobah	Octavius Steel and Co. Ltd.	4,276	1.63	4,329	1.58	20	12-58	13	23	nil	nil	nil
Lukwah	Tantia Bros. Private	15,266	2.97	15,042	2.63	54	12-58	558	668	25	25	35
Malhati	5% Cum. Pref.	487,220	4.98	475,253	4.80	52	12-60	567	557	15 T	15 T	10
Manabbarie	D. C. Ghose & Co. Private	6,742	...	7,011	...	...	12-59	50	29	5 T	5	15
Manipur	Directors	4,958	1 13 5	4,363	1 0 0	25	12-53	2,06	4.94	nil	nil	nil
Margaret Hope	McLeod and Co. Ltd.	3,705	3.01	4,535	3.36	20	12-59	108	184	10 T	10	7 1/2
Manonbarie	Lohia Bros Private Ltd.	3,223	...	909	...	2	12-58	39	176	nil	nil	nil
Maud	Lohia Bros Private Ltd.	4,878	2.36	5,335	2.18	20	12-58	200	120	6 1/2	6 1/2	12 1/2
Methoni	Octavius Steel and Co. Ltd.	10,362	2.93	10,584	2.54	70	12-58	705	510	22	15	28
Mim	Andrew Yule and Co. Ltd.	2,739	8.83	2,494	7.63	6	12-60	110	39	22 1/2	10 T	nil
Mohem	Directors	6,440	...	5,410	...	...	12-58	162	16	nil	nil	nil
Mothola	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Murphulani (Assam)	Kettlewell Bullen & Co.	3,370	5.87	4,982	5.56	25	12-60	106	30	30	29 T	40
Naga Hills	Andrew Yule & Co. Ltd.	...	...	...	...	8	12-60	46	262	5 T	20 T	20
Nagaurice	Preferred Ordinary	9,005	1.75	7,506	1.66	...	12-58	244	...	10 63 T	25 T	25
Nagri Farm	Directors	14,240	2.20	10,858	1.85	65	12-59	668	(a3)151	17 1/2	5	7 1/2
Namburnadi	Williamson Magor	5,663	3.14	4,889	3.44	20	12-59	215	303	20 T	30	25
New Assam Valley	Directors	8,760	2.16	7,565	1.96	...	12-58	365	171	16	15	15
New Chumta	Macneil Barry	10,683	2.65	9,752	2.76	...	12-58	661	556	25	25	30
New Cinnatolia	Davenport & Co. Private Ltd.	7,357	2.06	7,206	1.86	16	12-59	217	146	15 T	10	12 1/2
New Doors	Duncan Bros. & Co. Ltd.	163,289	6.84	217,837	5.84	5	12-60	65	26	nil	nil	nil
New Samanbagh	Andrew Yule & Co. Ltd.	20,049	2.32	22,413	1.98	95	12-59	957	815	32 1/2	25	20
Nilpur Tea	6 1/2% C. P.	...	...	...	...	86	12-58	819	482	9 1/2 T	6 1/2	6 1/2
N. W. Cachar	Shaw Wallace & Co. Ltd.	14,523	2.16	12,168	2.05	...	...	...	...	...	...	...
Okayti	Directors	2,472	2.08	3,010	1.88	2	12-58	6	83	nil	20	30
Odlabari	Directors	18,761	1.31	17,933	1.69	...	12-59	743	380	30 T	20	15
Pathamara	7% C. P.	2,340	4.34	2,246	4.80	...	12-59	55	287	32 1/2	32 1/2	nil
Patrakola	Directors	7,354	1.75	7,476	1.58	...	12-58	166	148	7 1/2	10	15 1/2
Phaskova	Octavius Steel & Co. Ltd.	6,159	1.70	5,815	1.66	20	12-58	41	46	nil	nil	nil
Poobong	Duncan Bros. & Co. Ltd.	49,713	2.56	50,325	2.14	163	12-59	4,062	(d)3,768	40 T	20	10
Poombing	Duncan Bros. & Co. Ltd.	112,988	4.90	116,337	4.48	3	12-60	21	27	nil	nil	nil
Potimbarie	Duncan Bros. & Co. Ltd.	111,914	6.46	68,622	6.36	...	12-60	92	60	nil	nil	nil
Rajabhat	Directors	2,346	2.53	1,656	2.58	...	12-58	31	84	nil	nil	nil
Rajgarh	7% C. P.	...	...	...	...	...	...	...	...	...	...	...
Rajmarg	Directors	2,306	1.50	2,113	1.81	...	12-58	11	96	nil	6	nil
Rajmarg	McLeod & Co. Ltd.	10,168	2.12	9,459	2.06	25	12-59	200	43	nil	nil	nil
Rajmarg	Andrew Yule & Co. Ltd.	5,155	6.00	3,364	5.45	15	12-60	260	157	40 T	35 T	25
Rajmarg	Shaw Wallace & Co. Ltd.	3,324	2.28	3,688	2.53	16	12-60	24	302	nil	nil	11
Rajmarg	McLeod & Co. Ltd.	13,410	2.15	12,748	1.99	96	12-59	412	336	10 T	7 1/2	5
Rajmarg	McLeod & Co. Ltd.	7,950	2.09	8,557	1.93	20	12-59	67	56	nil	nil	nil
Rajmarg	Duncan Bros. & Co.	237,869	4.95	275,246	4.56	18	12-60	159	194	5 T	2 1/2	7 1/2
Rajmarg	Duncan Bros. & Co. Ltd.	106,900	7.00	68,691	6.83	10	12-60	163	47	35	10 T	30
Rajmarg	Jardine Henderson Ltd.	26,144	...	25,416	...	77	12-57	867	1,365	20	30	50
Sapi	Directors	17,582	...	15,712	...	...	12-59	436	437	20 T	15	15
Saragun	Directors	9,337	2.02	9,273	1.92	...	12-59	386	419	40 T	50	20
Sasuli	Williamson Magor & Co.	5,884	2.65	5,489	2.74	15	12-59	159	218	17 1/2	22 1/2	22 1/2
Sasuli	Directors	2,344	3.09	2,405	2.91	...	12-58	131	131	15	10	nil
Sasuli	Gill, Arbuthnot & Co. Ltd.	2,164	3.59	2,285	3.33	10	12-58	22	35	nil	nil	nil
Sasuli	Hoare Miller & Co. Ltd.	3,569	2.91	3,047	3.08	6	12-59	71	95	nil	nil	nil
Sasuli	Coenka & Co. Ltd.	3,179	3.19	3,267	2.55	10	12-58	176	(c)134	7 1/2	5	5
Sasuli	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Sasuli	Directors	5,295	1.65	4,520	1.63	...	12-58	205	98	nil	nil	nil
Sasuli	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
Sasuli	Williamson Magor & Co.	3,903	3.17	3,905	3.49	24	12-59	242	331	30 T	50	35
Sasuli	McLeod & Co. Ltd.	4,805	3.37	4,586	4.29	20	12-59	209	564	10 T	15	7 1/2
Sasuli	Gill, Arbuthnot & Co. Ltd.	5,242	1.89	5,288	1.82	17	12-58	35	40	nil	nil	5
Sasuli	Octavius Steel & Co. Ltd.	8,020	2.42	7,735	2.60	39	12-57	397	474	25	30	20
Sasuli	Davenport & Co. Private Ltd.	4,708	2.82	4,153	2.89	15	12-59	38	3	nil	nil	10
Sasuli	Duncan Bros. & Co. Ltd.	11,151	2.56	11,778	2.17	39	12-59	872	601	17 1/2	12 1/2	6
Sasuli	McLeod & Co. Ltd.	11,248	2.23	9,945	2.35	34	12-59	376	423	25 T	25	30
Sasuli	Gill, Arbuthnot & Co. Ltd.	8,625	2.59	8,507	2.80	44	12-59	388	412	17 1/2	15	15
Sasuli	Shaw Wallace & Co. Ltd.	36,690	2.13	35,023	1.92	121	12-59	1,217	753	20 T	12 1/2	nil
Sasuli	8% pref. cum. as to 5	...	...	...	...	...	...	...	...	...	...	...
Sasuli	Daga & Co. Private Ltd.	...	...	...	...	12	12-55	140	5.80	nil	nil	8
Sasuli	McLeod & Co. Ltd.	8,010	1.89	8,084	2.22	25	12-57	218	512	30	25	30
Sasuli	10% C. P.	...	...	...	...	...	...	...	...	...	...	...
Sasuli	Daga & Co. Private Ltd.	...	...	...	...	26	12-56	67	173	10	10	10
Sasuli	Directors	9,337	...	8,866	...	...	12-58	143	262	nil	10	...
Sasuli	McLeod & Co. Ltd.	15,510	2.71	15,467	2.47	59	12-59	720	562	30 T	15	30

(c) After transferring Rs 65,000 from General Reserve

(d) After writing back Rs 375,287 from Depreciation Reserve

(e) After transferring Rs 125,000 from Reserve

(f) After transferring Rs 75,000 from Dividend Equalisation Fund

(g) After transferring Rs 60,000 from Revenue Reserve

(h) After transferring Rs 35,000 from Revenue Reserve; Rs 72,597 from Depreciation Reserve and Rs 46,794 from Building and Machinery Reserve

(w) After transferring Rs 145,000 from Revenue Reserve and Rs 8,000 from Development Reserve

(x) After transferring Rs 80,000 from General Reserve and Rs 50,000 from provision for taxation and including Rs 88,023 being dividends forfeited

8 July 1961

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	June 1961 Ra. np.	June 1960 Ra. A.			General	Others	Carry Forward Ra. 000				Investments	Stocks & Stores Ra. 000	Outstanding Ra. 000	Cash	Others
Kunchanpore	7 44	8 56	10	360	55	55	4	292	644	268	...	302	62	20	...
Kyang Tea Seeds	7 56	5 25	10	200	35	...	1	45	183	2	34	7	56	3	...
Lackatoorah	18 25	19 25	10	400	500	296	192	2,181	1,157	393	5	883	540	1,576	...
Ledo	17 00	19 25	10	650	146	571	14	629	1,525	453	188	554	115	4	78
Lingia	16 62	21 56	100	700	125	61	42	651	1,622	719	389	558	214	15	...
6% C. P.	53 00	64 80	10	506	...	...	32	1,032	2,623	623	209	871	165	18	...
Longview	11 25	10 50	10	564	600	58	121	776	686	125	2	285	243	189	...
Loobah	4 50	3 50	10	800	600	391	441	2,228	1,664	493	1,981	1,140	304	39	...
Lukwah	...	...	...	475	...	...	...	...	...	...	...	...	...	...	...
5% Cum Pref.	21 12	17 25xd	10	900	1,726	761	18	944	4,194	2,144	434	1,059	466	321	...
Malhati	54 25	65 62	10	200	486	86	3	782	802	356	...	435	437	27	...
Manabbarie	...	...	100	420	2,10	40	6.20	8.82	7.31	1.80	...	326	32	22	2,12
Manipur	15 56	13 87	10	400	200	207	73	384	878	429	2	278	196	340	...
Margaret Hope	...	65 87	10	155	...	...	373	1,425	1,181	206	2	142	86	1	...
Manabbarie	14 00	11 94	10	800	100	2	5	1,045	1,488	433	195	456	104	181	...
Maud	18 62	22 87	10	1,000	700	550	62	1,233	2,265	699	95	1,014	306	564	...
Methoni	191 50xd	222 00	100	159	355	17	16	208	582	243	2	206	12	328	85
Mim	11 50	13 31	10	486	...	30	6	605	1,224	292	...	442	62	7	...
Meheema	11 00	9 50	10	320	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	446 00xd	510 00	100	150	724	641	47	420	209	11	129	...	90	989	576
Mothala	25 00	25 87	10	175	791	1	6	685	2,040	730	3	4.0	...	47	545
Murphulani (Assam)	23 00	27 62	10	208	...	...	...	...	...	...	...	...	...	...	...
Prad. Ord.	18 50	16 44	10	489	291	74	31	1,668	1,372	441	585	687	166	36	...
Naga Hills	202 00	179 00	108	960	965	1,022	29	820	2,675	958	406	1,146	131	394	...
Nagaurree	26 00	25 75	10	380	250	225	130	334	730	215	112	289	151	171	...
Nagri Farm	12 87	14 44	10	535	175	130	3	629	1,217	543	...	493	238	68	...
Namburnadi	...	...	225	675	850	151	45	1,169	1,678	503	183	1,274	242	16	...
New Assam Valley	34 75 N	36 25	10	300	225	620	62	378	1,028	427	85	612	73	214	...
New Chumta	103 00	114 00	100	500	...	...	115	1,103	1,095	364	...	549	95	64	49
New Cinnatollah	325 00	301 00	100	1,400	2,050	30	52	2,947	3,400	1,234	652	1,759	1,066	1,036	...
New Dooars	82 20	102 50	100	200	...	...	...	...	...	...	...	...	...	...	...
64% C.P.	19 25xd	25 00	10	400	900	5	244	1,594	1,259	576	1	739	277	1,544	...
New Samanbagh	83 50 N	83 58xd	100	100	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	...	...	100	149	60	...	23	286	395	150	1	245	17	9	...
Nilpur Tea	200 00	149 00	100	700	600	274	138	1,996	2,138	398	742	981	190	55	...
North Western Cachar	600 00	681 00	100	100	53	159	...	290	524	263	...	154	48	189	...
Okayti	79 00 N	79 00	100	50	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Oodlabari	14 25	14 50	10	640	330	247	10	268	1,238	303	2	382	100	76	...
Pathemara	7 25	5 75	10	259	...	...	223	1,205	654	94	1	619	60	...	...
Patrakola	156 00	182 00	100	3,600	5,125	1,500	226	11,363	6,551	2,750	8	3,712	2,671	11,535	...
Phaskowa	127 00	150 00	100	250	185	195	17	102	632	224	1	277	13	38	14
Poobong	7 37	6 94	10	300	...	...	4	274	593	247	...	159	10	1	63
Pussimbong	8 62	10 50	10	205	113	93	87	173	540	97	48	140	57	15	...
7% C. P.	97 00	93 00	100	205	...	...	...	...	...	...	...	...	...	...	...
Patinbarree	45 00	47 59	10	100	60	135	13	173	376	168	1	198	38	10	...
Rajabhat	18 00	18 00	10	680	577	530	197	576	1,637	720	54	726	320	43	...
Rajgarh	19 00xrt	40 75	10	200	889	2	48	497	1,613	569	3	444	342	73	51
Rajnagar	9 56	9 56	10	320	100	46	225	635	885	491	1	482	81	29	140
Rajnagar	20 06	28 62	10	765	700	851	44	880	2,613	1,515	54	1,121	477	89	...
Raisacherra	15 69	15 31	10	260	281	127	76	1,220	1,284	371	1	658	96	36	...
Rongacherra	52 50xd	75 00	50	525	550	602	17	311	1,626	508	99	592	62	97	27
Rungamattoe	385 00	360 00	100	140	310	233	21	256	474	207	225	161	1	217	88
Rungle Rangties	26 62xd	37 50	10	1,493	1,804	881	50	2,619	5,520	3,112	4	2,225	396	1,775	...
Rydale	20 87	23 50	10	900	203	53	20	3,103	3,281	1,329	400	873	948	26	...
Sapoi	36 00	37 00	10	346	600	239	69	1,204	1,392	664	39	768	861	61	...
Sarigon	27 12	28 62	10	249	300	135	91	648	1,283	696	3	756	59	18	...
Seajuli	11 00	10 50	10	300	125	202	4	149	551	196	...	173	54	198	...
Seeyok	...	...	10	300	105	10	28	353	600	239	1	295	121	17	...
Selimong	37 25	29 37	100	625	...	19	7	341	1,323	294	207	146	90	102	...
Singell	5 87	6 37	10	900	...	...	...	...	...	...	...	...	...	...	...
Singtom	5 19	5 19	10	300	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	9 12 N	9 12	10	408	...	105	110	413	1,156	396	1	339	...	24	3
Sapai River	77 00 N	93 00	100	180	...	...	...	...	...	...	...	...	...	...	...
Soom	46 00	30 50	10	380	300	165	175	488	760	349	201	351	46	423	...
Sungma	15 25	13 00	10	625	600	355	59	693	1,784	520	3	294	180	564	...
Taipoo	...	...	10	580	205	58	28	629	1,125	478	1	556	135	26	26
Toon Ali	15 75	14 75	10	320	409	457	80	513	1,428	398	64	258	163	82	...
Taasta Valley	112 00	129 00	100	900	1,675	620	32	1,556	2,107	707	49	1,011	463	1,767	...
Talipara	33 56	28 69	10	598	854	510	7	990	1,935	692	56	823	216	282	...
Telojan	38 08	35 87	10	800	380	297	65	1,247	1,442	528	2	913	322	558	280
Tengpani	17 94	18 94	10	1,983	1,550	36	54	2,465	5,114	2,283	83	2,509	738	132	...
Tempore	10 00	11 19	10	285	...	...	...	...	...	...	...	...	...	...	...
8% Prof. Cum. as to 5	10 00 N	10 00	10	375	3,75	56	38	17,50	16,15	1,94	1	8,77	1,70	85	...
Tilukh	60 00	50 00	10	220	480	57	34	858	1,361	552	2	720	216	440	...
Tirrihannah	13 00	14 00	10	100	...	...	...	...	...	...	...	...	...	...	...
10% C. P.	6 44	8 00	10	600	390	...	6	1,170	1,528	307	...	734	114	16	81
Tengani	7 50	8 25	10	801	250	...	39	946	1,689	475	3	417	283	118	...
Tukvar	38 00	38 12	10	520	1,050	1,450	105	2,466	5,860	1,666	53	1,396	701	47	...
Tytoon	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

SUGAR

NAME	Managing Agents/ Agents/Secretaries	Cane Crushed Mds./Tons 000	Sugar Produced Mds./Tons 000	Sales Rs. 000	Stock Rs. 000	Managing Agents allowances and Commission Rs. 000	Year ended	NET PROFIT		Dividend per unit		
								Latest	Previous	Latest	Pre- vious	Second Previous
Andhra	Ranga Rao & Co.	...	...	15,381	1,759	194	9-59	2,280	2,332	20	15	12½
Balrampur	Directors	...	...	6,910	4,096	...	6-60	312	(c)448	8 T	8	5
Basti	Narang Bros.	6,760	...	20,663	9,645	110	4-59	1,186	1,242	10	10	10
Belpur Co.	W. H. Brady & Co.	...	...	16,819	1,686	450	9-59	4,366	5,991	42	40	36
Belaund	Bangur Bros. Ltd.	3,308	3,121	11,108	3,526	72	9-60	879	852	18½ T	18½ T	13½
Bharat	Cotton Agents Private	2,498	...	8,339	2,910	82	6-60	842	674	15	15	10
Bhopal	5% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Bhundiwalla & Co.	Bhundiwalla & Co.	...	...	4,969	3,358	124	9-60	1,345	1,289	22½	25	20
Bhopal	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Carw	Cladstone Lyall & Co. Ltd.	...	...	43,236	6,733	219	6-60	1,313	2,160	5	5	5
Cauvery	6½% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Cawnpore	6½% Debentures	...	...	...	...	...	...	...	...	...	...	...
Champan	5½% Debentures	...	...	...	...	...	...	...	...	...	...	...
Deoria	Parry & Co.	47(1)	4(1)	12,886	1,920	...	6-60	1,413	1,209	6	6	6
Dyer Meakin Breweries	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
East India Distill'y (L)	Begg Sutherland & Co. Private...	10,589	1050	39,635	2,739	...	10-59	1,271	—696	nil	nil	...
Ganesh	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
Ganga Sugar	Begg Sutherland & Co. Pri. Ltd.	5,881	551	22,027	6,643	108	6-60	1,156	1,355	15 T	15 T	10
Gobind	Parry & Co. Ltd.	...	...	36,364	9,226	298	5-59	3,304	3,536	25½	18	14½
Gwalior	7% preference	...	...	...	...	...	...	...	...	...	...	...
Harinagar	K. C. Thapar & Bros.	3,263	...	11,752	3,808	30	8-59	546	224	11½	5	7
Hindustan	5% Debentures	...	...	31,617	4,651	...	3-60	8,138	5,608	25 T	16	13
India	Directors	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Sugar	7% R. C. P.	...	...	10,471	...	...	9-59	856	831	28½ T	20	15
Jaswant	7% C. P.	3,304	310	12,818	595	...	10-59	848	573	10 T	10	10
Jeyapore	Directors	...	...	21,080	14,541	...	3-59	2,017	2,839	12½	12½	17½
K. C. P.	7½% C. P.	...	...	...	...	...	...	...	...	...	...	...
Kesar	Cotton Agent Private Ltd	2,149	...	7,998	1,945	49	6-59	636	558	11½ T	10	10
Kirlampudi	5½% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Madura Sugar	Sir J. P. Srivastava & Sons Pri.	2,108	...	11,189	1,854	85	6-59	938	1,647	19½	10	10
Maharashtra	7% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Medi Sugar	7% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Mohini	Directors	...	...	17,603	3,111	...	9-59	1,043	551	11 T	7½	7½
Mysore	Ordinary	...	...	...	...	...	...	...	...	...	...	...
Nawabganj	Bachbraj & Co.	10,324	...	38,553	15,569	371	6-58	5,087	4,831	15	15	15
New India	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
New Seven	India Sugar Agencies	1,371	...	19,618	1,993	168	9-59	2,004	(p)1,	12½ T	10	10
New Swadeshi	7½% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Nizam Sugar	7½% R. C. P.	3,282	...	13,409	6,074	9	4-59	824	1,381	15 T	15	15
Oudh	Directors	...	...	25,489	6,603	...	5-59	(a)2,129	2,380	22½ T	15	15
Phalton Sugar	5½% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Punjab Sugar	5½% C. P.	...	...	...	...	...	...	...	...	...	...	...
Purabpore	5½% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Ramnagar Cane	R. S. Indus. Corp.	...	...	3,856	2,956	36	6-58	854	...	6	6	6
Ratna Sugar	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Ravalgaon Sugar	7% C. P.	...	...	...	...	...	...	...	...	...	...	...
Raza Buland	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Ryan	5% R. C. P.	...	...	37,647	1,868	390	6-60	(1)3,356	(1)3,075	15 T	15	5
Samaratpur	6½% C. P.	4,233	404	19,772	23,458	...	7-59	1,123	855	15	10	...
Shadilal	Directors	...	...	...	...	...	...	...	...	...	...	...
Shree Anand	Kubera Sugar Manager. Private	118	108	102,387	5,230	82	6-60	491	754	5½	5½	...
	5½% C. P.	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
	Pandia Rajan & Co. Private	...	...	5,741	349	98	7-60	962	914	7½ T	34	2½
	M. L. Dahanukar & Co. Pri.	...	...	22,805	1,602	542	9-59	5,321	5,590	47 T	34	40
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...
	R. B. Multanilal & Sons	3,644	...	55,626	4,519	231	10-59	2,743	2,178	12½	10	7
	K. C. Thapar & Bros.	1,524	...	2,654	187	15	11-59	307	—56	nil	9	nil
	Founders	...	...	...	...	...	...	...	...	...	...	...
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
	Directors	...	...	44,147	1,061	...	6-60	3,350	2,760	30 T	30	30
	Narang Bros. & Co. Private	2,959	...	12,517	675	25	10-59	145	348	nil	nil	...
	'B' Class	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
	Cotton Agents Private	4,270	...	14,146	4,824	111	6-60	1,247	1,333	36½ T	36½	25
	5½% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...
	7½% C. R. P. P.	...	...	...	...	...	...	...	...	...	...	...
	K. C. Thapar & Bros.	2,847	...	...	...	6	5-60	252	126	12½ T	9	9
	Cotton Agents Private	4,314	...	16,224	4,261	227	6-59	2,060	920	29	20	20
	Ord. P. P.	...	...	...	...	...	...	...	...	...	...	...
	Hyd. Govt. Indus. Trust Fund	...	...	58,055	20,963	490	6-59	5,176	7,853	21½ T	18	18
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
	4% C. P.	6,103	...	68,470	9,040	...	6-59	4,307	5,255	5 T	5	4
	Cotton Agents Private	...	...	...	...	...	...	...	...	...	...	...
	Ord. P. P.	...	...	...	...	...	...	...	...	...	...	...
	4% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
	Mafatlal Apts & Kantilal	114	134	12,921	3,706	200	9-60	2,211	2,791	18½	12½	12½
	Narang Bros. Private	2,764	...	9,513	2,248	25	10-58	183	25	24 T	24	20
	Directors	2,604	...	10,278	651	...	10-59	(b)873	65	6	nil	nil
	10% C. P.	...	...	...	...	...	...	...	...	...	...	...
	Anderson Wright Ltd.	1,984	...	8,519	1,051	...	8-59	1,201	(a)385	11 T	10	14
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
	5½% Debentures	2,827	...	6,515	9,091	38	6-59	662	145	17½ T	3½	6
	Ratna Agents	...	...	...	...	...	...	...	...	...	...	...
	9% C. P.	...	...	22,204	1,248	23	9-59	(b)1,143	1,726	8 T	12	12
	Walchand & Co. Private	...	...	...	...	...	...	...	...	...	...	...
	5½% Cum Prof.	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
	Debentures	6,193	597	24,529	1,290	84	10-59	1,093	(a)4,254	12½ T	12½	15
	Govan Bros. (Rampur)	2,084	198	8,444	2,630	...	6-59	151	425	15 T	15	15
	Directors	...	...	...	...	...	...	...	...	...	...	...
	6% C. P.	1,625	158	7,140	1,848	...	6-59	(b)129	(m)436	6	6 T	6
	H. R. Swarup & Bros	9,000	...	28,115	8,635	54	9-60	(j)2,480	1,275	24 T	18	6
	8% C. p.	1,827	182	6,631	954	...	9-59	496	157	5 T	3½	...
	Debentures	...	...	...	...	...	...	...	...	...	...	...

MILLS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LAVERS ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	June 1961 Rs. np.	June 1960 Rs. np.			General	Others	Carry Forward Rs. 000				Investments	Stocks & Stores Rs. 000	Outstand- ings Rs. 000	Cash Rs. 000	Others Rs. 000
Andhra	26 85	26 00	10	3,000	1,800	905	23	5,276	9,139	2,875	220	3,174	1,015	331	...
Balrampur	2 62	3 25	2½	1,301	120	874	48	4,972	3,110	1,927	175	4,901	948	107	15
Basti	105 50 N	120 50	100	1,200	950	2,712	1,000	9,932	6,611	4,219	2,680	11,153	498	182	117
Ordinary 'B' Class	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Belpur	268 00	375 00	50	7,050	11,339	1,357	76	6,291	16,116	10,888	2,375	10,461	577	8,470	...
Belaund	11 12	13 75	7½	1,949	775	240	1	7,551	5,317	2,960	693	3,526	3,187	262	2,468
Bharat	16 50	16 62	10	1,500	650	759	4	3,317	2,395	1,595	1,381	3,330	1,059	159	...
5% R. C. P. T	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Bhopal	26 10	26 10	10	1,750	1,400	268	93	4,986	4,781	2,936	55	5,675	1,745	310	117
5% C. P.	84 50	84 50	100	1,250	...	...	...	...	...	...	...	...	...	...	...
Carw	13 44	10 00	10	3,200	1,360	1,866	276	10,921	15,128	10,892	67	10,934	4,493	381	310
6½% R. C. P.	90 00	85 50	100	800	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	1,750	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	400	...	...	...	...	...	...	...	...	...	...	...
Cauvery	129 50	142 75	100	4,000	...	1,489	74	3,381	9,635	960	...	2,766	1,757	72	600
6% C. P.	91 75	101 25	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Cawnpore	12 75	15 44	10	3,000	2,850	4,503	-1,686	6,364	16,689	10,413	264	5,887	1,987	347	771
8% C. P.	108 00	113 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Champaran	16 31	20 75	10	1,800	1,440	3,106	28	5,326	8,473	6,453	37	7,911	1,475	184	73
Deccan	13 80	15 00	5	3,984	2,100	2,721	67	12,648	13,656	7,119	395	11,469	2,729	904	185
7% Preference	5 35cd	6 25	5	700	...	...	...	...	...	...	...	...	...	...	...
Deoria	8 71	8 31	10	958	345	266	6	4,796	3,246	2,022	1,035	3,687	892	29	5
5% Debentures	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Darbhanga	14 37	18 00	10	2,600	31 00	2 36	1 12	19 18	57 55	37 24	2 58	36 93	12 89	6 97	...
Dyer Meakin	33 75	20 19	5	2,727	7,450	4,200	26	8,094	5,973	2,380	434	7,468	6,871	2,063	2,581
E. I. D. (Z)	43 00	57 75	£1	550	1,000	341	69	1,388	1,485	857	676	1,240	754	209	...
7% C. P.	18 25cd	30 00	£1	200	...	...	...	...	...	...	...	...	...	...	...
Ganesh Sugar	19 22 N	19 87	10	2,000	150	3,696	28	3,298	7,057	2,372	2,136	1,271	1,047	25	...
Ganga Sugar	...	7 50	10	5,492	702	621	86	21,293	14,506	4,545	1,622	15,330	2,049	246	36
7½% C. P.	...	...	10	1,250	...	...	...	...	...	...	...	...	...	...	...
Gobind	...	...	...	1,500	250	127	4	2,963	3,410	1,430	...	2,427	417	20	...
5½% R. C. P.	...	...	...	1,000	...	...	...	...	...	...	...	...	...	...	...
Gwalior	...	...	100	1,594	...	1,148	30	4,719	4,888	2,980	1,140	2,934	1,804	890	...
7% R. C. P.	...	...	100	675	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Harinagar	...	...	100	250	1,000	1,359	12	11,915	8,171	3,763	1,615	4,788	4,407	69	...
Ordinary	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
Hindustan	340 00	317 00	100	6,000	4,662	1,850	43	20,229	21,144	8,621	284	18,201	2,156	121	...
5% C. P.	90 00 N	90 00	100	500	...	...	...	...	...	...	...	...	...	...	...
India	13 90	12 10cd	10	6,337	337	642	563	8,648	8,186	2,789	3,186	2,860	6,177	66	...
7½% C. P. T	83 63	88 25	100	1,100	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Sugar	5 25 N	5 25	100	1,109	1,266	1,426	616	5,288	3,458	2,015	866	6,975	311	110	...
Jaswant	85 00	85 00	10	2,000	1,850	291	55	9,285	13,065	7,842	66	7,776	1,088	140	187
5½% B. C. P.	16 50	17 25	100	1,030	...	...	...	...	...	...	...	...	...	...	...
Jaypore	89 00	95 80	100	2,318	744	975	...	12,490	13,651	1,614	30	4,524	1,060	48	92
6% C. P.	92 39	101 10	...	200	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	92 39	26 00	...	1,080	...	...	...	...	...	...	...	...	...	...	...
K. C. P.	23 62	100 00	10	5,857	7,315	2,393	23	41,599	41,759	7,854	2,501	19,275	5,716	118	...
5% R. C. P	95 45	100 50	10	250	...	...	...	...	...	...	...	...	...	...	...
6½% C. P.	95 00	100 50	...	4,077	...	...	...	...	...	...	...	...	...	...	...
Kesar	207 50	180 00	40	1,800	1,100	342	10	8,381	8,526	5,442	177	7,005	2,268	275	330
5½% R. C. P	...	...	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Kirlampudi	76 75	74 00	100	1,200	...	625	41	7,533	7,637	3,496	1,412	5,675	233	103	131
5½% C. P.	121 00	120 00	100	600	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Madura Sugars	...	...	...	2,000	330	307	90	1,037	2,803	1,874	1	570	72	2,193	...
Maharashtra	183 00	243 50	50	6,750	4,525	569	162	9,517	15,205	7,221	1,734	7,369	2,641	2,294	...
7% C. P.	240 00N	240 00 N	250	500	...	...	...	...	...	...	...	...	...	...	...
Modi Sugar	...	...	10	7,339	1,240	...	12	8,525	13,625	6,143	50	8,138	2,513	404	...
Mohini	2 31	4 50	1	1,000	...	242	-3,228	7,651	5,675	2,433	20	1,055	1,514	12	46
Founders	...	...	...	25	...	...	...	...	...	...	...	...	...	...	...
5% C. P	70 00 N	70 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Mysore	57 75	56 80	10	2,179	6,253	5,643	15	14,250	16,327	10,739	3,715	7,391	7,217	4,274	256
Newabganj	60 00 N	60 00	100	1,200	350	1,088	479	4,161	6,477	3,340	1,552	2,171	1,028	621	326
'B' Class	...	...	1	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	50	300	...	...	...	...	...	...	...	...	...	...	...
New India	32 00	33 00	10	789	2,225	807	35	6,160	5,767	3,325	1,702	4,791	1,698	448	...
5½% R. C. P. T.	...	...	100	1,080	...	...	...	...	...	...	...	...	...	...	...
7½% C. R. P. P.	137 79	150 00	100	49	...	...	...	...	...	...	...	...	...	...	...
New Swan	4 69	7 00	10	1,100	325	183	8	323	4,489	3,071	57	...	437	27	...
New Swadeshi	326 00	335 00	100	1,351	1,835	3,547	35	6,793	8,199	3,060	714	5,164	2,102	451	...
Ordry. P. P.	...	...	...	8	...	...	...	...	...	...	...	...	...	...	...
Nizam Sugar	...	...	25	11,002	5,252	3,394	3	43,102	30,263	18,542	343	33,876	19,131	783	480
5% C. P.	...	...	25	1,200	...	...	...	...	...	...	...	...	...	...	...
4% C. P	...	...	25	2,380	...	...	...	...	...	...	...	...	...	...	...
Oudh	190 00	194 00	100	7,745	914	2,223	16	14,191	26,114	14,164	338	12,436	4,664	575	...
Ordry. P. P.	...	...	...	3	...	...	...	...	...	...	...	...	...	...	...
4% R. C. P.	...	...	25	367	...	...	...	...	...	...	...	...	...	...	...
Phalton Sugar	132 50	194 00	50	5,000	4,075	1,792	22	8,332	13,853	7,765	217	9,944	195	379	2,398
Punjab	50 00 N	65 00	100	1,280	270	957	11	4,161	3,642	2,166	1,251	2,977	580	61	251
Purbapore	12 25	15 00	10	900	175	2,128	4	599	5,120	3,572	1	1,370	881	204	401
10% C. P.	10 15cd	13 75	10	600	...	...	...	...	...	...	...	...	...	...	...
Rammugger Cane	30 12	26 00	10	1,660	2,000	2,098	59	2,038	7,805	3,938	...	3,824	339	6	218
6% C. P.	79 00	85 00	100	400	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures	...	...	500	595	...	...	...	...	...	...	...	...	...	...	...
Ratna Sugar	1 45 N	1 45	10	1,175	...	114	77	3,226	3,260	2,416	10	3,505	255	17	...
9% C. P.	...	...	100	39	...	...	...	...	...	...	...	...	...	...	...
Ravalpore Sugar	68 00	109 00	50	2,000	850	3,518	79	9,152	13,723	6,530	1,435	7,978	671	148	...
5½% Cum Pref.	61 00	61 70	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	30 00	30 00	10	400	...	...	...	...	...	...	...	...	...	...	...
Debenture	...	...	500	2,000	...	...	...	...	...	...	...	...	...	...	...
Raza Buland	11 62	14 37	10	6,359	1,077	945	391	3,905	8,823	3,683	1,438	3,015	1,607	1,435	...
Ryam	11 75	14 00	10	800	130	482	5	2,750	2,840	2,361	210	3,376	624	276	...
6% C. P.	8 40 N	8 40	10	800	...	...	...	...	...	...	...	...	...	...	...
Samsatipur	11 19	13 12	10	1,199	85	1,391	5	3,520	5,061	2,690	5	2,587	1,175	57	6
Shadial	...	...	100	659	450	1,938	2	17,814	16,462	7,967	671	10,711	1,737	41	89
8% C. preference	...	...	100	641	...	...	...	...	...	...	...	...	...	...	...
Shree Anand	10 50cd	11 00													

SUGAR

NAME	Managing Agents/ Agents/Secretaries	Cane Crushed Mds./Tons 000	Sugar Produced Mds./Tons 000	Sales Ra. 000	Stock Ra. 000	Managing Agents allowances and Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Ra. 000	Previous Ra. 000	Latest Ra. 000	Previous Ra. 000	Second Previous
Shree Chandee	A. H. Bhiwandewalla & Co.	2,394	...	11,231	3,308	136	9-60	2,445	2,532	207	231	18
Shree Hanuman	D. Rameshwarilal	...	...	11,434	2,719	52	9-57	957	546	6	71	98
Shree Krishna Gyanoday	6% C. P. 6% Debentures Sahu Jain Ltd.	9,659	...	36,793	10,546	203	7-59	2,298	1,474	15	10	10
Shree Sitaram	5% 'A' Pref. 5% 'B' Pref. 5% Debentures	3,442	...	12,372	3,592	...	8-60	685	515	10	10	5
Sitalpur	Directors	1,781	...	6,026	2,320	...	6-58	193	193	...	...	...
Swth Behar	Directors	...	...	12,540	419	...	10-39	244	177	...	...	...
Standard Refinery & Distill.	9% pref. cum as to 7 Deferred 6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Trevancore	K. C. Thapar & Bros. 5% C. P.	...	...	6,802	3,672	10	12-59	...	...	...	...	...
Ugar	Parry & Co Ltd. 5% C. P.	...	...	16,445	3,509	127	4-60	1,259	1,065	107	107	10
United Breweries	Shirgaokar Bros Prof. "A"	...	...	8,457	5,880	236	6-59	2,800	1,804	157	8	6
United Provinces	Directors	4,021	...	3,974	184	...	3-60	(t) 3,513	1,901	60	60	60
Upper Doab Sugar	Directors	...	...	15,536	1,796	...	9-59	1,331	1,331	15	10	7
Upper Ganges	R. Lal Debi Prasad & Bros. 6% R. C. P. Cotton Agents Private	6,070	...	41,100	11,001	219	9-60	3,429	3,771	197	157	10
Upper India	5% C. P. T. Mitra Mandal Private	7,828	...	32,529	5,245	246	6-59	2,960	3,666	71	50	50
Vizagapatam	5% C. P. T. B' Class Ord.	...	...	23,833	16,069	282	4-59	3,263	(r) 2,375	307	25	15
Walchandnagar Industries	Kantilal & Sheth Walchand & Co. private 7% C. P. 44% Debentures	2061	...	55,529	6,429	577	9-59	(t) 5,396	5,570	217	21	21

(a) After transferring Rs 2,039,237 from General Reserve.
 (b) After transferring Rs 25,000 from General Reserve and Rs 100,000 from Stocks and Stores Reserve and including Rs 327,137 being profit on sale of Agricultural Land.
 (c) After writing back Rs 2,800.18 being provision for liabilities no longer required. (d) After writing back Rs 100,000 from Reserve for book debts and advances.
 (e) After writing back Rs 98,511 being provisions no longer required. (f) Given in tons.

ELECTRIC

NAME	Managing Agents, Agents/Secretaries	LATENT		PREVIOUS		Managing Agents allowances and Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Pre- vious	Second Pre- vious
		000's	Ra. 000	000's	Ra. 000			Ra. 000	Ra. 000	Ra. 000		
Agra Electric Supply ...	Martin Burn Ltd. 44% Debentures ...	42,280	5,867	37,191	4,596	112	3-60	(a)1,250	(f)1,087	11T	10	10
Ahmedabad Electricity Co... ..	Killick Industries Ltd. 44% Debentures ...	...	49,850	...	46,061	795	3-60	12,574	11,861	7T	6½	6½
Aligarh ...	Jain & Co. ...	...	...	...	...	31	3-54	1,70	1,68	9½	10	9½
Amalgamated Elec'ty Co. ...	N. C. Javeri & Co. 51% C. P. ... 5% C. P. ...	57,568	9,088	49,306	8,154	829	3-60	2,050	1,939	10T 5½T 5T	9 5½ 5	8½ 5½ 5
Amund ...	Sonawala Co. Private 6% C. P. ...	...	506	...	474	15	3-59	92	89	10	10	...
Andhra Valley Power ...	Tata Hydro Elec. Agencies Pri. 7% C. P. ... 4% Debentures ...	...	19,787	...	19,026	402	3-60	6,661	(l)6,878	8½T 7T	8 7	8 7
Bareilly Elec'ty Supply ...	Martin Burn Ltd. 44% Debentures ...	14,224	2,405	13,056	2,230	59	3-60	(d)477	(h)399	11T	10	10
Bombay Electric ...	Martin Burn Ltd. 44% Debentures ...	43,254	5,118	38,909	4,812	94	3-60	(i)1,041	(j)1,020	11T	10	10
Borhampur Electric Supply... ..	Directors 6% C. P. ...	2,225	769	2,029	625	...	3-60	118	123	nil 6T	3 6	6 6
Bombay Elec. Supply ...	Octavius Steel & Co., Killick Industries Ltd. ...	5,396 121,270	1,417 12,234	4,893 99,869	1,253 10,143	36 303	3-59 3-60	229 (c)4,279	189 (m)3,384	5 8	5 7½	8½ 7
Breuch Elec. Supply ...	Rajputana Textiles Agencies 6% Debentures ...	2,180	629	2,068	588	27	3-60	173	191	66T	6	5
Calcutta Elec. Supply ...	Directors 5% C. P. ... 5% Debentures ...	...	0,229	...	7,467	...	3-59	2,574	2,560	7 5	7 5	8½ 5
Cochin State Power ...	Chandrie & Co. ...	45,12	5,71	44,20	5,49	...	3-54	1,83	1,99	10	10	5½
Cuttack Elec. Supply ...	Octavius Steel & Co. Ltd. ...	5,400	1,299	4,694	1,206	45	3-59	274	276	10 6½	10 6½	5½ 8
Dharwar ...	Directors 5% C. P. ...	...	408	...	371	...	3-60	162	140	8T 5T	7 5	7 5

8 July 1961
MILLS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	June 1961 Rs. np.	June 1960 Rs. np.			General	Others	Carry Forward Rs. 000				Investments	Stocks & Stores Rs. 000	Outstand- ings Rs. 000	Cash Rs. 000	Other
Shree Chandee ...	25 25	33 00	12½	3,750	1,671	242	62	6,331	8,831	6,154	1,306	7,155	882	14	21
Shree Hanuman ...	17 80	16 00	10	2,500	50	1,050	12	5,080	6,446	3,441	66	4,765	1,524	331	...
5% C. P. ...	55 00 N	55 00	100	500	...	...	...	...	...	...	...	...	...	...	...
6% Debentures ...	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
Saree Krishna Gyanodaya ...	11 75	14 56	18	3,999	2,100	663	41	12,263	13,684	8,062	860	12,695	2,639	40	511
6% 'A' Pref. ...	63 30	83 00	180	600	...	...	...	...	...	...	...	...	...	...	...
5% 'B' Pref. ...	54 25	72 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
51% Debentures ...	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Shree Sitaram ...	6 00xd	11 10xd	10	1,589	1,180	592	45	5,723	3,648	2,400	2,776	4,292	781	33	...
Sitalpur ...	6 19	7 00	10	1,000	35	25	—339	4,666	3,242	1,485	228	2,630	674	28	67
South Behar ...	3 87	1 08 N	10	915	45	...	—1,533	6,988	5,198	1,147	1,497	1,369	1,875	27	...
9% Pref. Cum. as to 7	20 50 N	20 50	109	500	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	0 25 N	0 25 N	2½	440	...	...	...	...	...	...	...	...	...	...	...
6% Debentures ...	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery ...	...	...	10	964	...	108	—1,101	11,400	1,160	546	...	4,924	6,044	283	6
5% C. P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Travancore ...	10 20	11 80	10	3,000	400	1,651	147	3,767	6,910	3,356	...	4,430	1,429	1,012	31
5% C. P. ...	7 30	8 75	19	1,500	...	...	...	...	...	...	...	...	...	...	...
Ugar ...	140 00 N	140 00	100	2,795	1,377	1,236	30	11,959	10,880	5,031	844	9,476	1,192	150	...
Pref. "A" ...	...	...	100	34	...	...	...	...	...	...	...	...	...	...	...
United Breweries ...	104 00	104 00	10	1,200	2,590	2,160	124	4,607	5,948	1,886	4,637	1,541	401	36	...
United Provinces ...	15 50xd	18 31	10	1,600	356	902	109	2,371	3,853	2,880	68	2,731	1,240	72	...
Upper Doab Sugars ...	...	...	100	4,906	1,100	4,401	26	17,633	22,892	9,160	197	13,473	1,912	102	...
6% R. C. P. ...	...	...	...	1,351	...	...	...	...	...	...	...	...	...	...	...
Upper Ganges ...	70 60	68 00	10	800	2,200	2,167	44	10,911	18,328	9,743	852	7,243	2,032	110	...
5% C. P. ...	69 00	79 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5% C. P. ...	69 00	79 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T. ...	102 00 N	102 00	100	350	2,200	1,382	51	21,064	10,605	4,961	101	17,620	4,275	86	...
Upper India ...	8 75 N	8 75	25	2,568	...	...	...	...	...	...	...	...	...	...	...
'B' Class Ordinary ...	...	...	10	747	42	...	—4,83	39,40	29,22	8,99	25	14,44	7,00	55	...
Vizagapatam ...	171 00	302 50	100	10,100	2,800	9,613	178	20,814	34,734	12,906	931	24,045	3,283	920	...
Walchandnagar Indrs. ...	116 00	116 00	180	5,000	...	...	...	...	...	...	...	...	...	...	...
7% C. P. ...	...	...	...	2,500	...	...	...	...	...	...	...	...	...	...	...
44% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

(f) After transferring Rs 475,000 from Dividend Equalisation Reserve and including Rs 345,000 being difference in producers price.
 (g) After transferring Rs 150,000 from Dividend Equalisation Fund and Rs 155,000 from provision for bad and doubtful debts.
 (h) After transferring Rs 200,000 from Dividend Equalisation Reserve and Rs 225,000 from Investment Reserve. (i) After transferring Rs 225,000 from General Reserve.
 (j) After transferring Rs 431,036 from General Reserve and Rs 150,000 from Dividend Equalisation Reserve.
 (k) After transferring Rs 200,000 from General Reserve. (l) After transferring Rs 1,000,000 from Machinery Replacement Reserve Rs 250,000 from Investment Reserve and Rs 450,000 from Labour Housing and Amenities Reserve. (m) After transferring Rs 225,000 from General Reserve.
 (n) The entire loss of Rs 888,405 has been wiped off by transfer from Reserve Fund. (o) After transferring Rs 650,000 from General Reserve. (p) After transferring Rs 675,000 from General Reserve. (q) After transferring Rs 96,208 from Sugar Fluctuation Reserve.
 (r) After transferring Rs 175,000 from General Reserve. (s) After transferring Rs 600,000 from Dividend Equalisation Reserve.
 (t) Includes Rs 1,290,345 being Adjustment of excess provision for depreciation and Rs 106,862 being amount written off on Investments written back.

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	June 1961	June 1960			General	Other	Carry Forward				Invest- ments	Stocks and Stores	Outstand- ings	Cash	Other
	Ra. np.	Ra. np.													
Agra Elec. Supply. ...	124 00	135 00	100	1,999	2,230	2,908	47	10,979	13,999	3,925	516	1,543	1,635	2,343	3,851
44% Debentures	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Ahmedabad Elec'ty Co ...	85 50	89 50	100	87,477	945	12,729	1	16,501	152,394	40,447	2,807	6,146	11,797	253	4,701
44% Debentures	...	...	1000	20,000	...	...	...	...	...	...	...	...	...	...	...
Aligarh	8 80 N	10 00	10	459	53	72	1	6,17	11,30	5,68	68	2,13	3,39	21	...
Amalgamated Elec'ty Co.	10 08	10 24	10	8,129	55	2,108	1,569	6,463	23,672	5,966	281	2,199	1,483	476	622
51% C. P.	69 00	89 00	100	2,415	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	63 50	76 00	100	2,031	...	...	...	...	...	...	...	...	...	...	...
Anand	53 00	53 00	50	222	13	281	3	293	305	181	6	50	84	14	4
6% C. P.	50 00 N	50 00 N	50	111	...	...	...	...	...	...	...	...	...	...	...
Andhra Valley Power	1005 06	1002 50	1000	30,276	4,127	5,554	22	45,731	96,603	26,911	2,710	5,574	5,167	817	16,511
7% C. P.	1065 00	1060 00	1000	4,934	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	1000	9,828	...	...	...	...	...	...	...	...	...	...	...
Bareilly Elec'ty Supply ...	11 37	14 44	10	800	592	931	24	3,004	6,343	2,229	270	555	277	619	1,000
44% Debentures	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Benares Elec'ty ...	12 62	14 81	10	1,700	1,915	2,851	46	9,596	17,105	4,749	510	1,270	1,217	1,919	3,000
44% Debentures	...	...	100	1,200	...	...	...	...	...	...	...	...	...	...	...
Berhampur Elec. Supply	6 05	6 25	10	738	125	3	35	613	1,803	701	267	108	196	3	...
6% C. P.	7 30	8 05	10	100	...	...	...	...	...	...	...	...	...	...	...
Bhagalpur Elec. Supply ...	7 00	7 62	8	591	258	385	39	1,275	2,275	1,121	75	400	339	486	9
Bombay Suburban Elec'ty	91 50	87 00	100	17,500	242	7,610	2	12,638	40,637	9,899	879	2,701	2,966	443	1,191
Brosch Elec. Supply ...	6 00	7 00	10	707	...	104	2	555	1,697	870	70	91	123	179	22
6% Debentures	...	...	...	151	...	...	...	...	...	...	...	...	...	...	...
Calcutta Elec. Supply £...	14 56	14 25	£ 1	4,262	1,908	7,841	122	3,444	32,803	12,564	426	1,030	955	385	17
5% Com Preference	9 06	9 44	£ 1	1,900	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	2,737	...	12	...	...	...	...	...	...	...	...	...
Cochin State Power	10 75	10 40	10	787	1,33	4,60	1,66	4,30	13,37	3,31	8	1,95	1,72	1,77	...
Cuttack Elec. Supply ...	7 50	8 12	10	660	476	139	56	1,802	3,093	943	...	378	232	232	14
Dharwar	41 80 N	45 80 N	50	499	56	515	96	364	1,594	335	14	115	140	119	4
5% C. P.	...	...	100	178	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allotments and Commission	Year ended	NET PROFIT		DIVIDEND PER SHARE		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Previous	Second
		000's	Rs. 000	000's	Rs. 000			Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Dabergarh Power	Andrew Yule & Co. 5% 'A'. C. P. 4% 'B'. C. P.	...	8,007	...	6,625	140	3-60	1,221	1,222	10 T 5 T 4 T	7 1/2 5 4 1/2	7 1/2 5 4 1/2
Ellore Elec. Supply	Chandrie & Co.	1,608	3,20	14,65	2,91	14	3-54	68	63	7 1/2	7 1/2	6 1/2
Gourepore Elec. Supply	Macneill & Barry 4% Debentures	...	6,679	...	6,151	91	3-59	1,106	1,245	10	10	7 1/2
Gudivada Elec. Supply	Mechelec Engineering Co.	...	1,66	...	1,18	8	3-54	(e) 19	19	4	4	3
Jhansi Elec. Supply	Mouana Lall & Sons 6% Debentures	27,23	9,42	21,85	7,82	32	12-53	1,47	1,38	6 1/2	8 1/2	8 1/2
Jorhat Elec. Supply	K. N. Himatsingka & Co. 6% C. P.	...	1,37	...	...	4	3-54	45	...	nil	nil	...
Jubbulpore Elec. Supply	Martin Burn Ltd. 6% Debentures	29,088	2,344	33,191	3,254	731	3-60	(k) 676	(g) 906	10 T	9 20	9 20
Kanadukathan	Directors	...	1,93	...	2,14	...	3-56	82	88	3	3	3
Karalkhal Elec. Supply	A. S. Ahilandam	...	2,32	...	187	12	3-60	66	49	10 T	8	8
Kumbakonam Elec. Supply	India Company Private 6% Cum. Pref.	9,151	1,709	7,657	1,345	25	3-60	571	447	10 T	9	10
Mangalore Elec. Supply	Octavius Steel & Co. 5% Debentures	36,50	10,02	34,22	9,37	42	3-56	2,36	1,44	10	10	10
Mirzapur Elec. Supply	Directors	2,293	641	2,047	577	...	3-59	109	105	5	8	10
Mozaffarpore Elec. Supply	Octavius Steel & Co.	3,927	1,301	3,533	1,162	41	3-59	224	275	10	10	10
Muttra Elec. Supply	Directors	4,811	880	4,231	781	...	3-58	193	214	8	8	...
Nadiad	Sonsala Co. Private 6% C. P.	...	624	...	529	27	3-59	169	146	9	7 1/2	6
Nasik Dealali	Rajputana Textiles Agency 7% Cum. Pref.	7,019	1,689	6,563	1,622	54	3-59	436	361	8 1/2	6 1/2	7
Nagapatam Elec. Supply	India Co. Private Ltd. 6% C. P.	6,920	764	5,431	573	30	3-60	205	156	60 T	7 1/2	8
Patna Elec. Supply	Octavius Steel & Co. 5% Debentures	35,279	4,861	32,980	4,455	122	3-59	(b) 1,285	1,456	7 1/2	7 1/2	10
Poona Electric	Rajputana Textiles Agency pri. 7% Cum. Pref. 6% Debentures	85,671	6,965	76,754	6,324	165	3-60	(q) 1,614	(r) 1,397	9 1/2 T	8	7 1/2
Saharanpur	Directors	...	5,87	...	781	...	3-59	113	96	6	5	...
Salem Erode Elec. Supply	Partly Paid Octavius Steel & Co. 6 1/2% R. C. P.	31,532	3,182	26,354	2,364	65	3-60	784	519	12 T	10	10
Saugor Elec. Supply	Martin Burn Ltd. 6% R. C. P.	2,383	751	1,918	615	27	3-60	157	181	6 1/2 T	6 1/2	6 1/2
Shahjahanpur Elec. Supply	Octavius Steel & Co. 6% Debentures	3,341	850	2,845	773	37	3-59	185	187	6 T	5	5
Shikhar Hydraulic	Development of Industries Partly Paid	...	6,00	...	5,31	40	6-55	2,20	2,04	6	6	6
Sims (Jheriah) Elec. Supply	Bird & Co. pri Ltd. 5% Debentures	...	7,572	...	6,392	96	3-60	647	543	10 T	7 1/2	6 1/2
South Arcot Elec. Supply	Directors 6% C. P. 5 1/2% C. P.	21,265	1,788	17,425	1,427	...	1-254	366	272	6 1/2	6 1/2	6 1/2
South Madras Electric	Sahasraam Bros Private Ltd. 5 1/2% 1st C. P. 5 1/2% 2nd Pref. 4% Debentures 5% Debentures 5 1/2% Debentures	...	8,993	...	6,929	80	3-60	2,352	(n) 1,983	9 T	9	8 1/2
Surat Electric Co.	Killick Industries Ltd. 6 1/2% C. P.	...	7,551	...	7,106	143	3-59	1,483	1,271	7	7	7
Tata Hydro Electric	Tata Hydro. Elec. Agencies Pri. 7% C. P. T.	...	15,873	...	15,353	504	3-60	7,411	(o) 7,725	8 1/2 T	8	8
Tata Power Co.	Tata Hydro. Elec. Agencies Pri. 7 1/2% C. P. T. 4% Debentures 4% Debentures	...	35,320	...	32,144	832	3-60	14,474	(p) 13,251	8 1/2 T	8	8
Tinnevely Tuticorin Elec.	Octavius Steel & Co. 6 1/2% R. C. P.	22,290	2,268	19,847	1,790	38	3-60	514	(t) 410	10 T	10	10
United Provinces Elec.	Martin Burn Ltd. 4 1/2% Debentures	98,640	11,872	88,851	11,026	161	3-60	(i) 2,322	(a) 2,480	11 T	10	10
Upper Ganges Valley	Martin Burn Ltd.	11,902	1,943	11,960	2,076	57	3-58	284	287	10	12 1/2	9 1/2
Upper Jumna Valley	Martin Burn Ltd.	22,675	3,185	18,715	2,974	60	3-60	339	390	13 1/2 T	12 1/2	12 1/2
Vellore Elec. Corp.	Chandrie & Co. Private 6% C. P.	106,03	9,24	87,02	7,68	37	3-56	2,77	1,95	10	10	10
West Coast Elec.	Chandrie & Co. Private 5 1/2% C. P.	116,22	10,92	120,77	11,89	58	3-53	2,60	2,51	10	10	7 1/2

(a) After transferring Rs 60,000 from Deferred Taxation Reserve.

(b) After transferring Rs 179,897 from Tariffs and Dividend Control Reserve.

(d) After transferring Rs 30,000 from Deferred Taxation Reserve and Rs 30,325 from Tariff and Dividend Control Reserve.

(e) After transferring Rs 190,000 from Deferred Taxation Reserve.

(g) After writing back Rs 44,000 from Deferred Income Taxation Reserve.

(h) After transferring Rs 30,000 from Deferred Taxation Reserve and Rs 86,080 from Tariff and Dividend Control Reserve.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	June 1961	June 1960			General	Other	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others
	Rs. np.	Rs. np.			Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Dabhergarh Power ...	95 00	67 00	100	4,320	2,250	189	439	2,651	10,125	3,805	3,765	930	1,190	419	24
1% 'A.C.P.	69 00	78 50	100	1,608											
4 1/2% 'B.C.P.	69 20	75 00	100	1,200											
Ellore Electric Supply ...	17 25	10 35	10	300		37	4	2.33	6.26	1.73	18	75	61	67	1
Gourepore Electric Supply	...	...	100	5,000	1,400	1,324	31	4,543	17,713	5,981	423	1,009	1,583	51	...
4% Debenture	...	...	1000	2,500											
Gudivada Electric Supply	...	...	100	118		3	3	1.03	2.01	62	6	23	38	18	1
Jhansi Electric Supply ...	5 92	6 62	10	535		29	3	9.71	21.44	9.16	5	2.98	4.18	25	...
6% Debentures	...	...	1000	380											
Jorhat Electric Supply ...	...	...	10	250		8	—17	1.48	5.88	2.44		32	82	17	1
6% Cum Preference	...	...	100	50											
6% Debenture	...	...	...	35											
Jubbulpore Electric Supply	11 50	13 69	10	2,250	1,340	1,363	30	4,110	10,732	4,042	281	626	795	319	383
Kanadukathan	...	...	500	500			10	2.14	8.92	4.35	57	81	62	11	56
Karalkhal Electric Supply	9 05	9 75	10	210		58	22	374	588	178		116	110	29	...
Kumbakonam Elec. Supply	10 50	10 15	10	1,500	75	533	2	2,168	5,182	1,672	85	414	331	187	...
5% Cum. Pref.	9 00	9 60	10	250											...
Mangalore Electric Supply	...	...	10	560	28	3,09	57	5.49	20.16	8.99	56	1.92	1.35	1.41	...
5% Debentures	...	...	500	137											
Mirzapur Electric Supply	6 50	7 00	9	495	125	99	39	386	1,310	640	29	231	133	80	...
Mozafferpore Elec. Supply	10 00	9 00	10	582	183	210	9	2,402	3,633	1,233	28	368	365	135	90
Muttra Electric Supply	11 37	10 00	10	700	9	99	22	988	1,784	783	126	300	300	137	...
Nadiad	54 00	54 00	50	250		359		414	1,345	332	14	91	1,23	86	26
6% C. P.	39 00	39 00	50	350											
Nasik Deolali	105 00	105 00	100	1,168		1,000	1	1,424	4,237	1,460	222	394	286	348	28
7% Cum Pref.	91 50	91 50	100	100											
6% Debenture	...	...	...	1,000											
Nagapatam Electric Supply	8 75	9 50	10	498		198	1	440	1,534	576	54	143	174	108	...
5% C. P.	9 00	9 50	10	100											
4 1/2% Debentures	...	...	100	200											
Patna Electric Supply ...	10 25	10 37	10	3,507	2,605	1,440	79	4,628	14,185	5,606	439	2,188	2,367	527	...
5% Debentures	...	...	500	2,000											
Poona Electric	95 00	112 25	100	4,889		1,257	4	7,588	15,773	6,160	2,411	525	959	1,158	191
7% Cum Pref.	101 00	101 00	100	400											
6% Debentures	...	...	...	800											
Saharanpur	...	...	100	469		93	4	872	1,415	570	181	158	227	6	...
Partly Paid	...	...	10	28											
Salem Erode Electricity ...	12 25	12 50	10	880	600	733	33	2,957	5,452	1,962	278	468	544	814	...
6 1/2% R. C. P.	8 52	9 24	10	400											
Saugor Electric Supply ...	...	...	10	300	197	147	3	1,374	1,806	451	40	284	170	...	
Shahjahanpur Elec. Supply	6 25	7 00	10	910	165	52	37	636	1,120	545	154	398	535	171	...
Shillong Hydraulic	...	4 96	2	773	1,66	1,56	60	911	21.61	9.00	21	53	102	88	3,40
Partly Paid	...	...	...	...											
Sijua (Jheriah) Elec. supply	8 12	9 44	10	1,680	221	1,168	2	1,706	7,035	4,496	345	1,302	1,046	545	79
5% Debentures	...	...	1000	1,200											
South Arcot Electricity ...	...	...	100	1,674	1,10	88	15	36.27	53.94	13.65	3.19	5.57	2.91	1.01	6.15
6% Cum Preference	...	...	100	200											
5 1/2% Cum Preference	...	...	100	200											
South Madras Electric ...	10 00	10 00	10	7,000		1,989	3	7,042	20,638	6,768	291	1,903	2,160	2,309	...
5 1/2% 1st Cum Preference	8 10	9 25	10	2,200											
5 1/2% 2nd Cum Preference	8 25	9 25	10	800											
4% Debentures	...	...	100	200											
5% Debentures	...	...	100	100											
5 1/2% Debentures	...	...	100	200											
Surat Electric Co. ...	90 00	89 00	100	6,062	454	1,880	5	3,835	14,351	4,680	375	1,231	1,049	340	72
6 1/2% Cum Preference	107 00	108 00	100	500											
Tata Hydro Electric	106 50	103 50	100	23,999	6,001	4,156	25	34,563	70,196	18,909	4,629	3,333	5,245	178	12,001
7% C. P. T.	102 00	102 00	100	8,928											
Tata Power Company ...	1060 00	1020 00	1000	51,536	11,290	14,796	33	65,981	171,629	39,366	4,291	10,807	13,469	349	27,900
7 1/2% C. P. T.	1105 50	1107 50	1000	8,697											
4% Debentures	...	...	...	11,746											
5% Debentures	...	...	...	25,800											
Tinnevely Tuticorin Elec.	11 80	12 37	10	970	438	329	30	2,040	4,550	1,783	267	600	386	234	...
6% R. C. P.	8 67	9 57cd	10	450											
United Provinces Electric	110 00	128 00	100	5,600	2,580	5,277	85	18,912	40,886	14,567	1,382	3,173	3,188	1,360	33
4 1/2% Debentures	...	...	100	3,000											
Upper Ganges Valley ...	...	16 50	10	598	243	224	9	1,800	2,109	936	92	464	522	415	10
Upper Jumna Valley ...	16 00	18 19	10	500	515	646	37	4,392	5,232	1,225	153	370	690	868	2
Vellore Elec. Corporation	13 35	11 50	10	400	48	1,57	1,45	16,94	24,17	6,57	63	2,46	2,16	2,76	9
6% Cum Preference	6 28	6 75	10	125											
West Coast Electric ...	14 25	12 25	10	1,000		1,67	52	15,16	26,59	6,42	45	3,25	2,68	1,41	1,00
5 1/2% Cum Preference	6 15	6 50	10	250											

SOUTH INDIA

NAME	Managing Agents, Agents/Secretaries	CROP HARVESTED			Sales Rs. 000	Stocks Rs. 000	Managing Agents' Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER SHARE		
		Tea	Coffee	Rubber					Latest	Previous	Latest	Previous	2nd Previous
		000 lbs.	000 Cwts.	000 lbs.					Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Alageswar Amalgamated Coffee	Ramani & Co. Directors 6% Cum. Prof. 5 1/2% Debentures	7			782 1,214	42 1,092	9	6-60 3-60	100 316	116 291	7 1/2 10 1/2	7 1/2 6	10 6
Anandam	A. V. George & Co. 7% C. P. 6% Debentures	288		112	613	69	13	12-39	145 10	106	15 1/2 7	10 7	15 7
Anapalai	Associated Planters Private 6% Debentures			9	1,663	1,400	43	6-60	432	620	20 1/2	25	35
Arthale	R. N. Kapur & Co. Ltd. 6% C. P.	2,86			4,35	76		3-39	—40	14	nil	nil	nil
Athimattam	M. Sebastian 6% Debentures			62	89	3		2-36	34	24	5	3 1/2	3 1/2
Bababudini	A.V. Thomas & Co. (Mysore) 6% C. P.			2	411		8	6-60	59	132	8 1/2	12 1/2	25
Badra	Young India Agencies Private 7 1/2% C. P.				594	378	14	5-60	146	164	15 1/2	17 1/2	17 1/2
Balanoor	Young India Agencies Private 7 1/2% C. P.	338		43	1,221	440	17	3-60	266	336	15 1/2	15 1/2	17 1/2
Balmadies	Planting Agencies Pri 6% C. P.				303		5	5-60	53	50	7 1/2	7 1/2	12 1/2
Be Be	Mg. Director 6 1/2% C. P. T. 6 1/2% R. C. P. T.			360	610	27		3-39	152	168	5	5	5
Blue Mountain	Kothari & Sons Agencies Pri...	1,621			7,800	231	309	6-60	2,933	907	12 1/2	12 1/2	12 1/2
Chandramalai	Directors 7 1/2% Cum. Prof.	362			777	150		6-60	154	111	10 1/2	12	15
Chembra Peak	Peirce Leslie & Co. Ltd.	1,550			3,675	448	54	3-60	736	645	20 1/2	15	10
Cechin Malabar	Peirce Leslie & Co. Ltd 7% C. P.				4,916	931	107	2-60	1,544	1,626	17 1/2	15	10
Coffee Lands	Consol Coffee Estates 5% C. P.				5,200	317	2	6-60	551	1,601	6 1/2	25	7
Consolidated Coffee	Mg. Director 6% C. P.							6-60	(h)3,141	4,710	20 T	25	20
Cosmoor Tea	Matheson Bosanquet & Prvt. Co. 6% C. P.	350			946	144	18	9-39	241	259	20 T	20	20
Coorg Tea	Srinivas Agencies 6 1/2% R. C. P.	354			643	160	20	3-60	177	208	20 T	20	20
Cottanad Plantations	Associated Planters pri, 7 1/2% C. P. P.	150		43	560	229	18	3-60	114	112	10 1/2	15	15
Cowooddy	Peirce Leslie & Co.						13	6-60	185	126	25	25	65
Daveshole Devon	Mg. Director Young India Agencies Private 7 1/2% C. P.	325 302		1	908 766	188 197	5	12-39 3-60	283 97	341 110	25 T 15 1/2	25 15 1/2	17 1/2 17 1/2
Emerald Valley	Parkins Private Ltd.	128			262	64	8	12-38	75	38	6	6	10
Etal Rubber	Young India Agencies			83	131	51	7	12-39	68	59	9 T	6	6
Halkeyburia	Parkins Private Ltd. 5% C. P. 5 1/2% Debentures	1,722			2,705	807	48	12-39	(d)623	1,079	12 1/2 5 T	20 5	15 5
Highland	A. V. Thomas & Co 6% C. P.	1,271		111	2,544	237	56	12-38	557	472	15 1/2	7 1/2	20
Kador	Young India Agencies Private 6 1/2% C. P.				124	115	2	5-60	18	18	7 1/2	7 1/2	7 1/2
Kailas	A. V. George & Co. 6% Debentures			959	1,662	171	65	2-60	637	588	22 1/2	24	25
Kalasa	Peirce Leslie & Co. 7% Debentures	507			1,045	121	20	3-60	281	270	20 T	15	12 1/2
Kalpetta Karimade Rubber	A. V. Thomas & Co. E. I. Agencies Private 6% Cum Prof 5% Debentures	292	9	267 133	939 187	227 64	15 8	4-60 12-39	180 34	202 56	12 1/2 4 T	12 1/2 10	10 6
KJI Kotagiri	Peirce Leslie & Co. 6% C. P.	890	47		2,609	513	68	10-39	897	944	35	15	15
Kannurade	Peirce Leslie & Co. Ltd. 7 1/2% Debentures				789		20	10-60	273	220	20 T	20 T	20
Karukhormala	Jine Oommen & Co. Pr. Ltd. 6 1/2% Cum Prof.	241	115		531	118	15	3-60	150	204	8	8	6 1/2
Lingspur Lucky Valley Tea	Peirce Leslie & Co. Ltd. Matheson Bosanquet & Co. Pri.	260 403			747 849	81 114	23 14	3-60 12-39	349 183	197 163	25 T 10 T	30 10	75 10
Malabar Agricultural Co.	Vimons Private Ltd. 6% C. P.						10	6-60	131	—33	nil	nil	nil
Malabar Industrial Malankara Manar	Mg. Director Johnson's Estates & Agencies Vasantha & Co. Private	85 135		520 670	626 1,145	8 96	37	2-60 3-60	49 483	76 519	6 15 T	7 1/2 16	10 17
Manimala	Ruby Industries Private 5% C. P. 6% Debentures				29	3	6	12-38	97 —26	9 34	10 T nil	5 2 1/2	12 nil
Marcara	Associated Planters Private 6% Preference			260	431	164	12	6-60	120	128	20 T 6 T	20 T 6 T	20 6
Midland	A. V. Thomas & Co Ltd. 6% C. P.	1,501		930	4,504	429	101	3-60	1,332	1,050	12 1/2 6 T	10 6	10 10

PLANTINGS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATELY ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	June 1961 Rs. np.	June 1960 Rs. np.			General	Others	Carry- forward				Invest- ments	Stocks & Stores	Out Standings	Cash	Others
Alageswar	2 85	2 55	2	680	530	68	9	606	1,668	421	71	112	219	164	...
Amalgamated Office	12 50	13 90	10	675	...	163	24	1,151	1,903	297	...	1,391	74	16	...
6% C. P.	7 00	7 50cd	10	600	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	500	475	...	...	...	...	...	...	...	...	...	...	...
Anandam	14 37	13 70	10	250	...	579	31	245	1,382	125	...	83	9	5	...
7% C. P.	7 81	7 81xd	100	123	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	2	1,208	228	...	34	2,602	2,059	233	259	1,452	852	66	...
Anapalai	4 10	4 78	100	384	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	5	300	...	11	—119	1,360	992	148	723	115	49	11	10
Arthale	4 00	4 00	10	200	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	9 20	9 20	2	325	...	50	3	55	370	17	...	5	49	27	...
Athimattam	0 90	1 25	...	...	...	...	...	...	...	...	...	...	...	...	...
Bababuddin	8 00	9 00	5	400	100	86	2	168	730	106	74	336	14	8	...
6% C. P.	7 67	8 14	10	300	...	...	...	...	...	...	...	...	...	...	...
Badra	3 60	3 97	2	425	300	100	26	424	856	93	12	392	158	99	...
7 1/2% C. P.	8 50	8 52	10	150	...	...	...	...	...	...	...	...	...	...	...
Balanoor	16 30	17 75	10	1,099	386	30	4	698	1,725	339	22	541	423	95	...
7 1/2% C. P.	10 30	10 30	10	250	...	...	...	...	...	...	...	...	...	...	...
Balmadies	2 48	2 47	2	300	150	85	1	94	424	50	34	9	138	118	...
6% C. P.	8 38	8 80	10	75	...	...	...	...	...	...	...	...	...	...	...
Be. Be	2 83	2 90	5	666	...	336	1	225	1,336	...	268	52	30	20	130
6 1/2% C. P. T.	2 35	2 76	5	143	...	...	...	...	...	...	...	...	...	...	...
6 1/2% R. C. P. T.	5 71	6 02	10	286	...	...	...	...	...	...	...	...	...	...	...
Blue Mountain	3 24	4 93	2	5,250	1,850	1,091	284	3,411	7,901	1,366	18	475	2,489	2,386	...
Chandramalai	2 75	2 80	2	550	500	9	19	344	1,646	340	...	146	73	34	...
7 1/2% C. P.	1 88	2 00	2	137	...	...	...	...	...	...	...	...	...	...	...
Chembra Peak	4 03	4 80	2	933	1,550	37	139	680	2,633	816	1	623	165	104	...
Cochin Malabar	7 82	8 65	3	2,691	1,800	...	22	1,674	5,249	817	...	1,303	400	158	...
7% C. P.	51 25	52 50	50	113	...	...	...	...	...	...	...	...	...	...	...
Coffee Lands	18 75	25 75	10	2,250	2,850	261	92	1,774	5,364	1,319	118	789	2,732	583	...
5% C. P.	74 78	76 50	100	1,041	...	...	...	...	...	...	...	...	...	...	...
Consolidated Coffee	21 90	26 10	10	7,155	6,025	606	61	5,738	15,868	4,090	598	1,420	7,499	372	...
6% C. P.	21 96	25 50	25	1,875	...	...	...	...	...	...	...	...	...	...	...
Coonoor Tea	28 12	27 50	10	378	335	946	29	403	2,163	164	3	199	19	21	...
6% C. P.	83 14	91 75	100	150	...	...	...	...	...	...	...	...	...	...	...
Coorg Tea	5 70	5 90	2	480	...	478	3	239	1,248	212	1	240	51	140	...
6 1/2% R. P.	4 40	4 72	5	250	...	...	...	...	...	...	...	...	...	...	...
Cottanad Plantation	10 75	14 00	10	400	45	487	1	429	1,369	75	1	263	29	27	...
7 1/2% C. P. P.	10 12	10 80	10	100	...	...	...	...	...	...	...	...	...	...	...
Cowwoody	4 85	6 05	2	409	200	...	28	273	312	77	15	223	8	427	...
Devashole	30 75	32 50	10	600	485	27	1	283	1,226	338	131	124	16	204	...
Devon	14 50	15 70xd	10	449	255	71	4	348	1,081	229	10	248	142	76	...
7 1/2% C. P.	95 00	97 50	100	200	...	...	...	...	...	...	...	...	...	...	...
Emerald Valley	6 00	7 00	5	350	125	8	3	97	369	60	...	87	12	175	...
Gokul Rubber	1 88	1 93	2	450	20	...	1	101	380	16	115	54	41	37	...
Haileyburia	14 85	15 37	10	2,508	850	928	2	1,530	5,288	926	4	1,184	476	340	...
5% C. P.	72 50	72 50	100	250	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	...	...	1000	230	...	...	...	...	...	...	...	...	...	...	...
Highland	14 20xd	15 25	10	1,800	481	518	21	678	3,013	640	416	401	219	389	...
6% C. P.	7 43xd	8 45	10	300	...	...	...	...	...	...	...	...	...	...	...
Kadur	2 85	2 84	2	120	35	14	2	102	165	5	...	124	10	29	...
6 1/2% C. P.	6 50	6 15	10	50	...	...	...	...	...	...	...	...	...	...	...
Kalais	5 20	5 70	2	1,185	578	500	27	774	2,090	286	18	214	5	525	...
6% Debentures	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Kalais	4 95	4 35	2	680	650	116	48	287	1,488	334	...	253	51	460	...
7% Debentures	...	...	500	218	...	...	...	...	...	...	...	...	...	...	...
Kalpetta	12 25	12 40	10	800	638	266	1	371	1,797	349	22	335	95	177	...
Karikode Rubber	8 50	9 45	10	200	...	125	2	103	539	31	15	70	19	23	...
5% Cum. Pref.	6 99	7 50	10	150	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	55	...	...	...	...	...	...	...	...	...	...	...
Kil Kotagiri	4 70	5 65	2	859	1,425	470	28	868	3,275	465	...	599	30	479	...
6% C. P.	8 37	9 50	10	250	...	...	...	...	...	...	...	...	...	...	...
Kamargode	4 60	6 00	2	480	375	...	15	235	982	185	...	144	5	141	...
7 1/2% Debentures	...	...	500	94	...	...	...	...	...	...	...	...	...	...	...
Kurchimala	4 87	8 60	10	345	510	...	...	250	1,144	98	1	134	36	18	...
6 1/2% Cum. Pref.	5 88	6 50	10	190	...	...	...	...	...	...	...	...	...	...	...
Lingspur	5 10	6 85	2	426	380	507	69	492	530	43	222	645	10	451	...
Lucky Valley Tea	12 40	11 85	10	500	70	1	36	386	928	64	...	104	21	1	...
Malabar Agricultural Co.	7 30	7 40	10	500	50	50	11	1,105	2,280	240	1	127	44	4	...
6% C. P.	16 56	16 56	20	580	...	...	...	...	...	...	...	...	...	...	...
Malabar Industrial	11 58	12 85	10	458	61	92	1	387	738	52	45	33	197	29	...
Malankara	18 75	20 75	10	1,350	173	912	10	515	2,159	408	...	165	8	456	...
Manar	2 70	2 83	2	350	10	17	18	85	343	22	6	120	5	26	...
Manimala	8 75	8 75	10	400	...	...	—28	114	775	7	...	5	...	6	...
5% C. P.	9 00	9 00	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	180	...	...	...	...	...	...	...	...	...	...	...
Maracra Rubber	8 25	9 12	5	525	250	...	10	221	758	...	...	197	59	48	...
6% Preference	7 10	7 65	10	250	...	...	...	...	...	...	...	...	...	...	...
Midlands	11 75	12 65	10	4,050	310	1,311	66	1,990	9,879	1,184	189	964	290	177	...
6% C. P.	7 40	8 30	10	1,720	...	...	...	...	...	...	...	...	...	...	...

SOUTH INDIA

NAME	Managing Agents Agents/Secretaries	CROP HARVESTED			Sales Ra. 000	Stock Ra. 000	Managing Agents allowance and Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea 000 lbs./kgs.	Coffee 000 Ctns.	Rubber 000 lbs.					Latest Ra. 000	Previous Ra. 000	Latest Ra. 000	Pre- vious Ra. 000	2nd Pre- vious Ra. 000
Miamallay ...	Directors 7 1/2% C. P.	469	...	...	780	186	...	3-60	168	198	15T	20	18
Mysore Amalgated ...	W. T. Industrial Corp. 6% C. P.	...	...	...	217	...	4	3-60	28	53	7 1/2T	7 1/2	7 1/2
Mysore Coffee Mysore Plantations	Pavan & Co. (Private) Mg. Director 6% C. P.	122	1	...	882 400	108	24	6-59 3-60	212 5	157 61	15 nil	15 6	15 6
Neelamalai ...	A. V. Thomas & Co. 5% C. P.	1,430	2	...	4,637	939	71	6-60	746	(c) 571	7 1/2	7 1/2	7 1/2
Nelliampathy ...	A. V. Thomas & Co. Ltd. 6% C. P.	746	...	83	1,902	301	30	6-59	230	492	10	15	20
Nellithanam ...	Directors 7% C. P.	...	...	67	176	21	...	3-59	30	58	7 1/2	10	12 1/2
Nemmeny ...	A. V. George & Co. 7% C. P.	...	...	512	887	172	18	12-59	185	200	15T	15	7 1/2
New Glen Morgan Nilambur	Ramu & Co. Private Associated Planters (Private) 6% C. P.	415	...	148	5,86 265	78 29	23 6	12-55 12-59	94 73	221 96	nil 15T	nil 20	nil 15
Nilgiri Tea	Debtentures A. V. George & Co. 6 1/2% C. P.	999	...	...	2,006	299	39	3-60	416	198	8T	5	6
Nonsuch Tea Ossoor	Harrisons & Crossfield Peirce Leslie & Co. 5% Debtentures	1,276	...	...	3,942	550	69	6-60 3-60	1,419 216	1,097 139	20T 15T	20	35 13
Ouchterlony Panchura Parkside Peermade	Peirce Leslie & Co. Directors Math. Bosanquet & Co. Aspinwall & Co. (Trav.) Ltd. 6% C. P.	1,108 147 635 1,005	11T	...	5,731 2,202 4,398	...	40 38 53	10-59 6-60 6-59 12-60	(f) 597 115 837 1,090	(b) 1,336 125 954 1,321	15 T 48T 27 1/2 22 1/2	10 40 25 22 1/2	30 30 17 1/2 16 1/2
Peninsular Paraharamalai	Directors Peirce Leslie & Co. Ltd.	...	15*	383	826 10,107	180 1,574	...	2-60 3-60	375 1,845	378 2,017	20 13 1/2	20 12 1/2	25 10
Periyar & Pareekanni	E. J. Agencies Private Ltd. 7 1/2% R. C. P.	...	...	345	508	137	9	12-59	109	151	4	12	...
Penmudi Rubber	Debtentures 6 1/2% C. P.	...	...	57	102	15	...	7-59	39	38	nil	5	6 1/2
Pullangode	Aspinwall & Co. Ltd. 6% C. P.	...	...	...	824	79	18	3-60	157	244	7	5	4
Puthutottam	Ruby Co. Private	282	...	7 1/2	2,012	69	34	3-60	542	514	8,57T	10	10
Rajagiri	A. V. Thomas & Co. Ltd. 6% C. P.	...	...	1,435	2,099	196	93	6-59	859	927	20	20	20
Rajendra Coffee	Associated Planters Private 6% Cum. Prof.	...	1	...	...	...	3	3-60	(k) 33	174	25T	50	40
Sangameshwar	5 1/2% Redem Cum. Prof. Patco Agencies 7% Cum Preference 7% Debtentures	...	...	...	654	...	11	3-60	251	288	5 1/2T 6 T 7 T	5 1/2 9	5 1/2 9
Savamlai Shervaroy Stanes Amalgamated	Peirce Leslie & Co. A. V. Thomas & Co. (India) Ltd. T. Stanes & Co. Ltd. 5 1/2% Debtentures	...	...	...	825 1,437	357 150	23 20 16	11-59 6-59 6-59	293 (c) 63 222	193 308 328	15 T 7 1/2 8	12 1/2 7 1/2 14	15 10 14
Swinton	Directors 6 1/2% Debtentures	...	...	...	243	...	...	3-60	67	9	12 1/2T	7 1/2	7 1/2
Talayar Tea	Srinivas Agencies 6% C. P.	866	...	...	1,584	576	28	3-60	304	(n) 201	8T	5	6
Teekoy	East India Agencies Private 6% C. P.	...	...	431	660	68	12	3-59	173	186	7T 6 6	6 6 6	6 6 6
Thamarapally	6 1/2% Debtentures A. V. George & Co.	...	...	240	373	48	14	12-59	130	143	30T	30	30
Thirumbadi	6 1/2% C. P. Peirce Leslie & Co.	...	...	...	1,413	152	20	9-60	256	335	6 1/2T 7T	6 1/2 7T	6 1/2 10
Travancore Rubber Trav. Rubber & Tea	Directors Aspinwall & Co. (Trav.) 6% C. P.	1,301	...	...	785	104	101	12-59 12-59	160 1,250	138 780	10T 7 1/2	10 5	15 4
Tropical Plantations Twyford	Directors Parkins Private Ltd.	473 963	...	638	1,751 1,725	186 365	...	12-59 12-59	428 299	391 296	8T 10T	6 15	4 13
Udayagiri	A. V. George & Co. 7% C. P.	292	...	...	487	49	7	12-59	73	35	15T	7 1/2	6
United Nilgiri	6 1/2% Debtentures T. Stanes & Co.	1,349	...	...	3,490	244	80	3-60	1,087	1,334	21T	19 1/2	16
Vaikundam Vayitri	Directors Padinjareka Bros. 5 1/2% Debtentures	...	74	2	695 181	148 7	...	12-59 3-59	447 40	(l) 4,57 29	25 6	30 6	35 6
Vellimalai	Ooppottil Kurian & Co. (Pri.) 7% C. P.	49	...	401	652	122	23	2-60	231	201	13 T	10	10
Waterfall	6% Debtenture Kothari Mehta & Co. Private	1,213	...	...	4,687	264	143	6-60	1,410	1,203	12 1/2	12 1/2	12 1/2
Wertyhully	6% R. C. P. Peirce Leslie & Co.	...	...	...	...	...	10	60	308	595	15T	15	15
Woodcote	Goodall & Co. 6 1/2% C. P.	...	...	...	172	13	5	6-60	10	1	nil	nil	...
Woodlands	6% Debtenture Directors 6 1/2% C. P. 6 1/2% R. C. P.	221	...	234	777	129	...	3-59	184	171	5	5	5
	6% Debtentures	...	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2

(a) After transferring Rs 82,000 from Dividend Equalisation Fund.

(c) After writing back Rs 152,000 being excess provision for taxation.

(e) Includes Rs 60,000 being surplus provision and Refund of Income-tax written back.

8 July 1961

PLANTINGS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital Rs. 000	RESERVE & SURPLUS INCLUDING LATELY ALLOCATIONS			Sundry Liabilities Rs. 000	Gross Block Rs. 000	Depreciation Rs. 000	LIQUID ASSETS				
	June 1961 Rs. np.	June 1960 Rs. np.			General Rs. 000	Other Rs. 000	Carry- forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
Miamallay	38 25	42 00	25	300	...	623	1	192	1,248	289	77	129	119	131	...
7 1/2% C. P.	24 75	26 25	25	300	...	...	...	...	...	...	...	...	...	...	...
Mysore Amalgamated	5 90	6 25	5	225	40	...	...	159	337	31	...	196	27	13	...
6% C. P.	6 25	7 00	10	117	...	...	...	...	...	...	...	...	...	...	...
Mysore Coffee	5 45	5 35	2	600	100	150	18	978	1,207	114	...	166	550	36	...
Mysore Plantations	2 06	1 95	2	500	95	50	—17	492	1,140	166	...	138	132	26	...
6% C. P.	7 00	7 00	10	250	...	...	...	...	...	...	...	...	...	...	...
Neelamalai	4 03	4 95	5	3,600	875	1,305	5	1,769	8,196	1,403	55	1,129	911	468	...
5% C. P.	6 10	7 08	10	1,800	...	...	...	...	...	...	...	...	...	...	...
Nelliampathy	2 45	2 81	2	1,200	503	204	...	672	2,624	536	7	408	178	347	...
6% C. P.	7 28	8 10	10	450	...	...	...	...	...	...	...	...	...	...	...
Nellithanam	12 05	12 05	10	190	279	...	94	114	497	121	21	21	64	12	...
7% C. P.	...	...	10	10	...	...	...	...	...	...	...	...	...	...	...
Nemmeny	20 65	20 00	10	335	408	...	46	495	1,632	276	...	207	14	12	...
7% C. P.	9 35cd	9 70cd	10	300	...	...	...	...	...	...	...	...	...	...	...
New Glen Morgan	...	...	2	650	2,00	3,02	4	3,48	11,68	1,30	82	1,09	1,51	1,11	...
Nilambur	16 25	19 25	10	200	120	359	3	184	797	56	...	39	31	356	...
6% C. P.	6 55cd	6 90	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	100	...	...	...	...	...	...	...	...	...	...	...
Nilgiri Tea	8 55	7 50	10	1,406	70	675	27	516	3,987	633	9	355	109	90	...
6 1/2% C. P.	3 80	4 25	5	281	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	500	1,000	...	1,213	13	1,468	3,395	356	449	668	95	753	...
Nonsuch Tea	28 20	26 75	10	2,310	...	...	...	...	...	...	...	...	...	...	...
Ossoor	2 75	3 45	2	650	500	71	42	377	775	67	95	314	44	480	...
5% Debentures	...	...	...	400	...	...	...	...	...	...	...	...	...	...	...
Ouchterlony	3 74	4 96	2	1,946	1,040	1,243	3	771	4,892	1,666	...	1,115	64	598	...
Panchura	5 57	4 50	1	150	150	2	68	271	294	26	128	146	94	4	...
Parkside	29 25	27 00	10	1,354	450	1,197	50	1,095	3,158	472	...	406	119	936	...
Peermade	22 48cd	23 00	10	1,700	200	958	37	1,471	4,352	1,592	69	875	198	602	22
6% C. P.	...	...	100	150	...	...	...	...	...	...	...	...	...	...	...
Peninsular	21 40	21 35	10	600	300	36	109	457	868	78	187	200	16	304	...
Periakaramala	3 83	3 72	2	5,795	2,700	117	80	2,273	11,000	3,484	65	2,314	577	420	...
Periyar & Pareekani	...	...	10	500	...	40	16	196	1,024	66	15	155	22	105	...
7 1/2% R. C. P.	...	...	5	303	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debenture	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...
Penmudi Rubbers	...	1 40	2	165	48	...	1	43	314	11	...	18	2	5	...
6 1/2% C. P.	...	8 70	10	70	...	...	...	...	...	...	...	...	...	...	...
Pullangode	1 87	1 98	2	1,650	200	29	17	335	2,268	646	201	216	51	291	...
6% C. P.	8 00cd	8 05	10	150	...	...	...	...	...	...	...	...	...	...	...
Puthuthottam	2 75	2 82	2	2,100	1,200	365	91	733	3,463	366	195	117	1,066	16	...
Rajagiri	18 70	20 40	10	1,350	300	600	45	1,469	4,774	448	...	283	113	1,230	72
6% C. P.	6 65	6 95	10	2,260	...	...	...	...	...	...	...	...	...	...	...
Rajendra Coffee	12 12	16 25	5	200	100	15	1	290	370	43	100	147	99	138	...
6% Cum. Prof.	6 94	7 75	10	100	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Redem Cum. Prof.	6 48	7 00	10	100	...	...	...	...	...	...	...	...	...	...	...
Sangameshwar	2 15	2 47	2	1,200	25	160	11	261	1,880	109	...	554	24	...	26
7% C. P.	9 75	9 75	10	350	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	500	504	...	...	...	...	...	...	...	...	...	...	...
Savamlai	3 20	4 00	2	550	300	...	13	270	428	122	...	200	20	147	459
Shervaroy	1 75	2 02	2	1,350	170	128	1	473	1,113	104	317	200	522	74	...
Stanes Amalgamated	15 50	15 50	10	900	190	1,105	4	389	2,735	763	208	222	248	46	...
4 1/2% Debentures	...	...	500	200	...	...	...	...	...	...	...	...	...	...	...
Swinton	3 12	2 9	2	125	15	...	4	149	198	8	...	8	165	5	...
6 1/2% Debentures	...	...	505	75	...	...	...	...	...	...	...	...	...	...	...
Talayar Tea	1 85	1 75	2	1,250	110	977	1	1,397	3,650	352	2	943	175	68	...
6% C. P.	7 05	7 40	10	750	...	...	...	...	...	...	...	...	...	...	...
Teekoy	5 00	8 00	10	1,000	...	248	—4	457	2,250	179	...	89	72	387	...
6% C. P.	6 80	7 50	10	600	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	...	...	109	300	...	...	...	...	...	...	...	...	...	...	...
Thamarapally	19 36cd	27 90cd	10	250	75	200	28	222	614	47	45	51	2	185	...
4 1/2% C. P.	4 05cd	4 17cd	5	75	...	...	...	...	...	...	...	...	...	...	...
Thirumbadi	1 60	1 72cd	1	915	505	100	15	516	2,414	219	...	244	44	28	...
7 1/2% Debenture	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Travancore Rubber	10 09	14 50	10	600	...	47	2	287	821	170	...	122	29	133	...
T. R. T. & Co.	9 85	7 77	10	4,100	750	757	4	1,673	8,513	1,850	200	513	492	917	...
6% C. P.	9 10cd	8 00cd	10	1,600	...	...	...	...	...	...	...	...	...	...	...
Tropical Plantations	18 95cd	20 85cd	25	2,000	...	136	12	658	3,217	868	...	255	15	187	...
Twyford	12 12cd	13 25	10	1,575	1,543	58	1	594	2,801	330	1	784	262	253	...
Udayagiri	21 25	17 00	10	220	148	282	24	218	1,001	107	1	60	6	1	...
7% C. P.	9 11cd	9 60cd	10	80	...	...	...	...	7,71	...	...	...	...	...	...
6 1/2% Debentures	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
United Nilgiris	24 75	22 00	10	2,193	317	1,210	24	1,130	4,653	1,787	540	384	225	859	...
Vaikundam	31 25	30 25	10	880	165	119	1	619	966	39	275	182	31	369	...
Vayitri	1 35	1 40	2	400	75	30	29	54	559	57	2	12	52	19	...
5 1/2% Debentures	...	...	...	32	...	...	...	...	5,01	...	...	...	...	...	...
Velimalai	5 90	6 15	5	600	375	121	11	398	1,764	123	1	166	141	183	...
7% C. P.	8 20	9 10	10	250	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	500	377	...	...	...	...	...	...	...	...	...	...	...
Wartyhully	2 60	3 40	2	1,200	1,100	91	115	735	1,534	119	254	425	140	1,007	...
Waterfalls	3 10	4 15	2	3,150	2,200	1,096	194	1,844	6,375	897	27	674	1,499	1,306	...
6% C. P.	8 40	9 60	10	500	...	...	...	...	...	...	...	...	...	...	...
Woodcote	1 65	1 67	1	100	...	52	1	20	351	90	5	13	17	20	...
6 1/2% C. P.	3 14cd	3 14	5	60	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	1000	125	...	...	...	...	...	...	...	...	...	...	...
Woodlands	8 00	7 90	10	695	42	205	2	196	1,419	72	1	196	102	92	...
6 1/2% C. P.	7 45	7 80	10	100	...	...	...	...	...	...	...	...	...	...	...
6 1/2% R.C.P.	7 22	7 67	10	132	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	506	415	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents/ Agents/Secretaries	Year Ended	Net Profit		Dividend %		MARKET QUOTATIONS as on Last Day of				Paid-up Capital	Reserves Including Latest Allocation			Cross Block	Depreciation	Liquid Assets										
			Latest	Previous Period	Latest	Previous Period	June 1961	June 1960	Rs. 000	Rs. 000		Rs. 000	Rs. 000	Carry forward			Other	Rs. 000	Rs. 000	Rs. 000	Investments	Stocks and Bonds	Outstanding	Cash	Other Progrs	Rs. 000	Rs. 000
C A L C U T T A																											
Chloro-Bacter	N. K. B. Trading Co., 7% C.P.	10-54	-3.45	-1.71	nil	nil	10 59	10 75	12 37	10	6.00	4.00	15	-4.73	17.37	12.78	9.57	6	11.99	4.68	5	6.29	31	...	...	...	...
Bar-Ler Engineering	K. C. Thapar & Brothers Ordy. P. & Co. Deferred	3-60	27	89	nil	nil	...	...	...	10	3.00	...	163	-605	3,818	2,214	672	75	703	1,071	58	227	328	...	...	...	...
Bajala Engineering	Directors	3-59	329	248	8	7	...	...	...	10	1,045	100	99	9	1,777	1,289	647	12	1,344	967	90	95	...	...	...	...	
Baria Elec.	6% C.P.	12-59	2,823	3,264	15T	12T	12 12	15 62	...	10	5,000	2,500	449	360	11,540	15,521	8,956	47	4,392	6,485	1,084	1,276	...	...	...	...	
Brahmawati	Directors	12-59	3,829	4,223	22T	22T	33 75	32 62	...	10	5,660	3,300	4,295	227	7,304	7,733	1,279	1,858	1,942	596	8,087	408	...	...	...	...	
Bridg & Roof	Balmer Lerriv & Co. Ltd	12-60	2,724	2,437	30T	30T	52 25xd	25 00	...	10	1,200	2,938	611	188	13,730	9,011	5,474	174	8,458	4,203	1,620	...	...	...	...	...	
Brit. Building	Holmes Wilson & Co., 6% Redeem. Cum. pref.	3-58	419	531	5	5	5 00	60 00	...	100	966	23	100	5,654	3,725	1,180	261	3,680	2,709	36	...	...	...	...	...	...	
Brit. Engg.	Malred & Co.	12-59	1,734	1,224	10T	7T	13 00	14 36	...	10	4,000	2,100	2,048	182	16,203	9,828	4,802	2	13,745	7,194	374	...	...	...	...	...	
B.L. Elec. Cons.	5% C.P.	...	...	...	...	...	...	...	...	500	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	
Burn & Co.	7% Debentures	12-60	1,272	800	45T	25T	32 75	34 87	...	10	500	1,050	71	82	4,897	2,652	1,611	4	2,559	1,650	5,481	1,342	...	...	...	...	
Burn & Co.	Balmer Lerriv & Co. Ltd	4-60	11,548	12,109	7T	7T	500 00	540 00	...	100	84,000	1,740	21,621	125	56,079	49,665	30,474	829	14,811	24,352	3,482	23,577	...	...	...	...	
Dalmia Iron	7% C.P.	...	279	...	6T	6T	106 00	113 00	...	100	15,000	...	25	4	8,374	5,271	250	3	2,885	329	191	...	...	...	...	...	
Dalmia Iron	Directors	3-61	5,343	756	15T	5T	18 12xd	20 00	...	10	10,000	1,000	299	163	4,694	5,669	664	11	4,494	2,171	1,185	...	...	...	...	...	
Cons. Kani	Directors	12-60	13,316	14,716	16T	24	41 94	48 50	...	10	40,000	9,992	55,314	46,318	87,896	25,246	...	17,831	28,124	19,654	9,339	...	...	...	...	...	
Heaphy Docking	6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	
India Machinery	Martin Bern Ltd.	12-60	88	385	Nil	12T	118 50	139 00	...	50	1,250	1,250	119	nil	7,749	6,139	4,137	nil	5,112	3,546	27	...	...	...	...	...	
I. Calvanizing	Das Group Ltd.	6-60	496	396	7	7	5 65	23 00	...	100	313	...	13	54	1,430	3,038	834	...	739	746	320	...	...	...	...	...	
I. Calvanizing	7% C.P.	12-59	(d)171	(b)557	nil	nil	...	...	...	10	3,695	...	...	-125	99	576	301	1,717	554	858	547	...	...	...	...	...	
Indian Iron	Balmer Lerriv & Co. 6% C. P. T. Martin Bern Ltd.	3-60	102,043	98,631	5T	5	27 66	24 28	...	10	124,999	37,500	173,927	1,150	567,104	715,759	146,001	19,332	164,516	127,550	8,249	...	...	...	...	...	
I. Mail Casting	Directors	3-58	131	132	6	6	4 44	5 12	...	5	385	...	...	13	3,117	1,753	817	149	1,587	1,279	18	...	...	...	...	...	
I. Sh. Wagon	Deferred	...	...	...	7-05	7-05	2 69	3 62	...	100	154	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	
I. Steel & Wire	4% Debentures Martin Bern Ltd. 7% C. P. T. Indra Singh & Sons, Pri Partly Paid	3-61	5,179	5,123	28T	28T	102 00xd	91 56xd	...	25	3,898	1,668	7,270	53	32,942	12,539	7,623	303	24,134	12,614	2,723	...	...	...	...	...	
J. K. Steel	7% R.C.P.	3-60	9,389	8,711	23T	16T	44 00	40 50	...	10	9,653	4,291	20,913	1,091	19,572	22,296	15,265	5,872	7,998	12,194	22,419	233	...	...	...	...	
Jay. Engg. works	Indra Singh & Sons, Pri Partly Paid	6-60	(3)286	1,688	20T	12T	36 00	16 56	...	10	2,000	3,000	1,002	91	6,783	7,784	1,792	828	3,927	2,381	351	398	...	...	...	...	
Jay. Engg. works	7% R.C.P.	3-60	7,550	6,578	10T	7	95 25	95 80	...	100	9,113	3,880	3,019	...	50,401	37,116	14,037	6	21,201	27,507	639	3,942	48	...	...	...	
Jump Co.	M.M. Shrinani & Co., 7% R.C.P.	10-59	6,657	6,872	8-98T	5T	20 44	24 31	...	10	10,199	9,282	958	64	62,968	27,747	8,430	7,520	10,845	28,178	154	17,933	1,523	...	...	...	
Kanawathi	5% C.P.	11-59	1,377	1,303	10T	5	6 50	7 19	...	3	2,764	295	4,319	310	10,995	9,014	3,328	57	6,323	5,321	15	2,990	334	...	...	...	
Marshall Sona	4% Debentures	6-59	229	527	10T	20	4 75	5 75	...	2	1,050	1,850	352	9	13,102	1,832	1,472	126	9,001	6,501	374	...	...	...	...	...	
National Iron	Directors	3-60	117	1,355	nil	6T	6 81	9 87	...	10	4,996	250	3,328	-358	8,354	13,717	8,110	305	5,223	2,566	120	...	...	...	...	...	
National Steel & Wire	Directors	12-59	619	700	15T	nil	9 56xd	9 12	...	10	1,000	...	5	91	2,366	1,242	686	...	1,059	1,814	20	13	...	...	...	...	

Orion Engineering...	K. C. Thapar & Bros S.B. Indian Dev. Co. ... 5 1/2% C. P.	9-59 6-55	33.02 ...	31.91 ...	94 ...	nil 15 5 1/2	12 5 1/2	10 5 1/2	...	8 1/2 N 54 00 N	8 1/2 54 00	100 100 100	250 600 40 00	24 10,000 ...	17.01 ...	8 10 ...	1,409 118.52 ...	4 13.59 ...	613 52,733 ...	1,051 85,000 ...	13 1.78 ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...</
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(a) After transferring Rs 102,003 from provision for taxes. (b) After transferring Rs 48,000 from General Reserve. (c) After transferring Rs 56,764 from provision for taxes. (d) After transferring Rs 1,300,000 from Taxation contingencies Reserve and Rs 10,940,296 being General Development Reserve. (e) Includes dividend paid at 10 per cent in July 1960 from Reserve in respect of years 1954 and 1955. (f) After writing back Rs 4,250,000 being Steel Price Equilisation Reserve; Rs 234,448 from General Reserve and Rs 80,500 from Reserve for Contingencies. (g) After transferring Rs 287,804 being excess provision for depreciation in previous years. (h) After writing back Rs 567,519 being excess depreciation. (i) After transferring Rs 22,707,943 from General Reserve No. 1. (j) After transferring Rs 1,000,000 from Tax Contingencies Reserve and writing back Rs 30,000,000 from Reserve for works and One Mines New Extension.

Indian Finance

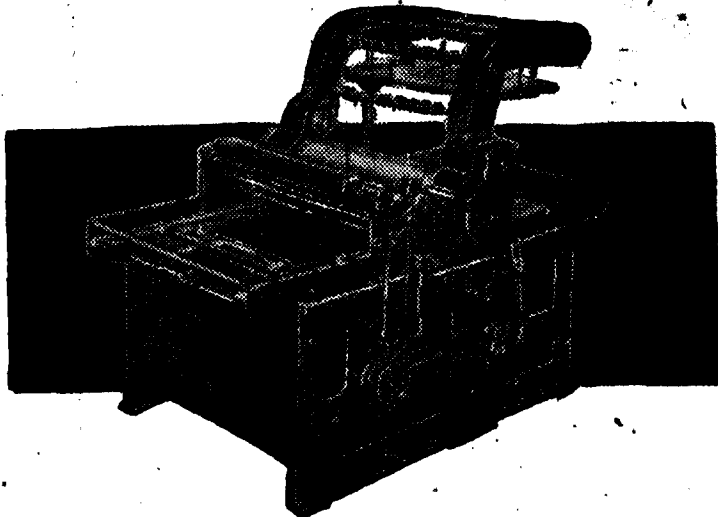
Indian Finance Saturday 8 July 1961 Volume LXVIII No. 2 Price: Rs 1.50	HIGHLIGHT OF THIS ISSUE Recent proposals of the Reserve Bank of India for strengthening the base of the banking system are discussed in the First Leading Article. 	Indian Finance Founded in 1928 by C. S. Rangaswami
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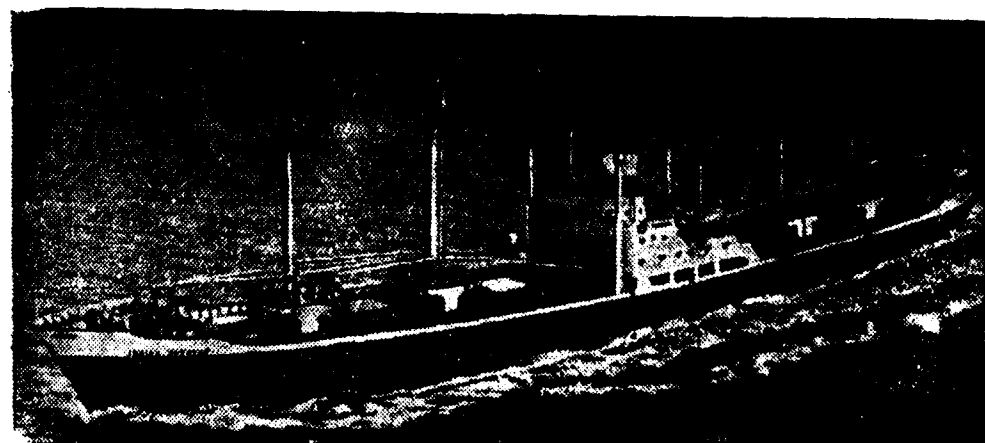
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Strengthening the Base

FURTHER steps are to be taken to strengthen the banking system. It has been proposed, by the Reserve Bank, that it should assume the power to require banks to build up the aggregate of capital and reserves such that they amount to 7½ per cent of Deposit liabilities. Secondly, the statutory reserve is to be made uniform at 5 per cent of Deposits, instead of 5 per cent of Demand liabilities and 2 per cent of Time liabilities. Thirdly, the central banking institution would be empowered to raise the statutory reserve ratio to 15 per cent of Deposits. Fourthly, the liquidity ratio, comprising cash and balances with the Reserve Bank and unencumbered holdings of Government securities, would be raised to 27½ per cent of Deposits from 20 per cent.

The intention of course is laudable; and the Reserve Bank has not shirked its duty to safeguard and strengthen the banking system. But, just as the three-tier Bank rate, which it introduced last year, has been a mixed blessing, it appears to us that small modifications may be necessary in the proposals circulated last week for banks' reactions and views.

The most important of the suggestions is that which relates to the raising of capital and reserves to 7½ per cent of Deposits. That banks are under-capitalised, there can be no gainsaying; that their reserves are inadequate, there is also no doubt. But the question is, are the conditions in which banking operates today such that a target of 7½ per cent can be hit?

There are three courses open: banking companies with uncalled capital may now exercise their right; rights issues could be made; and transfers to reserve could be effected. In the first two cases, there is an implied, though not explicit, liability in the sense that the additional capital would be subject to dividend payment, and at a rate which in due course would be equivalent to the distribution at the present. It is in respect of the third alternative that the Reserve Bank would wish to amend the Banking Companies Act, so that banks would be called upon to transfer 20 per cent of their net profit (before taxation) to reserve until such time as the reserves and capital add up to 7½ per cent of Deposits. Can banks afford so to set aside 20 per cent of the net profit? The answer would seem to be no, since the distributable surplus would be sharply reduced, and the rate of dividend would suffer, thus adversely affecting the worth of a bank share in the Stock Exchanges. In our view, a 7½ per cent target smacks too much of a Micawber; and in the sense that, meantime, Deposits would—or should—be consistently rising, a target that could never be hit. A more reasonable ratio, in Indian conditions, would be 6 per cent. Secondly, we would suggest that, akin to the concession afforded to industry in the form of Development Rebate, transfers to Reserve should be exempt from tax. Such a concession would reduce the hardship for the bank and its shareholders, by enlarging the distributable surplus. The intention of Development Rebate was that industry, which at the time the concession was introduced could not easily secure its capital requirements from the market, would

be enabled to plough back profits for expansion. The intention of the Bank Reserve Rebate would be that, since banks would find it relatively difficult to approach the shareholder, the banks should in this wise be helped to strengthen themselves.

Then, if 5 per cent of total Deposits are to be "immobilised" by the statutory reserve requirements, earnings of banks would be correspondingly affected. It would be helpful if, for a specified period after the amending measure is enacted, one per cent of the statutory reserve is deemed to be invested in Treasury Bills, for which the banks would be recompensed interest at the prevailing rate. Such a modification would not merely aid in offsetting the loss in earnings entailed by raising of the reserve requirement; it would also serve to foster the habit of investing in Treasury Bills—and this is a habit which the banking companies would do well to acquire.

The power to raise the statutory reserve ratio to 15 per cent of Deposits is unexceptionable; and so, for that matter, is the decision to raise the liquidity ratio to 27½ per cent. It needs to be recognised that, in effect, the liquidity ratio could go up to 37½ per cent, if and when the statutory reserve ratio is put up to 15 per cent.

We may add at this stage that no special emphasis is necessary for the transfer to a published, rather than an inner, reserve. What matters is whether a bank is suitably strengthened; indeed, a case can be made out for transfers being effected to inner reserves in preference to published reserves. We reckon that, in the new ordering of affairs, a bank will any way have little to spare for transfer to inner reserve. Is it really necessary that the size and magnitude of reserves in relation to capital, or reserve plus capital as a ratio of Deposits, should be public knowledge? If, on the other hand, a bank is permitted to transfer to inner reserve, then comparisons are rendered impossible. Moreover, banks would feel encouraged to seek more capital and not rely purely or mainly on transfers to reserve for complying with the new requirements. Thus, confidence in banking would be better fostered, and a too narrow assessment of a bank balance-sheet, in the matter of links between reserve, capital and Deposits, would be avoided.

One important implication of the suggested measures needs to be stated. More interest will presumably be shown by the banking system in gilt-edged, in view of the projected higher liquidity ratio. Government's borrowing programme will automatically benefit. If our suggestion, that one per cent of the statutory reserve ratio be invested in Treasury Bills, finds acceptance, another method of securing funds from the banking sector, for the short-term financing of Government expenditure, will have been discovered and put to use.

It is encouraging, thus, that active steps, and mostly in the right direction, are sought to be taken. The road to banking strength is in sight; whether the journey thereon will be smooth or rough will depend upon whether or no modifications such as we have suggested are incorporated.

One who did not waver...

Jamshedpur's latest blast furnace needed a 'big bell'—a 20-ton component requiring highly skilled casting and machining. A difficult operation even if the right machine tools were available, but in 1958 they were not, and import seemed the only solution to all but one determined and resourceful young engineer, N. P. Naik.

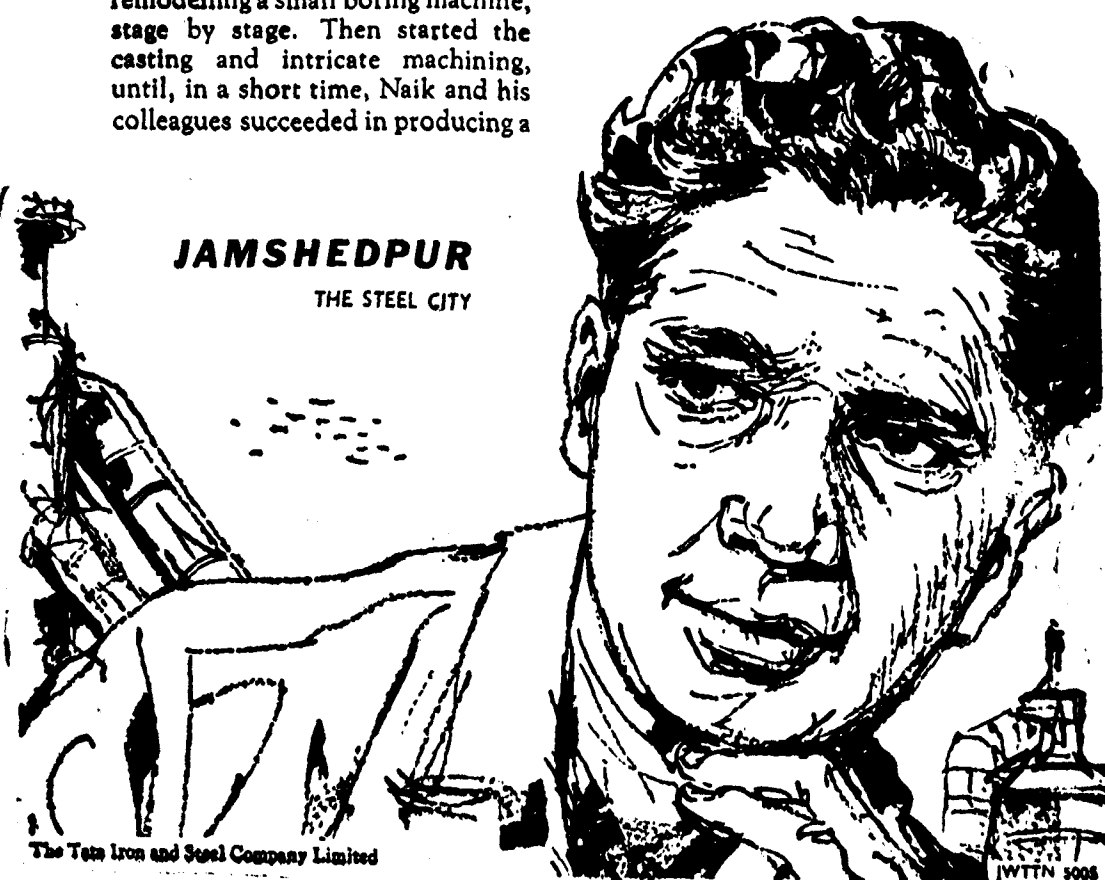
Working on this problem in his leisure hours, Naik gradually crystallised his ideas into mathematical formulae and blue-prints. He developed, at the same time, a new machine tool to do the job by remodelling a small boring machine, stage by stage. Then started the casting and intricate machining, until, in a short time, Naik and his colleagues succeeded in producing a

'big bell', fully meeting the technical specifications to the last detail. As a tribute to Naik's fine endeavour, Tata Steel gave him an award of Rs. 10,000, the highest made under a ten-year old scheme to encourage initiative from the shop floor.

Men like Naik are carrying forward a fine Jamshedpur tradition, recalling Jamsetji Tata's exhortation: "Let the Indian learn to do things for himself."

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Problems of Excess Capacity

STUDIES of the growth of demand for electric energy undertaken by the Planning Commission and other authorities have underlined the fact that, during the phase of development that India is now passing through, the increase in demand for electricity tends to outstrip the growth of national output. Throughout the Second Plan, demand for power was running ahead of supply, while the start of the Third Plan has been hampered by repeated breakdowns resulting in chronic shortage of power in the Calcutta area and other industrial centres. Inadequate capacity is recognised as one of the main reasons for repeated breakdowns, for the generators are worked continuously without periodical shut-downs for repairs and overhaul. The development of generating capacity to an adequate level has been hampered by the shortage of foreign exchange for imports of essential machinery.

It is not difficult to understand the necessity for imports of equipment for which adequate manufacturing capacity has yet to be set up. But the continued import of items like conductors for which there is adequate manufacturing capacity shows scant regard for the major imperative of planned development. Throughout the Second Plan period, output of copper conductors has been less than half the assessed installed capacity. But imports are negligible for it has been the established policy of Government to promote switchover from copper to aluminium in the Cables & Wires industry. This policy finds its justification in the country's resources of basic raw material. While India's resources of electrolytic copper are insignificant, it is expected to become self-sufficient in respect of aluminium towards the end of the Third Plan. The target of capacity for aluminium is 82,000 tons and production for the last year of the Plan is estimated at 75,000 tons. Therefore, on considerations of cost and other advantages, a programme of gradual switching over of all lines, from the lowest to the highest voltage, for transmission and distribution of power to all aluminium conductors in the low and intermediate ranges, and ACSR in the higher ranges, has been adopted and is being implemented. But the aim of the policy will not be fully achieved unless the programmes for development of power are designed to make the fullest utilisation of the capacity both existing and prospective. Otherwise, both existing and Prospective. Otherwise, the shift from copper to aluminium would only result in a double loss. What is distressing about the experience of the Second Plan is that it has not been found possible even to make full use of existing capacity, not to speak of expansion.

During 1957 to 1960 installed capacity for ACSR conductors (on double shift) had increased from 12,720 tons to 19,300 tons per annum. The following table gives the figures of output and imports for the years 1957 to 1959.

	Indigenous production	Imports (tons)
1957	.. 15,366	5,837
1958	.. 14,740	1,902
1959	.. 16,646	4,511
Jan/June 1960	.. 9,797	1,220

According to the spokesmen of the manufacturers, they could have produced a larger proportion of the total requirements if there had been adequate supply of raw material.

The Tariff Commission has estimated the demand for ACSR and All Aluminium Conductors, by 1963, at 30,000 tons, while the capacity available on double shift will be about 31,000 tons. But allowing for breakdowns, stoppages etc., the Commission considered that this might not be adequate for annual production of 30,000 tons of conductors, of various sizes and, therefore, suggested that Government might consider the question of expediting the establishment of additional capacity in tune with growing demand. In this context it may also be noted that according to the spokesmen of the industry, capacities very much in excess of those declared under the licences (which are based on two-shift working) exist in the country, for the industry could without difficulty go on to three-shift working. If that is done, the existing capacity will be sufficient to meet the entire demand except for special grades, if steps are taken in time to ensure full utilisation of capacity. In these circumstances it should be possible to cut down imports if there is proper co-ordination of the power development programmes of the States and the Centre with the manufacturing programmes of the industry and the latter is assured of adequate supplies of raw materials.

The Cables & Wires industry is at present hampered by two major difficulties: (a) shortage of essential raw materials such as aluminium ingots and rods, high tensile galvanised steel wire etc., and (b) inadequate attention to the phasing of orders.

According to the spokesmen of the industry, most of the units are not even getting sixty per cent of their requirements for full utilisation of capacity, and as a consequence, execution of orders accepted on firm delivery dates is delayed leading to delays in the projects in question. Licences for import of part of the requirements of galvanised steel wire from the USA against DLF credits have been issued and licences for the balance of requirements were given for import from East European countries against payment in rupees. But manufacturers who had been given licences for import from East European countries have been obliged to surrender their licences as necessary supplies are not available from these sources, and these licences have not been replaced by new licences for imports from the USA. On account of short supplies of ingots/billets, the capacity of many units for rod-rolling has not been fully utilised.

The manufacturers are also handicapped by the fact that the orders come in a bunch. It has been represented that, during the period November 1960 to May 1961, the various purchasing authorities, such as State Electricity Boards, departments etc., about 20 in number, have called for tenders for ACSR and AAC totalling about 30,000 tons.

The representatives of the industry are understood to have urged the following suggestions for Government's consideration:

- (1) Import of finished ACSR and All Aluminium Conductors should not be encouraged when adequate capacity for their fabrication exists in the country.
- (2) Indentors all over the country may be instructed to plan their requirements of conductors for the next five years and order them in a phased manner so that the full demand may be met from within the indigenous capacity enabling full utilisation of available capacity.
- (3) Industry must be supplied with full requirements of raw materials such as

aluminium metal and high tensile galvanised steel wire.

- (4) Units in the industry which have equipment for wire drawing and rod rolling may be supplied with extra quantities of metal to enable them to meet the requirements of small scale manufactures, thus facilitating the switch-over from copper to aluminium.

As regards ban on imports, one difficulty that trade agreements with East European countries provide for import of power cable aluminium conductors etc. While it may not be possible in all cases to exclude these items from the schedule of imports, Government might, as suggested by the Tariff Commission, take care to ensure in allowing imports of finished conductors that the interests of the indigenous industry are not adversely affected.

Phasing of demand as suggested by the industry presents greater practical difficulties. The programmes for development of electric power have to be phased not only to the manufacturing programme of the Wires & Cable industry but to the growth of the demand for power. In drawing up the programmes, taking saving in foreign exchange that may be effected by waiting for indigenous supplies has to be balanced against the loss sustained through shortage of power. But subject to this limitation, it should be possible to effect a greater degree of co-ordination of the demand and supply of conductors. The co-ordination can be more easily effected if the call for tenders is centralised. (Nearly twenty different authorities have come forward with tenders during the last six months). The legal requirements of the Statutes under which the State Electricity Boards or of other indentors may be met if the central organisation dealing with tenders acts as the agent of the ultimate purchasers. Co-ordination will also be considerably facilitated if the manufacturing units form a consortium to undertake large contracts. Issue of licences for import of materials required for full and effective utilisation of capacity should present no serious difficulty, especially in view of the new US credit of \$20 million from the DLF for import of non-ferrous metals from the USA.

A Successful Experiment

THE small-scale community development project set up by the Indian Cooperative Union in the Mehrauli area of Delhi covering about 15 villages was an experiment in rural development which departed in some important ways from the principles of the working of the community development programme elsewhere in the country. The results of the working of the project have now been made available by the ICU and provide a stimulating study of what the community development programme implemented in the proper way can do to increase agricultural production and benefit the cultivators and particularly small farmers.

The ICU was led to experiment with such a project by the growing volume of criticism of the working of the community development programme. The assessment of the progress made by the community development programmes by the Programme Evaluation Organisation at the end of the First Plan I revealed glaring weaknesses in the working of the movement. The more important of these were the absorption of benefits mainly by well-to-do landowners, the inadequacy of technical and other services provided, unsatisfactory credit policies, the wrong manner in which new cooperatives were promoted and lack of timely and sufficient assistance.

able credit policies, the wrong manner in which new cooperatives were promoted and lack of timely and sufficient assistance.

In formulating its programmes relating to the experimental project, the ICU avoided the features of policy that were known to militate against maximum results. The programme launched by the ICU was principally designed to serve the small farmers. This was done to ensure that the benefits were reaped by small farmers only. In respect of the credit policies for meeting the needs of the farmers covered by the project area, the ICU departed from current practices. The ICU project, for example, sought to meet the entire credit requirements of the farmers for any productive purpose and laid great emphasis, on swift delivery of aid. The most novel feature of the credit policies laid down by the ICU was the absence of provision for security for the loans granted by the project. The project also provided composite services which a multipurpose society is ordinarily expected to provide. These included provision of seeds, fertilisers, insecticides, agricultural tools and implements etc. The ICU project also laid great stress on the provision of adequate technical services and to make it more effective sought to coordinate the provision of such services with provision of credit facilities.

The study of the impact on production and income of the project made by the ICU, reveals that on the whole the experiment has proved a great success. Among other things, the study shows, that as a result of the implementation of the scheme, there was a substantial increase in the marketable surplus of the majority of cultivators, as also an increase in the gross farm income and off farm income of a great majority of the cultivators. A large proportion of the cultivators are also shown to have altered their cropping pattern during the period changing from single grain crops to mixed crops and cash crops. Progressively higher per acre yields are also claimed as one of the notable results. A measure of the improvement that has followed the implementation of the project is provided by the net increase in the income obtained for the whole project. It is stated that from 68 acres, a total gross income of Rs 41,270 was achieved in one crop season whereas in the best years the farmers could not get more than Rs 13,065 as the crop previously consisted of gram and barley only.

The working of the pilot project by the Indian Cooperative Union and the results that have attended it, have some object lessons to offer for future progress of the community development programmes in the country. Most importantly, the project has successfully demonstrated that with suitable institutional measures, it is possible to make the community development programme benefit the small farmer, who in the past has been excluded from its benefits for want of proper orientation. Secondly it has proved that unless and until there is effective linking up of credit and technical advice, resources employed for the progress of the movement may tend to become wasteful. The ICU experiment has shown that such combination of credit and technical help is possible. The most important reform called for by results shown by the ICU project lies in the field of agricultural credit policies. The ICU experiment with the provision of credit on mere trust without personal security has been found to work well and the recovery of amounts due against loans advanced has been satisfactory, being 80 for medium term loans, 90 for short term, 100 for long terms in percentage terms. The ICU study also underlines the importance of other principles for ensuring beneficial utilisation of the credit granted to the cultivators. These are the provisions of credit in kind designed mainly to reduce risk, provision of credit on the basis of actual needs instead of status and the need to relate repayment period to production plan and potentiality. Non-observance of these principles in the general cooperative movement in the country is responsible for the continuing poor performance in the agricultural sector of the community development programme.

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Industrial Production in Asia

THE Secretariat of the Economic Commission for Asia and Far East of the United Nations has been regularly publishing valuable surveys of the economic developments in this region but, for want of reliable data, we do not get a clear and complete picture of the situation. Statistics relating to the centrally planned economies such as China, North Korea and North Viet-Nam are particularly unsatisfactory and even in the case of other countries of this region, the availability of data is subject to serious limitations in many respects. Even so, judging from the figures furnished by the ECAFE Secretariat it appears that the countries of this region are by and large making some progress.

Confirming ourselves to the private economies of the region, the growth of industrial output in the first half of 1960 was 11 per cent over the level in the second half of 1959. Production increased in all countries, Japan taking the largest stride. The industries which made encouraging progress in 1960 were steel, chemicals and cement. So far as steel is concerned, it should be remembered that except in Japan, China and India the development in other countries is still in its early stages. In Japan, the monthly average production rose from 1.25 million tons in the first half of 1959 to 1.75 million tons in the first half of 1960. In China steel output in the last year was estimated at about 18 million tons—that is to say a monthly average of 1.5 million tons. In both Japan and China greater attention is being devoted to keep costs down and improve the technical efficiency. In India the production increased from a monthly average of 206,000 tons in the first half of 1959 to 255,000 tons in the corresponding period of last year. In the other countries of the region like Burma, Ceylon, Formosa, Indonesia, Iran, South Korea, Pakistan and Philippines the steel industry is in its infancy and is confronted with "numerous difficulties due to lack of trained personnel, inadequate supplies of raw materials, smallness of the domestic market and on clear prospects of exports."

The chemical industries achieved a high rate of growth in 1960. In Japan new products have been developed such as petrochemicals, organic synthetic chemicals and synthetic fibres: in China emphasis has been laid in the small-scale production of chemicals notably sulphuric acid and pharmaceuticals from indigenous raw materials; in India on basic chemicals and fertilisers and in other countries on oils; pharmaceuticals, batteries etc., based on imported semi-finished products.

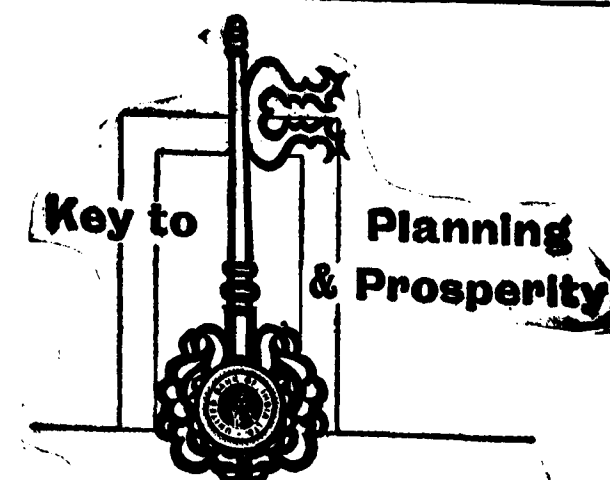
The boom in construction activity gave an impetus to the cement industry, the average monthly production in the region rising from 2.6 million tons in the second half of 1959 to 2.8 million tons in the first half of 1960. Here also Japan has a dominant share, its average monthly output being 1.6 million

tons in the second half of 1959 and 1.8 million tons in the first half of 1960.

But in respect of other industries, progress in 1960 was rather disappointing. Stagnation of demand and shortage of raw cotton affected the growth of cotton textiles while scarcity of raw jute handicapped the jute industry. Efforts are being made to modernise the equipment in both these industries but the progress has been rather slow.

Among other industries, mention may be made of the substantial increase in the production of copper in the Philippines, of aluminium in Japan and India, of durable consumer goods such as television sets, radios, automobiles, motor cycles, bicycles, electrical goods and other household appliances in Japan and of capital goods like machine tools, diesel engines, transport equipment and also of light industry products like bicycles and sewing machines in India.

Although speaking generally the increase in production in the region is satisfactory and there has also been a good deal of diversification, it is obvious that a great leeway has yet to be made in many countries in the matter of industrial development. There are many important industries which have hardly made any appreciable progress. Paper is a typical instance. It is pointed out that only Pakistan and Japan have developed the paper industry commensurate with their domestic needs, the production in Japan accounting for more than 85 per cent of the weight in the regional index. It is expected that in view of the increasing foreign aid and technical advice being made available from the advanced nations of the West, production in the ECAFE region in the current year will be able to record a substantial improvement.



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EXCHANGE RESERVES

Approach to IMF Imminent?

THE current level of India's foreign exchange reserves is barely equal to the cost of one month's imports and is scarcely above the minimum which statutorily has to be maintained with the Reserve Bank. The monetary authorities are no doubt seized of the problem, and we are confident that they would not, as a result of the under-writing of the foreign exchange needs for the first two years of the Third Plan by the Aid-India Club, have fallen prey to complacency. For, the fact of the matter is that a critical situation is building up, and not all of the efforts of the Aid-India Club can help in the solution of the short-term emergency. In the first place, by its very nature, foreign assistance though committed takes some time to be negotiated and agreed upon. In the second place, the bulk of the assistance will be for and against specific projects. That is to say, by and large, foreign aid will not be available for covering the balance of trade deficit: maintenance imports are the problem, not capital or developmental imports. There are three ways in which we can hope to narrow the gap between the cost of maintenance imports and earnings of foreign exchange.

The first method is to augment earnings from exports. Much though we have striven in recent years, our efforts have been paltry and unavailing. In the long-term, perhaps, we may be able to diversify the range of our exportable commodities that we can look forward to a sizable contribution from new export earnings. For the present, however, unless we rely on exports of iron ore to help us out, it would be wise to recognise that very little of the trade gap can be met from enlarged export earnings.

The second method is to impress and persuade our foreign friends that maintenance imports are an integral part of foreign exchange expenditure during the Third Plan. Without such imports, while additional capacity would be in process of being created, the rate of growth in industrial production would fail to be satisfactory for lack of industrial raw materials which are not available indigenously. So India must make efforts to secure some assistance at least from abroad that is not linked up to or tied up with specific projects. Though negotiations and discussions in this regard have undoubtedly long since commenced, it may be a matter of a few months more before in fact we are vouchsafed such "untied" loans. We place a turn for the better in the foreign exchange situation around September 1961, when seasonally exports are on the upswing and when we may expect to receive the first parcels of untied loans.

Our problem, thus, is confined to what has to be done in the next three months. Our requirements of foreign exchange, over this period and in order to maintain reserves at least over the Rs 100 crores mark, are likely

to be of the order of Rs 50 crores. Our suggestion is that recourse to the International Monetary Fund's facilities are inevitable—and imminent. The difficulty is that we already have an outstanding commitment of \$127.5 million, in respect of currencies purchased from the IMF in 1957. Does this mean that we shall not now be able to approach the IMF and that we have to do the best we may through other efforts?

Not quite; firstly because, in any case, we have had occasions when the IMF has permitted a member country to draw up to 100 per cent of its quota, and we are nowhere near that level; secondly because India is a member in good standing, having repurchased in February last year \$72.5 million of rupees, representing the standby credit we availed of in 1957; thirdly because the first tranche is normally repayable in between three and five years, and we have therefore just under one year to effect repurchase of \$127.5 million and fourthly and most importantly because, since we last approached the IMF, our quota with that institution has been raised, and we are at least eligible to draw upon the balance of the first tranche of our quota.

The IMF helps a member country by allowing it to use its currency for the purchase of convertible currencies; it normally permits not more than one transaction, equivalent to one-fourth of its quota, in any twelve-month period; but it has been known to waive this rule; the first tranche is repayable in three to five years time; the extent of assistance may be equivalent to a member country's quota.

In 1957, India purchased a total of \$200 million of currencies, representing half its quota. Since then, India's quota, along with that of other members, has been raised. Meantime, repurchase has been effected as to \$72.5 million, and India's quota is now \$600 million. Thus, it would appear that we are eligible, practically as of right, only to draw the first tranche of \$150 million, against which there is already an outstanding liability of currencies purchased, amounting to \$127.5 million. The implication is that all we can immediately get from the IMF is only \$22.5 million.

But, as a publication of the IMF, "First Ten Years", makes clear, "its assistance is available to help a member meet a deficit in its balance of payments on current account. Under the Fund Agreement, current transactions are described as including all payments in connection with foreign trade, other current business including services, and normal short-term banking and credit facilities. They also include interest on loans and net income from other investments, and payments of moderate amount for amortization of loans or for depreciation of direct investments."

Secondly, "while a member may purchase the currencies of other members to an amount that would not cause the Fund's holdings of the purchasing members' currency to increase by more than 25 per cent of its quota during the period of 12 months ending on the date of the transaction", there is provision (Article V) for the IMF to waive this limitation. Another IMF publication, "International Re-

serves and Liquidity," points out in this respect that "the granting of waivers has recently been more the rule than the exception." However, the same publication adds that "the principle has been established that for the next (i.e., second) 25 per cent (of drawings) members are required to show that they are making a reasonable effort to solve their own problems." At the same time, "First Ten Years" contains a sentence to the effect that, "with respect to drawings beyond the first credit tranche, the Fund has said that members need not doubt that, given the need and justification, such drawings would be permitted."

If assistance is going to be secured for maintenance imports; and if that aid is going to be available from September onwards; if the developmental projects we have on hand are going to help in diversifying and enlarging exports; and if our payments problem is really a short-term disequilibrium between export earnings plus untied loans and import costs; and if, finally, the IMF can be satisfied that India is determined to prevent an erosion in the rupee's value, to increase exports and in due course to be able to quit ourselves of the loans we have taken, are taking and will take; then we shall have made out a case for approaching the IMF for and receiving from it facilities for purchase of another \$172.5 million of currencies—completing, that is, the second tranche of our quota with that international financial institution.

RBI PROFIT

Departure from the Norm

The Reserve Bank appears to have jumped the gun in the matter of the disposal of its profit for the year ending 30 June 1961. Firstly, the changes have been recorded in the returns for the last week of June, instead of the first Friday in July as heretofore. Secondly, the profit has not been transferred, as has been the practice all these years, from Other Liabilities to Other Deposits, but made over immediately to the Centre. Thirdly, also as a departure from the norm, it would appear that a remnant portion of the net profit continues to figure under Other Liabilities. All these facts are to be found in the returns of the Reserve Bank for the week ended 30 June 1961.

One thing has remained constant, and that is the transfer to the two Agricultural Credit Funds. The Long-term Operation Fund has been credited with Rs 10 crores and is now placed at Rs 50 crores; and the Stabilisation Fund is now higher by Rs 1 crore at Rs 6 crores.

Other Liabilities, in the Banking Department, have fallen by Rs 48.13 crores to Rs 14.24 crores; and it is likely that this reflects the making over of Rs 50 crores gross of profit, from which has to be deducted the Rs 11 crores representing the transfers to the Funds. It follows that the net receipt of the Central Government, in the week under review, was around Rs 39 crores. Since the Centre took credit for Rs 45 crores as RBI profit in its Budget for 1961-62, the inference is that Rs 6 crores of profit remain to be made over. Perhaps the balance will be paid after completion of audit—the practice of the Reserve Bank in the past was to hold the profit, net of transfers, in suspense under Other Deposits until the audit had been completed in the third week of August. Here, too, there appears to be new methodology.

Why has there been this haste in paying over the RBI profit? One possible explanation is that the Centre is feeling some embarrassment in its cash position because no cash loan has been issued so far this year; and the Centre wants to avoid deficit financing; in the previous week, it may be recalled, recourse was had to created money for Rs 20 crores. So, it may be that, with a view to replenishing the Centre's balances, the formality of waiting for the audit has been, at least for this year, done away with.

The result of net receipt by the Centre of Rs 39 crores has been cancellation of ad hoc Treasury Bills for around Rs 45 crores. Rupee Securities in the Issue Department, are lower by Rs 5 crores; Investments in the Banking Department have fallen sharply by Rs 33.66 crores; the State Bank is known to have purchased securities for Rs 6 crores during the week; and the sum total of these—Rs 44.66 crores—may be said roughly to represent the magnitude of reverse ad hocs instituted during the week.

Nevertheless, the Centre has been able to make very large payments to the States, which have been able drastically to reduce, by Rs 43.13 crores to Rs 34.30 crores, their ways and means borrowings. These payments have entailed a decline of Rs 22.37 crores to Rs 59.63 crores in the Centre's balances. The Centre has also perhaps received some payment under US Embassy account, in respect of re-lending or granting of counterpart funds. Such is the inference we may draw from the fall of Rs 13.22 crores to Rs 115.27 crores in Other Deposits.

The onward progress of the 1961 slack season is evident in the further decline of Rs 12.34 crores to Rs 1,933.41 crores in Active Note Circulation and in the inflow of Rs 1.05 crores of Rupee Coin. After a transfer of Rs 5 crores from Foreign Securities to our waning Balances Held Abroad, as shown in the return for the Banking Department, currency has been contracted against Rupee Securities for Rs 5 crores, and the Reserve Bank's cash in the till is better by Rs 3.41 crores at Rs 44.81 crores.

Half-yearly closing of accounts for banks has apparently involved some window-dressing. Banks have borrowed more, the Other Loans and Advances of the Reserve Bank rising by Rs 14.70 crores to Rs 130.41 crores, in order to improve the cash position. Reserve Balances of member banks are alone higher by Rs 14.36 crores at Rs 94.73 crores, and of the rise Rs 8 crores odd are traceable to the State Bank.

Lastly, Balances Held Abroad continue to dwindle at an alarming rate. Including the Rs 5 crores transferred from Foreign Securities, the drop during the week has amounted to Rs 6.87 crores. Our foreign exchange reserves have now fallen below Rs 114 crores, and the seriousness of the situation, as well as the method to cope with it, have been discussed in the leading article in this section.

The return of the State Bank for 30 June shows that the institution is continuing to experience a freeing of resources and that, consequently, there have been purchases of securities through the Reserve Bank tap for the second week in succession. Deposit resources are higher by Rs 7.45 crores at Rs 529.72 crores; Advances have declined by Rs 1.75 crores; and the gilt-edged portfolio has been added to by Rs 6 crores. Other Assets have been drawn down by Rs 5 crores to be placed at Rs 29.09 crores, and cash in hand and with Reserve Bank has improved by Rs 8.55 crores to Rs 28.19 crores. Intriguingly, the total of counterpart funds as at the end of

June has not been given, but we may safely assume that it is Rs 150 crores or so.

The return of Scheduled Banks for 23 June discloses that, fully as we had anticipated, the 1961 slack season is causing free resources of banks to grow at a considerable rate. Net Demand Deposits are higher by Rs 2.31 crores at Rs 805.91 crores, and net Time Deposits by Rs 7.91 crores at Rs 1,104.61 crores. This totals Rs 10.21 crores, against which the State Bank's share of rise in Deposits worked out only to Rs 2.10 crores. Again, the total of Advances has shrunk by Rs 10.06 crores to Rs 1,274.23 crores, the share of the State Bank being Rs 4.66 crores. Borrowings from the Reserve Bank have been sizably reduced by Rs 8.23 crores to Rs 11.59 crores, and there is a nominal reduction in indebtedness to the State Bank. The fall of Rs 8.00 crores in Reserve Balances is fully traceable to the State Bank, the drawing down being presumably in order to purchase gilt-edged. Even so, the rise of Rs 16.48 crores to Rs 545.39 crores in Gilt-edged Investments is wholly as a result of State Bank purchases.

Treasury Bills

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 4 July 1961. Total amount offered was Rs 2,00,00,000. Tenders at Rs 99.335 per cent and above were accepted in full. Total amount accepted was Rs 2,00,00,000, the average rate of accepted tenders being Rs 2.650 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday 10 July 1961. Successful tenderers should make payment on Thursday, 14 July 1961. Other conditions are as usual.

During the week ended 30 June 1961 Government of India Treasury Bills for Rs 95,65,00,000 were sold in favour of Reserve Bank of India.

Pressure on Sterling

By Paul Einzig

THERE can be no doubt that adverse pressure on sterling is on the increase. The spot rate can no longer be regarded as a barometer, because it is determined to a very large extent by official operations. Even though there are from time to time official operations also in the forward market, on the whole it is allowed nevertheless to express the

trend. The discount on forward sterling has been widening lately and has long passed a figure at which outward arbitrage has become profitable. There is a certain amount of hedging for the first time since 1957 by American branch factories anxious to safeguard the dollar value of their sterling investment against the possibility of a devaluation.

There are two main reasons for this new wave of distrust in the stability of sterling. The one is the realisation of the adverse change in invisible items on the balance of payments in addition to the persistent deficit on visible trade. The other is the growing pressure for higher wages, which reduces the chances of correcting the balance of payments. Once more the number of unfilled vacancies has exceeded the number of unemployed, and once more the monthly cost of living index shows a persistent rising trend. Wildcat strikes are a frequent occurrence and many of them gravely interfere with Britain's capacity for export.

Notwithstanding all this, it would be foolish to anticipate a devaluation of sterling this year. The Government is unwilling to apply effective measures for its defence, but is equally unwilling to admit unwillingness to defend sterling effectively. So it resorts to external aid which in all probability will be sufficient to meet any conceivable contingency that may develop this year. There would be everything to be said in favour of gaining a respite that would give time for the adoption of effective measures. There is everything to be said against securing a breathing space solely for the purpose of deferring the day when realities have to be faced.

Economics is a science of uncertainties. But there is one thing which is reasonably certain and that is that unless the Government is willing and able to correct the fundamental disequilibrium into which it has allowed Britain to drift sterling will become sooner or later indefensible. The new devices are bound to fail because they are built on fallacious economics. It will take some time before their failure will be realised and meanwhile the delay in the adoption of more effective measures is likely to aggravate the situation.

This is a matter which concerns the entire Sterling Area and it is to be hoped that there will be some plain speaking on the occasion of the meeting of Commonwealth Finance Ministers in September. Unfortunately, most Commonwealth Governments are not in a very strong position to preach sound economics to the UK Government, because their own policies are far from being above reproach. Nevertheless, evidence of a realisation on their part that effective action is needed for the defence of sterling might help towards creating an atmosphere in which Whitehall would become receptive to sound advice.

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Notes

COMMON MARKET Indian Fears

A detailed examination of the effects of Britain's entry into the European Common Market on India's export trade has been undertaken by officials of the Government of India in consultation with representatives of the FICCI in preparation for the forthcoming discussions with Mr Peter Thorneycroft, British Minister for Aviation, who is arriving here next week. Mr Nehru stated at his press conference last week that it was not for India to advise the British Government on what action they should take in the matter. But the repercussions on India's exports to Britain is one of the matters which will influence the decision of the British Government, for the effects will also extend to Britain's exports to India. India's trade with the UK over the last few years has been more or less balanced. On the other hand, trade with the EEC shows a growing deficit. The question to be examined is whether this position will be aggravated by British membership of EEC. The adjustments that India will seek will be designed not so much to safeguard preferential arrangements as to ensure that

the overall trade with the enlarged EEC is not thrown further out of balance.

The Prime Minister's remarks have left the impression that he was concerned not so much with the economic consequences as about the political implications of the European Community including the UK. He said that, apart from economic matters, it was necessary to see how far British membership of the Common Market might lead to closer political co-operation in dealing with underdeveloped countries in Africa and Asia and added that it might well become a rather more powerful way of controlling underdeveloped countries. This aspect of the problem seems likely to dominate the discussions next week overshadowing economic matters. As regards the latter, apart from very general statements, it is not possible to arrive at definite conclusions, in the absence of any clear picture of the concessions which Britain may be able to secure in negotiations with the EEC.

On this point it is extremely doubtful if Mr Thorneycroft will be able to throw any light apart from conveying the hopes of the British Government regarding the concessions it may be able to get. It is relevant in this context to recall that negotiations between the British Government and the EEC have been stalled so long because of the point-blank refusal of the latter to discuss terms and conditions in the absence of a prior commitment by the British Government to join the EEC.

In the meantime, Indian reaction has been generally unfavourable. The twelve member FICCI delegation that met the officials has expressed grave concern of the Indian industry and trade at the prospect of the UK joining the Common Market. In its view, experience has shown that the countries of the Common Market are in no mood to foster an increased absorption of Indian manufactures and other items of exports in their regions as they continue to maintain high rates of tariffs and quota restrictions on imports of goods from India. It is therefore feared that, should UK join the Common Market, India's exports of manufactured and semi-manufactured items to the UK and other common market countries would be adversely affected. This does not mean that India's export trade wants to have a preferential treatment. It is only anxious to en-

sure that it gets a fair opportunity to compete on equal terms in world markets. It is not to be denied that the repercussions on India's exports in the immediate future will be quite considerable. The total value of Indian exports to UK is placed at Rs 180 crores of which Rs 75 crores and Rs 16 crores are accounted for by tea and cotton textiles respectively. The value of the exports of Indian jute goods to UK is Rs 6.37 crores. It will be seen that exports of tea, the principal Indian export to the UK, will suffer a serious setback because, there is no import duty on Indian tea in Britain but an import duty as high as 35 per cent is payable by Indian tea entering the Common Market. Considering how heavily the Third Plan leans on exports, particularly of tea, the upset this will cause in our calculations is obvious. But Mr Nehru has pointed out that the question of whether Britain might or might not join the Common Market is for it to decide. And if the press in that country is any guide, influential opinion is in favour of the UK becoming a member of the Common Market, but hard bargaining is advocated. In the circumstances, our emphasis should be on the need for the UK asking and getting such freedom of action as will be necessary to help India and other Commonwealth countries in securing a transition that will not hurt their economies.

PRODUCTIVITY Sum of Tangible Achievements

The National Productivity Council was started three years ago with the object of spearheading the campaign for industrial productivity in the country. The general industrial backwardness of the country was, undoubtedly, a circumstance that prevented traditions being developed in regard to methods and techniques of productivity. Even in the established industries, the existence of a sheltered internal market has tended to blunt the incentive for raising efficiency of production. But with the country launched on the course of industrialisation and with the implications of this development for export prospects and internal marketability, it has become necessary that the ground should be broken in this important field of industrial performance.

Though the NPC has completed three years of working, it would be premature to seek for the effects of its working during the last three years in any rise in general industrial productivity or in performance within particular industries. The basic problem which the Council had to face and tackle was the insufficient appre-

ciation of the importance and role of productivity on the part of business community in general. The Council's primary task, in the circumstances, was to kindle productivity consciousness at all levels of industrial working and to initiate and help the progress of the movement in some of its important aspects. The Council's activities, during the last three years, have, therefore, been mainly concerned with preparing the ground and creating a favourable atmosphere by setting up productivity councils at local levels, institution of training programmes, and holding of seminars and conferences designed to disseminate knowledge of productivity techniques and methods. As the Annual Report of the NPC for 1960-61 points out, the successful launching of these activities represents the sum of the Council's tangible achievements during the three year period.

The Council has so far set up 43 Local Productivity Councils which have an aggregate membership of about 3,000 and an aggregate amount of Rs 2,75,000 as membership fees from industrial undertakings. The Model constitution drawn up for these LPCs by the NPC provide as important objectives, increase of productivity in all spheres of industry, promotion and stimulation of productivity consciousness by disseminating information regarding productivity techniques through various media, and encouraging and assisting implementation of programmes designed to increase productivity.

An important aspect of the working of both the NPC and the LPCs has been the holding of seminars and conferences on

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several aspects of productivity. Such conferences and seminars go a long way in awakening productivity consciousness in the industry and in carrying the productivity techniques to the plants. During 1960-61 the LPCs organised as many as 107 seminars, conferences and symposia on subjects bearing on industrial productivity. The more notable of these were the series of three-day Seminars for the Top Managements conducted under the joint auspices of the LPCs and Local Institutes of Management organised at Kanpur, Bombay, Madras, Cochin, Calcutta and Delhi, the 4-week Advanced Managements Programme organised at Bangalore during November-December 1960 and the Industrial Leaders' Conference at Delhi.

The training programmes organised by the LPCs provide for two types of courses namely, appreciation course and application course. While the appreciation course is intended to awaken interest in productivity techniques, under the latter course an attempt is made to impart intensive training in productivity techniques for subsequent application in the plants. The NPC has so far organised 230 training courses with the participation of 3,972 persons. The training programmes sponsored by the NPC also provide facilities for foreign training. Corresponding to the appreciation and application courses of internal training these foreign programmes are also of two types. The NPC has so far sponsored abroad 20 productivity teams consisting of 203 members. A substantial expansion of the foreign training programmes is envisaged during 1961-62. Under the aid provided by the TCM 12 productivity teams are expected to be sponsored. The NPC operates through a variety of media including books, publications, the press, audio-visual aids, etc. The Council has a central library with a comprehensive collection of books, publications and other productivity literature. Further each of the five Regional Directorates also runs subsidiary libraries containing 1,000 books each. The NPC Productivity Journal is the only one of its kind.

Thus, it is evident that the NPC has taken strong roots on the organisational side and has also been able to develop in other directions. While it may be true that the activities of the organisation may allow of scope for further expansion, it should bear mention that the ultimate benefit of rise in productivity will be possible only if there is proper follow-up action by individual industrial undertakings to apply productivity techniques in their establishments. And in the growing association of industrial establishments with the schemes sponsored by the NPC, there is incontestable evidence of this understanding.

MARKETING As Important As Production

The report of the Indian Productivity Team sponsored by the National Productivity Council, to the UK, the USA and West Germany provides an interesting collection of facts regarding the methods and techniques of marketing employed in these countries which the Team visited. The central theme of the report is the importance of marketing as an economic function on the same footing as production. Marketing is conceived in a comprehensive way as tending to promote trade and employment, and coordinating finance, production and distribution.

A study of the report enables a knowledge of the diverse techniques that are employed by the commercial and business houses in these countries. Mention may be made of the retail audit which figures prominently in the marketing operations of the Beecham Group in England, and the methods employed by the Glaxo Laboratories to create an image of the company in the minds of the consuming public. The report draws particular attention to the surveys and seminars conducted by the British Institute of Management and observes that this could be profitably copied by the Indian businessmen to stimulate exports of Indian goods.

On the question of the marketing methods in America, the report refers to the importance attached to motivational research. The characteristic features of the American market, according to the report, are its dynamism and the relatively greater volatility of consumer tastes, products of the material affluence enjoyed by the people. In this connection, the report refers to the case of Chick Electric Razor Company which, by a simple change of slogans and advertising, recorded an increase in sales within 30 days. The report also refers to the practice of some of the American firms to provide full information about themselves and suggests that such an attitude on the part of the Indian businessmen would tend to build up an informed public opinion. The fact that in the US, distribution and services account for 53 per cent of the total employed labour force as compared with 23 per cent 75 years ago provides a measure of the change that has taken place in regard to the relative significance of marketing and production.

In respect of the scope for Indian exports to these countries the Team perceives fairly good prospects. While it does not discuss the subject with reference to particular goods, it has shown that in all these countries, there is a great proportion of disposable income for discretionary spending and this fact would warrant a greater probing of these markets for increasing our exports. There is considered to be particularly good scope for increasing exports of Indian art

goods, but at the same time cautions that efforts to push up sales call for careful study of habit and fashion goods. Among these goods, the Team lists light sandals, stair carpets and raw silks as having potentialities for greater sales in England.

The most important feature of the American market from the point of view of Indian exports noted in the report is the existence of a large teen-age and gifts market. At the same time, the report says that there is at present a very incorrect image of India in the minds of the American people who are shown to associate India mainly with monkeys, brahmanic bulls and sacred cows. The report underlines the need for effort for creating a more modern image of India.

LAND REFORMS Inchoate Thinking

The compromise on land reforms envisaged by the Planning Commission proves that the idea of ceilings is not so strong as once supposed. The tenants' protection must not hit small owners, it is realised, and comments on tenancy laws have apparently induced fresh thinking although the desire for co-operative farming has not been renounced. The zamin abolition laws have hit intermediaries. The payment of compensation has been delayed. The tenants are now owners but the landlords are in difficulties, and this may force the States to avoid getting involved in issues of fresh compensation by acquiring ryotwari land for distribution to the needy. There is at last welcome recognition that the immediate need is for consolidation of holdings. But progress so far has been limited, though all economists have long advocated the consolidation of holdings as the means to agricultural improvement.

There will be some objection to the Planning Commission's proposal that the rent paid by the cultivating tenants should be only one-fourth of the produce and not one-third. It will be agreed that regional variations justify the adherence to the sharing of produce which in future must be related to the net return secured by the landlord at current prices on the basis of the current value of land. This is certainly desirable for encouraging landlords who seek to improve lands and extend irrigation facilities. While it is obvious that the nationalisation of land remains remote, there is no criticism of the proposal to convert factory-owned farms managed by sugar mills into small private holdings though the disadvantages have been frequently referred to by the sugar mills in Maharashtra this year. It is a pity that the Madras proposals have not been adopted in other States, so that the proper distinction is made between land sustaining industrial activity and ordinary land growing subsistence crops. The Third Plan seems to ignore the criticism put forward in Bombay and, to that extent, may be regarded as timid. The Planning Commission has not yet accepted the view that sugar mills can do more to raise the average yield than small cane growers and perhaps

a comparison with the results attained by new co-operative sugar mills will make the State Government see reason.

CAPITAL ISSUES Scope of Exemptions

The procedure regarding consent for capital issues in India has been modified to some extent, and a list of exemptions, apart from that already available in respect of capital issues to the value of less than Rs. 10 lakhs has been furnished in a notification recently. But it is now declared that in the case of bonus issues involving less than Rs 10 lakhs, the exemption will not be available. That is mainly because there is a tax of 12½ per cent and bonus issues amounting to less than Rs 10 lakhs are also liable to the bonus tax. When subdivision of existing shares into smaller denominations is undertaken, the capital issue is purely formal and when no increase in capital takes place consent is not required. When two banks are amalgamated under Government orders, there may be a formal change in capital but that too does not come within the scope of capital control.

In regard to debentures placed with the official credit institutions like the Industrial Finance Corporation, there is a capital issue in name only and this is distinguished from an issue made to the public through subscriptions. Guarantees given by financial institutions in respect of borrowers fall within the same category. When borrowing from a bank by means of a debenture deed takes place, the transaction is one between the borrowing company and the bank, or institution, and this kind of issue is also declared exempt, if it does not exceed Rs 10 lakhs.

Charges created on property by mining companies are essentially loans and the borrower does not make an approach to the public for capital and hence exemption is extended in respect of mortgages or rental and royalty agreements under mining leases. In regard to securities issued before May 1943, the question of consent does not arise and in native States where securities were issued to the public, the law, obviously could not apply. When securities which were floated or issued without consent are in circulation, their character is not at all affected by the lack of consent, because it is presumed, as also in the case of breaches of the control order condoned subsequently, that the absence of formal consent for a capital issue does not affect either negotiability or the title to profits or dividends due under the securities. This may also imply that in regard to issues made before 1943, no claim is made by Government for the fee payable now in respect of capital issues.

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MACHINE-BUILDING Integration of Small Units

The Third Plan outline confirmed that local machinery making was a major objective of the Government. The details of the new programme are such as to convince many that additional steel output will soon be used at home and the existing industries will obtain renewals and replacements from domestic sources in future. Nothing is said about tariff protection but machinery imports will be greatly curtailed, if the indigenous output goes up. Extra electric equipment also will be soon needed and the justification for new cable companies is now afforded by the new programme. Designs and patents will have to be paid for and collaboration arrangements will probably increase, if foreign suppliers offer technical aid.

The import of non-ferrous metals will be really unavoidable and foreign aid will become crucial in regard to copper or tin. The production of boilers by the engineering industry will become more important than ever, and the Plan outline assured one that AVB at Durgapur will make a great contribution to the supplies of heavy equipment. The major basis of the engineering industry will be Durgapur and Ranchi. The demand for machine tools will certainly increase and the private sector will be called upon to supplement the factories at Bangalore and Ambarnath. The Commerce and Industry Ministry noted that import of plant for the paper mills required substantial foreign exchange and many other industries also demanded release of foreign exchange in 1960 for development programme. If local manufacture of plant is undertaken in future, imports will be reduced and the liability for deferred payments to foreign suppliers will also be limited.

The engineering industry's prospects are certainly improved but the power supply problem will have to be dealt with promptly. The demand for electric energy in the D.V.C. area will go up and it may be noted that a new survey of power requirements is called for by the proposal to make most of the machinery for mining and other industries within India. The growth of engineering may even call for the amalgamation of smaller enterprises. It is the larger concerns that must arrange a takeover of small companies in order to avoid any argument over quotas and certificates. The trends towards integration or combination will continue because it is evident that India cannot escape groupings, similar to those in Britain where Victor's producers aircraft as well as railway wagons. This may entail new issues of capital rather

than borrowing for approved purposes, and it is right to urge that the small enterprise cannot but lose its identity in a larger firm hereafter. The machinery making plan should stimulate thinking about reorganisation of the engineering industry which in its present pattern appears confusing, owing to the number of small units. It may be even asked if the mergers arranged in banking of late should not find a place in the engineering industry because of the brave new plans for diversification and expansion. The problem is one for the Engineering Association and the Export Promotion Council also. A degree of rationalisation is inescapable and labour too may benefit directly from the creation of larger and better firms.

THE NEWSPRINT A Consortium for Manufacture

The victory won by the Indian and Eastern Newspaper Society in regard to allocation, the building up of stocks and import on rupee account by actual users of newsprint has not stood in the way of a general protest against the continuance of control on newsprint. The plea is, of course, made in the name of freedom of press and it has been argued that the publication of news items has suffered through the restrictions placed on consumption. It has already been suggested that imports should take into account the presumed growth of 10 per cent in news paper circulation every year and import quota should be adjusted accordingly. But the question why newspapers should not start independent manufacture of newsprint on their own account does not even appear to have been asked. The big newspapers in the world have their own independent sources of supply and operate without anxiety. The right long-term solution for this endemic shortage of newsprint is the formation of a consortium by Indian newspapers for acquiring a paper mill either in Scandinavia or Canada and to secure supplies on the basis of cost without regard to fluctuations in world prices. It may be even considered advisable for the more affluent newspapers in India to buy out the Government holding in NEPA in order to prevent delays in distribution and irregularities in working about which reference has been made.

If these appear impossible at present, a suggestion that may be made is that the newspaper industry should maintain permanent liaison with the Commerce and Industry Ministry, furnish figures relating to consumption and prices and secure import licences. In the last report of the Organisation and Methods division of the Central Secretariat a reference is made to

the desirability of preventing wasteful delay by direct arrangements. It is noted that the Indian Mining Association in order to safeguard or promote its interests is associated with the official machinery and the Indian Engineering Association also, owing to its concern over imports and exports, is associated with an official committee dealing with licences and certificates. While the Press is eager to create public relations officers to justify its ways, it should be aware of the need to keep an adviser at Government headquarters in order to explain its needs and problems and to overcome difficulties arising from the fact that it is dependent on imported raw materials to a large extent.

ANDHRA CHAMBER Current Problems

At the recent annual general meeting of the Andhra Chamber of Commerce, its outgoing president, Mr. Emburmanar Chetty, brought to focus some current problems facing the country and the business community, especially in the southern region. Among the local problems mentioned by him was the shortage of wagons for moving surplus rice from Andhra Pradesh to Madras. He called attention to the hasty inception of new industrial units when the older enterprises were not operating to capacity. The gap between actual production and installed capacity is a feature of current statistics. There are power shortage and other reasons to explain the shortfall but expansion in some consumer goods industries must be halted. This applies as much to electrical equipment as to pencil manufacture because of the surplus capacity. Another point made by Mr. Emburmanar Chetty was that increase in indirect taxation must rest on a rise in national income and to talk about the level of taxation, higher in West Germany than the UK, is not to take into account the prosperity ensured by competition and the eagerness of foreign countries to sell to Germany at present. The export drive requires more study of foreign markets and even business tours are necessary. Foreign exchange is required by businessman for some essential trips abroad, but that is not readily provided.

The Andhra Chamber which, has been vitalised since the war, has been recognised as a body acting in public interest by the High Court. It obtained exemption from income tax in respect of revenue realised from subscription. The High Court ruling in February, which is a matter of great interest to all chambers of commerce, may force the Joint Select Committee to define the position of commercial organisations under the new income tax law. The Chambers by

helping trade and making representations have already established their bona fides and the law has come to see that defence of sectional interests is a legitimate activity, — a clue to the public status of a private body.

IDA The Fourth Loan

The World Bank and its affiliate, the International Development Association (IDA), today joined in providing the equivalent of \$ 25 million to Chile for the improvement of road transport. IDA is extending a development credit of \$ 19 million for the construction, rehabilitation and consolidation of the main secondary roads in 10 southern provinces of Chile, the country's most important agricultural region. The Bank is making a loan of \$ 6 million to finance imported equipment required for road maintenance operations throughout the whole country.

This is the second IDA credit in Latin America; one of \$9 million was extended last month for highway development in Honduras. Today's IDA credit is for a term of 50 years, interest-free. It is repayable in foreign exchange, amortization to begin after a 10-year period of grace. Thus, the first payment will be due December 1, 1971. Thereafter, 1% of the principal will be repayable annually for 10 years and 3% will be repayable each year for the final 30 years. A service charge of 3/4 of 1% annually on the amounts withdrawn and outstanding will be made to meet IDA's administrative costs.

The Bank loan is for a term of nine years and bears interest of 5-3/4%, including the 1% commission which is allocated to the Bank's Special Reserve. Amortization will begin 1 December 1964. The Bank of America NT & SA, The Marine Midland Trust Company of New York, and The First Pennsylvania Banking and Trust Company are participating in the loan, without the World Bank's guarantee, for a total amount of \$250,000 representing part of the first maturity.

Because of its unusual geography, Chile is particularly dependent on good transportation facilities. It lies between the Andes and the Pacific Ocean in an area about 2,500 miles long, and averaging about 110 miles in width. The road system comprises the Pan American or Longitudinal Highway extending 2,200 miles from north to south, and about 33,000 miles of transversal roads.

The work to be undertaken with the assistance of IDA credit will improve the transversal road system in the 10 provinces of Southern Chile, where the large number of dirt roads become im-

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passable during the five-month rainy season each year and where damage caused by the earthquakes of May 1960 has been only partially repaired. About 600 miles of roads will be newly built or relocated and 1,600 miles of existing roads will be improved. These roads form the basic framework of the transversal road system in these southern provinces providing connection between the main producing areas and consumption and processing centres. When the work is finished, the Southern zone will have an integrated all-weather road system.

The benefits to be derived from good road transport in the southern zone will strengthen the whole Chilean economy. This region already produces some 3.2 million tons of agricultural products annually, representing about 53% of total Chilean output. In 1959 the value of this output reached the equivalent of \$206 million. In the same year Chile imported \$72 million worth of agricultural products. Of this total \$50 million was spent on sugar, wheat, meat, fresh fruits, milk and oils, all of which are produced in the road project area. Improved road communications will not only result in direct economies in road vehicle operation and enable present production to be marketed throughout the year without undue spoilage in transit, but will be an inducement to further agricultural development. This is particularly true of Arauco Province where large tracts of land have remained undeveloped despite their undoubted potentialities and proximity to the large and expanding market of the industrial area of Concepcion.

The total cost of the road construction and maintenance projects is estimated at the equivalent of \$62.5 million. The \$25 million from the IDA credit and Bank loan will cover the foreign exchange requirements. The remaining funds will be provided by the Chilean Government.

IAC Fares to Go up

The decision of the Indian Airlines Corporation to make an upward revision of its fare and freight rates from October next will not be a sweet pill to swallow to those who have experienced delight in air travel and that section of the public who depend on the speed of airways to transport their goods from one destination to another. The steady rise in operational costs has probably made such a decision unavoidable any longer. The new scheme has been submitted recently to the Finance Ministry for scrutiny. It has been announced that the new fare schedule will be made applicable within a couple of months.

Under the new scheme the charges on long distance travel

(trunk routes) covered by Viscount, Friendship and night air mail services will be increased by ten per cent and an increase of five per cent in rates of short distance travel (regional routes) covered for the most part by Dakotas will be effected. The contemplated move will not, however, affect the air passengers in Assam, Manipur and Tripura regions whose sole means of transport is the aeroplane.

The additional income to the IAC from the proposed measure is expected to be to the tune of approximately Rs 1 crore per annum. It is not known whether the new revenue will be sufficient to meet the high operational costs brought about by a combination of factors like the high costs of spares, increase in fuel rates and rise in wage bill. It may be noted that Dakota is not found in much use in other parts of the world and the spares of this type of aircraft have become rare commodities. The idea of replacing Dakotas to avoid the heavy loss incurred on this count will have to be shelved for the moment for two reasons. Firstly the precarious position in India's foreign exchange reserves does not allow the authorities to go in for other brands and secondly Dakotas have been found suitable for the northern Indian terrain and weather.

OIL & OILSEEDS Unanimity on Forwards

In his address to the 34th annual general meeting of the Bombay Oilseeds and Oil Exchange Limited, Mr. Ramdas Kilachand stressed the paramount importance of stepping up the production of oilseeds in the country and evolving a more favourable policy for stimulating the exports. The target of 0.97 million tons fixed for oilseeds in the Third Five Year Plan is considered as insufficient for the requirements of the country by the trade which wants it fixed at 1.10 million tons. But even for attaining the lower target, greater efforts are needed, for the per acre yield in India is notoriously low. For instance the yield of groundnut per acre in the country in 1959-60 was only 643 lbs as against 1,401 lbs in China, 1,137 lbs in Brazil, 1,003 lbs in Nigeria and 1,002 lbs in the United States. The wide leeway India has to make is, therefore, quite evident. As the scope for bringing more land under the plough for oilseeds cultivation is not vast, the obvious step will be to resort to intensive farming by employing scientific methods.

The Government of India's attitude toward exports is disappointing. For instance the trade's repeated requests for the constitution of an Export Promotion Council to launch an export drive were simply ignored by the Government. Apart from setting up such a council the Government should provide some incentives offer-

ed by other countries for promoting exports in the interest of the country in general and the trade in particular.

The Forward Markets Commission while enlisting the cooperation of trade representatives for evolving a policy on new crop contract, also approached the Exchange for its suggestions and many of the suggestions made by it found easy acceptance by the Commission. In the Conference convened by the Commission on 26 June the views of various associations were brought to a common platform and the decisions taken there got the unanimous support of the representatives. The most important decisions requiring special mention are the following. There shall be four contracts for groundnuts, cottonseed, and groundnut oil and three contracts for castorseed and linseed. No ordinary or special margins or ceilings was fixed. Two contracts in each commodity shall run simultaneously and there shall be daily fluctuation limits in the case of groundnuts, cottonseed and groundnut oil only when prices tend to ride above the specified levels.

ANDHRA PRADESH An Absurd Venture

Why Andhra Pradesh should go in for coffee-growing when there is a surplus and exports are difficult is one of the questions raised by the reported Rs 10 crore programme in four districts. It has been said often that in the hilly forest areas in Agency tracts land can be put under coffee. But it seems absurd adding 30,000 acres to the area under coffee, (perhaps Robusta) when the growers in Mysore and Madras are alarmed over a record crop and the trend of prices realised this year for exports. The All-India Coffee Board experts who may be aware of the very limited success of experiments in the Araku Valley may not be aware of the difficulty of raising money for new coffee estates. To argue about self-sufficiency in coffee for Andhra Pradesh at present is to miss the point that the best area for coffee is Coorg and the heavy rainfall there is a vital factor in successful cultivation. There are obviously other crops that can replace coffee in the areas surveyed and the Central Government at least must refrain from extending financial assistance, when it is known that many coffee estates in Mysore have large reserve areas to be opened up and the Malnad is far more suited for development than the Agency areas in Godavari or Vizagapatam districts.

The increase in the coffee crop, the high price ruling at home, and the falling return to the grower are commonplaces for the Coffee Board which may be quite right in telling States that now wish to start growing coffee "Don't." Commercial crops like turmeric or

tobacco may not do well in the hills, but the least suitable from every angle, including the period of waiting for a crop on the trees, is coffee. If the trouble is over sales tax on supplies from Mysore, adjustments are easy. To invest in coffee is unsafe, to go by current market form—a fact evidenced by coffee shares being a drag on the Madras Stock exchange at the moment.

PRICE OF PATENTS Deductible

The purchase of industrial property like a patent for local exploitation may be deemed capital outlay. In reply to representations made about payment of royalties and the expenses usually involved in securing patents, the Central Board of Revenue has lately issued a circular allowing the licensees of patents to write off the expenditure on patents as consolidated revenue expenditure over a fixed period of fourteen years. It is evident that a patent is not taken to be a capital asset on which regular depreciation can be charged. The interests of the revenue are safeguarded, because the purchase price paid or royalty and incidental charges are not to be treated as deductible revenue expenditure incurred in one year but as an item of expenditure valid over the life of the patent acquired. If a patent is superseded or replaced some questions may inevitably arise regarding the loss incurred but the idea is that the patent acquired by purchase is property with a limited life and the amortisation of the outlay is correct.

Some relief will be obtained by assessee while the National Research Development Corporation may find it easy to sell its inventions or processes on the instalment plan by giving buyers the option to pay the sum due for a patent in fourteen years, so that the actual user of the patent pays just the sum allowed under the tax rule and the relief available is equate with the payments made. This is likely to encourage the NRDC to negotiate locally in respect of processes available for licensing for commercial production. The NRDC will be then assured of a regular and larger income, though it gives information to industry free of charge at present. The same term of payment in 14 instalments may be offered to foreign buyers. Indian patents and the NRDC can avoid a loss on its operations like that sustained in 1959-60 when carried forward a debit balance Rs 7.8 lakhs. There is an indication that supplementary outlay not only the payment made to the owner of a patent, will be lump with the cost of acquiring industrial property of a special nature under the CBR ruling which permits the user of a patent to pay

a just claim for deduction in the actual computation of taxable profits.

SINGARENI

A take-over Bid by Centre

The Central Government's take-over bid for the Singareni collieries is not unexpected. The increase of paid-up capital made last year to Rs 3 crores, put the Central Government in possession of Rs 1.2 crores' worth of shares equal to 40 per cent of the paid-up capital. The Central Government has the right to nominate three directors in what is now a State-owned private company under an agreement to give a loan for Rs 2.95 crores in addition to the purchase of shares. The private shareholders have been bought out gradually after the bonus issue made by capitalising reserves. If it is a question of voting rights with four nominees of the AP Government on the Board at present, it is clear that the Centre cannot succeed in its bid. The non-assenting private shareholders who held only 12 per cent of the Singareni Collieries' capital of Rs 63.21 lakhs before the reorganisation are in no position to object.

The AP Government in view of its offer to private interests to set up a big fertiliser plant at Kothagudem is perhaps committed to the retention of control. But the Centre has advanced Rs 6 crores for the development of the field. That gives leverage, as it were, for making the Centre's voice dominant in the AP coal mines. Of course, there is the parallel of Neyveli but the AP Government acquired the collieries from the Nizam's government which bought out the Hyderabad (Deccan) Trust during the last war. That the AP Government stands to make a profit as Singareni shares quote at Rs 11.75 per 10-rupee share is not a strictly relevant consideration at present. The AP Government cannot disregard opinion in Telengana or the view that other take-over bids in respect of Nizam Sugar, Allwyn Metal, etc. may easily follow.

The fact that local labour leaders are opposed to the take-over proposed may be given weight by some. The risk of substandard labour practices coming in and welfare work suffering is not unreal. Hindustan Steel, on the recent admission of Mr L. N. Mishra, is not an example to Indian employers. And even if output were to rise to the target of 4.5 million tons of coal, a year the private sector in coal mining will always preponderate.

In the outline of the Third Plan the expansion of the Singareni Collieries finds a place, but the demand for non-coking coal in the Peninsula may not be fully met, if the Centre displaces the State Government in its control of the collieries at Tandur and other places. There can be no appeal to the Company Law Administration (or to the Jenkins Committee in the UK) in this case but shareholders can state a case for the Supreme Court to examine, (as was done in regard to the transfer of the

Berubari enclave) with the AP Government providing a degree of moral support for the dissentients. There may be quite good grounds like mechanisation schemes for the Central Government's move. But it may be yet contended that enough was done last year to satisfy the Centre, helped by the declaration of a dividend, so that it may be said that the investment has begun to pay for itself from the outset.

PAKISTAN BUDGET

No New Taxes, Many Concessions

The Pakistan Budget for 1961-62 presented last week, deviates in significant ways from the pattern of the country's previous Budgets. There is a singular absence of fresh taxation in the Budget for 1961-62, which is remarkable since this has been coupled with a host of new tax concessions. That in spite of the loss of revenue inherent in these steps, the Budget should disclose a revenue surplus of the order of Rs 23.63 crores reflects the considerable improvement that has taken place in the revenue position. The Budget estimates place revenue receipts for 1961-62 at Rs 215.53 crores and expenditure at Rs 191.90 crores. Comparable figures for revised estimates for the last year are Rs 198.74 crores and Rs 174.21 crores, while the Budget estimates for the same year are Rs 178.32 crores and Rs 169.86 crores for revenue receipts and revenue expenditure respectively.

The tax concessions announced in the Budget apply to a strikingly large number of items, though a majority of them falls under Customs. Lower rates of duty have been announced for the industrial items and parts of machinery such as insulating tapes, articles of glass, leather, asbestos or plastics used as parts of machinery. For these items, the rate of duty has been fixed at 12½ per cent. Reduced rates have been extended also to chemicals, infants' and invalids' food, and imported film. Other concessions provided in the Budget relate to the removal of sales tax from a large number of items, abolition of excise duty on such items as electric fans, and spares and salt manufactured in East Pakistan, reduction of the highest marginal rate of tax on personal income and raising of the investment allowance rate. The tax holiday for industries has been extended from four to eight years.

An important feature of the Budget is the special consideration shown to East Pakistan which has been nursing a sense of isolation and neglect by the Central Government at Rawalpindi. Apart from the abolition of excise duty on salt manufactured in East Pakistan, the Budget also provides

for lower rates of duty on machinery and spare parts imported into East Pakistan. While the general rate of duty on these fixed in the Budget is 12½ per cent, the duty for East Pakistan has been further reduced to 7½ per cent.

The capital expenditure in the Budget for 1961-62 is estimated at Rs 229.94 crores, and capital receipts at Rs 239.62 crores. A part of the surplus in the capital budget is proposed to be utilised for retiring ad hoc treasury bills.

The white paper on the Budget also reflects improvement in the state of the Pakistan's economy during 1960-61. The increase in industrial production is shown to be considerable, and with exports touching a peak level, there was notable improvement in the reserves of gold, dollar and sterling to the extent of Rs 6.68 crores. Larger contributions to export earnings were made by raw jute, raw cotton and wool. But in spite of the increased earnings from exports and mainly owing to the liberalisation of imports, the balance of payments on current account showed a deficit of Rs 62 lakhs. The improvement in the foreign exchange reserves is, in the circumstances, ascribed to an increase in the net inflow of foreign capital.

Apart from these indicators, the general improvement in Pakistan's economy can also be traced in what the Finance Minister has claimed as the improvement of the supply situation for goods in general and the progressive abolition of price controls on many articles. One important exception to this satisfactory trend, is provided by the food situation. Though the food situation has remained under control, dependence on imports, specially from the US has not been reduced in any significant proportion.

SOUTH VIETNAM

Export Potentialities

An official report from Saigon refers to the grant of funds by the I.C.A. to permit imports of commodities like textiles and machinery. There will be tight import control but the present regime is entrenched and US interest in S. E. Asia may lead to a larger measure of economic aid. French interests are negotiating for starting a big fertiliser plant. Rice output will certainly go up after two years, when the plant is ready and Indo-China may produce calcium carbide in addition to urea. Long-established trade ties may help India to sell textiles but South Vietnam means to improve her three cotton mills for producing white calico and printed cloth. The USA will certainly help to provide plant, even for the use of imported cotton,

Indian Financ

and the takings from India may be hit by supplies from Hong Kong. The demand for pump motors, etc. for minor irrigation is expected to improve and the purchase authorities have expressed a desire to buy steel all from India. There is a mark for trucks and the question is whether Australia can supply easily but whether India can offer vehicles at a proper price. The demand for plastic goods small as Vietnam means to encourage the use of locally grown rubber and permit only import of chemicals for plastics manufacture.

The recent trade mission was told about the poor prospects for plastics at present. The S. E. Asian markets are generally better on increasing local production—for instance, of coffee or jute bag and India must concentrate on traditional items including tamarind and chillies, though export prospects are compromised by the advance in prices in India.

KUWAIT

An Irony of History

In the news today is the Sheikh of Kuwait owing to the Iraqi plea that the State is a part of the Turkish empire that should belong to the Vilayat of Basra. The Kuwait Oil Company formed in 1934 by British Petroleum and Gulf Oil has made Kuwait a small State with a big income. The royalties paid till 1951 were converted into a 50 per cent share for the Ruler in the profits. A great oil tanker port was built at Mena El Ahmadi along with a six million tons refinery to deal with the rising output of the Burgan field. A new rich, field at Randhain has supplemented it since 1959. Kuwait accounted for 68 million tons of crude and the refinery exported half its output. The entry of Royal Dutch-Shell group in 1960 for offshore drilling operations for a price of £30 million with a guarantee of a share in the profits for Kuwait made Kuwait loom longer. More important is the trade with Kuwait which buys one-fourth of its imports from the UK while half of Britain's oil imports are derived from Kuwait. The usefulness of Kuwait was fully proved when the Anglo-Iranian oil dispute developed. And Shell has arranged to let Kuwait buy shares in the new local company formed for the extraction of oil.

That the Turkish Government, an emergency regime in name and fact, is invited to mediate may be described as one of the ironies of history. The Arab principalities on the Persian Gulf were detached from the Turkish empire gradually and it was only German interest in Turkey that prevented the Indian empire from extending from Bombay to Ormuz. The utter defeat of Turkey in 1918 led to the rise of succession States like Syria and Iraq, but the principalities were left intact under the

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supervision of a British Resident. A probable outcome of the present dispute may be the revival of Iran's claim to Bahrain, today the island of oil rather than of pearls. The Sheikh enjoys British protection and has resisted Persian claims successfully. But the claim is not withdrawn, and if the UK fails in Kuwait, because Russia does not recognise the UK claims under treaty though Egypt and Arabia do, the Sheikh of Britain may feel that, even if Britain intervened successfully on behalf of the Sultan of Oman against an insurgent chief aided by Saudi Arabia, there is no prospect of Britain helping the small State to stand up to Persian demands in the future. It may be easy for Gulf Oil to negotiate new terms with Persia for Bahrain oil, but the loss of face for Britain will be considerable and the midge kingdoms on the Gulf will have to look to the Arab League and not to the British Navy for protection against designing neighbours.

THE CONGO

Unusual Reasons for Rejoicing

The Congolese have unusual reasons for rejoicing on the occasion of the first anniversary of their independence. Even four months ago, it would have been ironical to talk of the blessings of independence in a Congolese context. The last few months however, have given reasons, if not for happy memories, at least for cautious hopes. The return of Katanga to the fold follows the release of Mr Tshombe. It proves that the latter has a hold on the province, also that the promise of a constitutional assembly has helped Katanga to give up the idea of secession. Mr Kasavubu's authority is reinstated, the pro-Lumumba partisans are defeated, and the unity of the Congo republic repaired. All this may be viewed as a result of UN intervention, gradual and circumspect. Within a year, the Congo has seen many upsets, but as Katanga has abandoned the idea of a revolt, mainly because Belgium cannot give support to one party in a civil war against the directions of the United Nations Assembly, it may be said that Katanga has been forced to see reason by the Belgian withdrawal. The Katanga rebellion may go down to history like the Whisky rebellion faced by the USA in the first decade of its career. That revolt was not due to a taxpayer's objection but was a conflict between the federal government and citizens of some States who felt that the State alone was entitled to their allegiance. A major result of the pacification is that Katanga will give up her own franc currency and the Congolese francs will be stabilised by the assurance that Katanga's export surplus will reinforce the exiguous reserves. The Congo

issues in the Brussels stock exchange should recover: the slump in the Congo frame should also end, since the receipts from the big mines should be available to the Congo Government and the Belgian shareholders as before. The happy outcome will probably lead to the withdrawal of UN forces soon, though emergency relief operations must continue. Exports of minerals across the Atlantic may be helped by the present UN control of Matadi Port. And the Union Minière will not be the only beneficiary. The return of peace will help North Rhodesia to settle down, in spite of the argument over constitutional changes going on between Lusaka and London. The developments in Katanga may force even Portugal to think about the need to appease Angola where the African movement is getting stronger. The UN may be called in to help and advise the Colonial authorities so that the whole fiction of Angola being a part of Portugal will break down once for all.

STEAMER FARES

Half A Loaf

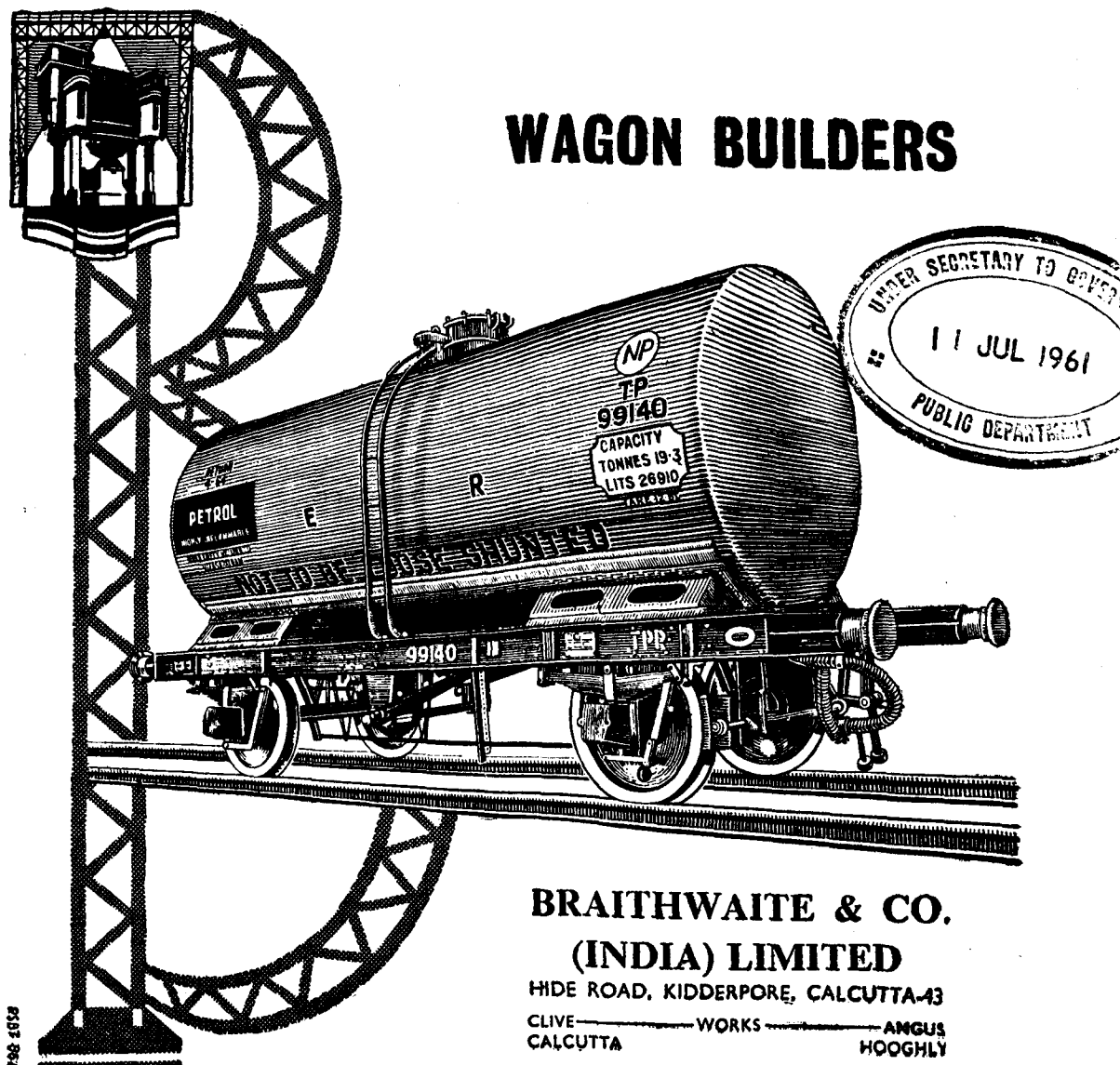
In recommending the quantum of increase in freight rates that may be charged by the Joint Steamer Companies operating services from Calcutta to Assam, the Inland Water Transport Freight Rates Enquiry

Committee has followed the principles and practices adopted by the Tariff Commission for fixation of reasonable prices for commodities. The Committee was set up in May, when differences between the Government of Assam and the Joint Steamer Companies over the increase of 10 per cent charged by the latter from March 1961, were referred to the Government of India in the Ministry of Transport. On the suggestion of the Government of India, the Steamer Companies agreed to reduce the freight increase to six per cent pending the finding of the Committee which was asked to examine "the traffic handled by the Joint Steamer Services in the past three years on the river routes from Calcutta to Assam, the freight rates prevailing in 1960 and the anticipated traffic and operational results in the immediate future on the basis of the freight rates in force prior to revision in March 1961 and recommend whether any increase in freights is justified and if so to what extent". The Committee has answered the question in the affirmative and recommended an increase of five per cent on the rates prevailing prior to March 1961, which will be applied to all traffic other than tea from Cachar and foodgrains. The Committee has estimated that on the basis of this increased rate, the Companies will be able to make a provision of about Rs 9 lakhs per year for purposes of rehabilitation after making due allowance for taxes, dividend, depreciation, interest, etc. The Committee has rejected the proposition put forward by the Companies that their ways and means position be treated

as the controlling factor for working out the permissible rate of freight increase. In this connexion, the Committee has pointed out that, by utilising for their current requirements the amounts allocated toward dividend, taxes and depreciation, in addition to the special allowances of about Rs 9 lakhs per year for rehabilitation, the ways and means position of the Companies will permit of their meeting nearly all their commitments during the two-year period, including those on account of the vessels under construction. The freight increase recommended by the Committee will operate for two years from July 1, 1961. The Committee has not found it a practicable proposition to project working result beyond two years and has, therefore, suggested that early in 1963 a further investigation should be undertaken to assess what rates would be appropriate under the altered condition expected to prevail thereafter.

The proprietors of Indian Patent No. 43263 "Fire Extinguishers" desire to conduct negotiations for the grant of a manufacturing licence with respect to or for the disposal of the above-numbered Patent.

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Book Reviews

TAXATION IN INDIA (WORLD TAX SERIES)—By Walter Brudno, Charles K Cobb, Jr & Nani A. Palkhivala—Published in India by N. M. Tripathi Private Ltd., Bombay, for The Law School of Harvard University. Price Rs 37.50.

The volume under review is a brilliant example of international co-operation in a constructive activity. In August 1951, the Economic and Social Council of the United Nations passed a resolution requesting the Secretary General of the UN to consider the publication of a World Tax Series providing a "continuous service of information on national tax laws and administrations". The resolution stated that in view of the increasing importance of trade and investment between member countries, it was necessary to have a comprehensive and authentic picture of their different tax systems. The resolution also wanted the possibilities of co-operation from universities in this undertaking explored by the Secretary General. The Harvard Law School offered to co-operate in this very important task and in 1952 an international programme in taxation studies was made part of the programme of international legal studies in the Harvard Law School. The Ford Foundation provided a grant and at the end of the present volume is given a long list of countries which also have provided generous financial assistance for making possible this important programme of research. Already the tax systems of Brazil, the United Kingdom, Mexico, Australia and Sweden have been covered.

The present volume on taxation in India follows broadly the scheme that has been adopted for the earlier volumes in the series. Very considerable thought and ingenuity have gone into the evolving of the scheme itself by which uniformity of treatment, arrangement, terminology and cross-references has been ensured. This greatly facilitates comparisons between the various tax systems of this world. Such a comparison is not only of academic interest: authorities of various countries can get fruitful ideas for reform of their own tax systems by the study of these volumes.

Under the general scheme, each volume is divided into three parts. Part one gives a description of the tax system of the country in the broadest terms. Part two gives a detailed analysis under topic headings of its income-tax law in its own legal and administrative terms. Part three deals with any other taxes that may require detailed treatment. In the first part is also given much useful background information. It serves as an introduction to the detailed analysis that follows in the subsequent parts. Confining our-

selves to the present volume, we find an amazing amount of material on the legal, economical and historical background. There is a competent summary of the general tax structure, Constitutional provisions, legislative process and administrative details relating to taxation. Part two is devoted to a detailed analysis of the Indian Income-tax Act. It is a masterpiece of compression. No detail of significance has been omitted, but there is no sense of padding or of the authors' eking out a few ideas with verbiage, as is not uncommon in certain Indian treatises on the subject. The whole thing is workman-like, and the style is terse and precise and refreshingly free from jargon. It has none of the fussiness of the text-writer and has a comprehensive sweep. The relevant case law is quoted with discretion and is used to illustrate rather than to impress.

The discussion is under broad conceptual heads, like classes of income and of taxpayers, income from business, income from services, income from capital and taxation of non-residents, etc. There is a separate chapter on the international aspects of taxation gathering within it taxation of non-residents, treaties for avoidance of double taxation, etc. An useful chapter on tax calculation is also included. Foreign readers will also find discussion of topics like exemptions on new undertakings and on dividends therefrom, and development rebate, of special interest.

The law stated in this book is the law as it stood on April, 1960. Since then certain important changes have been effected by the Finance Act of 1961—some, of significance to foreign investors. Moreover, a comprehensive recodification of the law relating to income-tax is on its way. A bill to consolidate the present law has already been presented in the Lok Sabha. Extensive procedural changes like the procedure for submission of returns, imposition of penalty and collection of taxes are being contemplated. Though the basic structure of the old Act is left intact, changes in substantive law like criteria of residence, vicarious liability of directors of private companies under certain circumstances and taxability of charities are in the offing. Not all these changes are to the tax-payer's detriment. For instance, a non-resident partner of a resident firm is now to get the benefits of double income-tax relief which was not available to him under the old Act. But to the extent to which these changes are ultimately found acceptable by the Indian Parliament, the volume under review will be obsolete. But this is a hazard that any book on tax law will have to reckon with in these days of frequent amendments to fiscal statutes. Since the programme of the World Tax Series includes

the publication of supplements, it is quite likely that we shall be having a supplement next year giving the changes that will have overtaken Indian Income-tax law by then. Together with the supplement, this book will be of inestimable value to anyone who is interested in Indian taxation. At Rs 37.50, it is much better value for money than many things we pay for these days.

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A SURVEY OF CONTEMPORARY BANKING TRENDS—By S. K. Basu, M.A., Ph.D., Second (Revised) Edition, Published by D. M. Roy, 217 Cornwallis Street, Calcutta. Price Rs 18/-.

This is a revised edition of the book written by Mr Basu in 1957 and incorporates the latest developments in banking. It is arranged in three parts dealing respectively with the trends in the theory and practice of central banking, and commercial banking and the role of international financial institutions. In dealing with the trends in central banking, Mr Basu discusses the traditional techniques of control such as legal reserve requirements, open market operations, variable minimum reserve ratios, selective control and also the role of interest rate policy. Since the publication of the first edition, momentous developments in banking have taken place. These include the increasing importance of non-banking financial institutions, firmer evolution of central banking policy in under-developed countries, opening of new pathways in banking business etc. The official study of the banking problems and developments in England by the Radcliffe Committee has also provided fresh points for discussion for bankers in all countries. On all these the book offers a wealth of information.

A striking point which emerges from the study of comparative practices, is that the under-developed countries instead imitating the practices of the West are evolving techniques suited to their own requirements and needs. The powers vested in the central banks of some of these countries to create their own securities for purposes of open market operations, the fixing of critical international reserves to mitigate repercussions of adverse balance of payments and the conferment of wider powers for selective credit controls are quite extensive,—in some cases, more extensive than those vested in their counterparts elsewhere.

The more important among the fresh material added in the revised edition are the study of the Radcliffe Committee Report, the growth of non-banking financial institutions, and the developments in respect of hire purchase finance and personal credit. The growth of non-banking finance companies, like hire purchase finance companies, personal and sales finance companies, and building societies attracting deposits from the public and holding large

slices of Government securities not only creates problems for the ordinary commercial banks but also introduces an uncertain factor in the effectiveness of State monetary policies which are presently designed to reach only the commercial banking system. Mr Basu discusses some of the proposals advanced for bringing these institutions within the ambit of Central banking control. Notable of these is the proposal for a minimum reserve ratio for them. The Radcliffe Committee in England has also made out a strong case for extension of central bank control over these. Granted that, with proper devices, these institutions could be made amenable to central bank control, this does not dispose of the question of the inroads that will be made into the business of the commercial banks. It is, in this connection, that the new trends in commercial banking discernible in some of the advanced countries in the direction of bank participation in hire purchase financing, provision of personal credit and term money, assume significance. Mr Basu discusses these trends in the US and the UK and points out the very close affinity between hire purchase financing and the overdraft facilities offered by banks which therefore establishes the suitability of this new type of business to the commercial banks. One important consideration in favour of such business being made part of commercial banking business is that in the hands of banks, the amenability to control by central bank of such business is greater and in times of inflation, this is an important consideration.

Mr Basu also examines banking trends in India and offers some interesting comments in respect of some important aspects of recent legislation. He points out a serious weakness in the legislation regarding the power of the Reserve Bank to vary minimum reserve ratio for the commercial banks in that it does not provide for sufficient advance notice and observes that this might lead to considerable shock effect on bank working. Mr Basu also points to the limited effect of the enforcing of the special deposit reserve by the Reserve Bank on the commercial banks in March and May 1960 and observes that though the peak level of advances was halted the traditional slack season contraction was small. However it is a point for consideration whether what Mr Basu suggests as the relative failure of advances to contract proved the failure of the mechanism of special reserve requirements or reflected the secular tendency toward a blurring of the distinction between the slack and busy seasons.

Banking in India at present is in a phase of consolidation and reorganisation,—a fact emphasised by the most recent proposals by the Reserve Bank for higher liquidity ratio and related reforms.

Indian Finance

8 July 1961

SEMINAR ON COST STUDIES IN AGRICULTURE: Published by the Indian Society of Agricultural Economics, Bombay. Pp 177+vii, Price Rs 8.00.

This book comprises the proceedings and reports of discussions and the Papers submitted at the seminar at Matheran held in October-November 1960 on the method of collecting data on farm costs and the uses to which they may be put. This seminar is an offshoot of an earlier one held in 1958 in India under the auspices of the Food and Agricultural Organisation of the United Nations by the nations in the ECAFE region for the purpose of discussing problems of stabilization and support of farm prices and incomes. The Matheran seminar has been jointly sponsored by the Indian Society of Agricultural Economics and the Indian Society of Agricultural Statistics with the support of the Directorate of Economics and Statistics of the Ministry of Food and Agriculture.

Indian agricultural statistics are woefully inadequate for supporting anything like scientific costing. But if our professions of devotion to planning have any substance, we should make good this omission. It is hardly possible to increase farm efficiency or to frame suitable price policy for agricultural products—to take two random considerations—without a reasonable system of costing. So far as India is concerned, this kind of data has never been obtained, except, as Professor Nanavati says, in the Punjab in a small way, where the whole thing had been disrupted on partition. Some stray studies in the economics of farm managements in six typical regions were attempted in 1954-55. But the machinery for such work is still to achieve a permanent status. Examples of American farmers who did their own accounting and presented their government with concrete proposals have no immediate relevance in India where the farmers are mostly illiterate.

A danger that needs to be guarded against is the evolving of too refined and too delicate a set of tools, which will be found useless in Indian conditions. The discussion in the seminar, as was not to be unexpected on an academic occasion, was mainly concerned with methodology and conceptual problems of definition and so forth. Both for what Dr Dantwala called the "macro purposes of policy and analysis" and for the "micro purposes" of individual farm economics, the tools have necessarily at the moment to be rough and ready and above all available early. The present volume discusses the methodology involved in the attempt at farm costing and some of the papers, and more particularly the discussion that followed them have thrown useful suggestions in this regard. There is a wealth of material in the book from which fresh lines of inquiry can be usefully started. It would be a good idea to wean aspirants for Ph. Ds from sterile preoccupations with theoretical model-making and set them the more useful task of working out a rough and ready method of costing, applying them to particular communities and publishing the results.

INSURANCE IN INDIA—By Dr A. N. Agarwala, Allahabad Law Journal Press, Allahabad: Price Rs 27.50.

The title of Dr Agarwala's book is somewhat misleading, leading one to expect that it deals with insurance as such. But the sub-title explains its true scope as the insurance aspect of Social Security in India. Thus Dr Agarwala's pre-occupation is both wider and narrower than what the title leads one to expect. Insurance enters the picture only in so far as it qualifies as an agency of social security. Indeed, it has been almost the only kind of social security that many under-developed countries have had for a long time until the more sophisticated ideas culminating in the Beveridge plan came to gain wide acceptance all over the place as the minimum that civilised nations should aim in discharging their duties to their citizens. Indeed a high degree of social security, assured largely by a system of joint social insurance by employer and employee, has become a hall-mark of a developed nation.

Though social security is a matter of burning importance at a time when we are consciously dedicating ourselves to the ideal of welfare in the widest commonality spread, the literature on the subject is somewhat scrappy. Ideas have to be pieced together from official reports on the subject. The dearth is partly due to the slow growth of practices relating to social insurance. Though the Royal Commission on Labour focussed attention on the need for social insurance as an effective means of ensuring labour efficiency, as early as 1931, the necessary institutional framework did not come into being till much later. Since a modicum of objective data is necessary before anything useful can be said on the subject, the absence of a comprehensive account of social insurance is not surprising.

The book abounds in statistical tables which greatly enhance its value. The research worker as well as the policy maker will find it an invaluable guide. Dr Agarwala's approach is both historical and analytical. The book is conveniently divided into four parts. Part II which comprises nine chapters deals in a detailed manner with life insurance while Part III in eight chapters deals with social insurance. Part I and IV are respectively introduction and conclusion.

Life insurance still continues to be the most important form of social security. The aim of nationalisation was not only the utilisation of the vast funds for nation-building, but also the extension of the benefits of life insurance to the rural population. Dr Agarwala doubts if nationalisation of life insurance would have been decided upon if the setting up a life insurance investment corporation on the basis of voluntary co-operation between the different insurance companies, with their separate identities intact, had been seriously considered. He outlines the organisational set-up of the proposed investment corporation. Though this proposal is discussed hypothetically in relation to a situation no longer obtaining, the idea is nevertheless worth consideration even

now, for the question of deployment of the funds of the LIC is once again agitating the public mind. In the changed set up Dr Agarwala suggests an investment department (presumably this is to replace the present committee which advises the LIC in the matter of investments) comprising experts whose "advice will be seriously heeded by the executives of the Corporation, if not always unquestionably accepted". Considering the fact that the LIC Investment Committee also comprises experts and that its advice, atleast after the Mundhra Affair, seems to be not ignored, it is rather difficult to understand what improvement there can be brought about by merely replacing it with a department which also seems to be more or less similar to it.

The book deals exhaustively with Social Insurance in its two well-marked phases, 1948-54 and 1955-59. The neglect of social insurance till well after independence is traceable to many causes. One of them is the slow pace of industrialisation. But even after industrialisation has made strident progress, social insurance is lagging behind. The Employees' State Insurance Act was passed in India in 1948, but the phased implementation of the scheme has brought to light many defects and shortcomings, but by and large the scheme has gained general approval. Its full significance will be realised only when it is extended to cover the families of insured persons. Dr Agarwal is not merely content with showing the defects of the scheme. He has shown how these can be remedied and the scheme made to work effectively and efficiently.

The Employees State Insurance and the Employees Provident Fund schemes, however, mark only some of the initial steps on the road to full social security. In industrially developed countries of all political hues, workers' conditions are being continually improved through the formulation of ever expanding social security measures. In India we have only made a beginning and much remains to be done. While it is to be admitted that a rapid progress of social security measures can go hand in hand with a progressively increasing prosperity of the nation as a whole, it is incumbent on Government to do its utmost to minimise uncertainties caused by loss or absence of employment, sickness, permanent disability and the like. In the chapter on the future of social insurance in India, it is clearly indicated how a complete social insurance system for India can be set up.

It will be wrong, however, to think that a complete social insurance system in India can be had the moment a clear cut plan is got ready. For the financial implications of a complete scheme in India are almost insuperable at least at the present stage of the development of its economy. Facing his calculations on the Beveridge Plan, Dr Agarwala estimates that a complete social insurance system will cost in an under-developed country nearly 13 per cent of the national income. Besides the financial difficulty, there are other obstacles in the way such as the widespread illiteracy of the people, the lack of trained personnel, etc. It

would therefore appear that it is idle to look for a rapid upsurge in social security measures in India. This is not to say, however, that things have perforce to continue in much the same way as obtaining at present. It should be our constant endeavour to work efficiently such of those social security schemes as have already been implemented, in the meantime keeping in readiness other well-thought out schemes to be implemented when conditions become conducive.

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SOCIAL INSURANCE FOR THE INDIAN WORKING CLASS—By M. A. Chansarkar. Published by Vora & Company Publishers Private Limited, 3, Round Building, Bombay—2. pp. 224. Price Rs 12.00.

A systematic attempt to introduce social insurance in India was made with the passing of the Employees State Insurance Act in 1948. The implementation of the provisions of the Act was delayed because of extensive criticism voiced against it in many parts of the country. In order to plug the loopholes contained in the Act, an amendment bill was introduced in the Parliament on 19 March 1951 and was passed on 6 October 1951. Employees State Insurance covers workers and clerical staff working in factories which utilise power and employ twenty or more persons, whose monthly salary do not exceed Rs 400. Those who are covered by the Act contribute a nominal sum as insurance premium varying with their wages and are to get free medical advice and treatment from doctors specially allotted for that purpose at stipulated dispensaries.

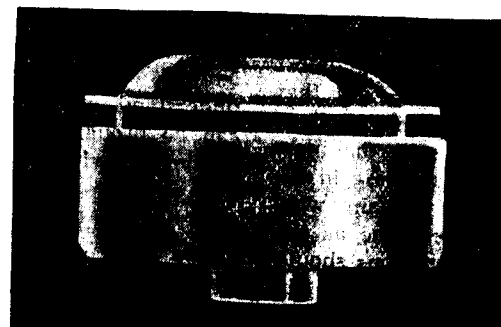
India has accepted the principle of a Welfare State through economic planning and one of the most important ingredients is an assured protection against sudden illnesses and disability. Dr Chansarkar has reviewed the working of the Employees State Insurance Corporation at great length after narrating briefly the growth of ideas on social insurance in the country. Though chiefly descriptive, the book sheds much critical light on the different aspects of the scheme and compares it with similar schemes in foreign countries. The comparative study proves beyond doubt that we have made only a beginning with limited coverage, and the scope for improving on the present state of affairs with an integrated scheme of social insurance appears vast.

The author reviews the Employees Provident Fund Scheme in chapter XIII. In the succeeding chapter he discusses the problem of integration of social insurance and examines the suggestions of Menon Committee constituted in August 1957 and other recommendations made from time to time. To those who are interested in the working of the social insurance in India the book is a valuable guide.

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Microvee oil bath air cleaner. The illustration shows one of a complete range of oil bath air cleaners which are fitted as standard equipment on many prime movers.

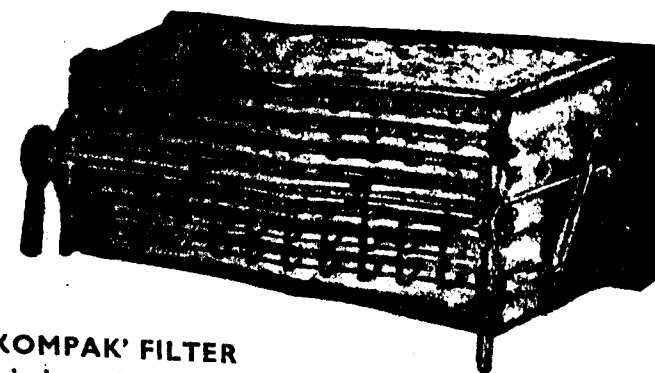


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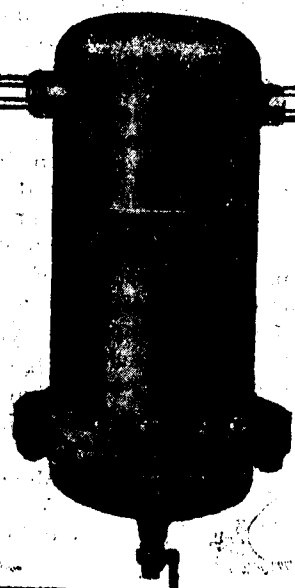
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GASES



Clive Street Gossip

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

THE pun comes easily—Europe is at sixes and sevens. In consequence, the EFTA and the Commonwealth have many problems to sort out. Great Britain wanting to have its two feet not only in these two but also in the EEC has a contortionist turn that many circus artists may shy at. But the EEC has its problems too. Everybody, at least in India, is so worked up about Britain's prospective membership of the EEC that the fact that the present members of the community are not behaving exactly like buddies over particular questions tends to be obscured. Except over the question of a progressive reduction of tariffs and quota restrictions on non-farm goods, there is as yet absent the necessary consensus that will make an "Integrated European Economy" a reality even among the inner Six. There are many areas where no progress has been made. The image of a prosperous ECM which has made mouths water in the UK is a true enough projection. Average monthly intra-market trade in the EEC has gone up from something under 600 million dollars in early 1959 to something under 900 million dollars in mid-1961. But on vital related questions like the prevention of growth of cartels and monopolies, free mobility of labour and capital and choice of location and above all the removal of restrictions on farm products as in the case of industrial manufactures, there is no unanimity and some quiet sabotage. France and Netherlands which have large quantity of cheap food to sell find the policies of West Germany and Italy extremely irksome. Indeed, there is some bitterness that tariff concessions over industrial manufacture wrung out of them in tacit return for promised reduction of obstruction to the free movement of farm products have been in vain. In fact this particular intransigence of West Germany can make the whole thing come unstuck, for the much-advertised progressive reduction of tariffs by 50 per cent by the end of this year appears, at the moment at any rate, unlikely of fulfilment. For France has just refused to commit itself to the last ten per cent cut at the end of the year. The relevance of all this to Indian fears about Britain's joining the Common Market is obvious. The Six are in no position to cast the first stone at people who want exceptions to the concept of an economy integrated in every sense. Britain can without embarrassment ask

for special treatment in respect of its preferential trading partners in the Commonwealth, at least as a transitional measure. After all, there is a certain element of hypocrisy in a regional association pretending to be a champion of unfettered free trade, and when members of such an association have other skeletons in their cupboard, its self-righteous style is bound to be somewhat cramped. This circumstance may not exactly be Britain's trump card, but it certainly provides an opportunity for a squeeze.

★

Herr Stubinger, Minister for Viticulture of Rhineland-Palatine must be a popular man today with the officers and men of the Bundeswehr. He has recently come out with the suggestion of a daily ration of wine to supplement whatever victuals that are being now allowed the German soldier. In his recommendation to this effect to Herr Strauss, the West German Defence Minister, he has cannily enlisted the support of the doctors, who are quoted as saying "wine, taken regularly in moderate doses, is very beneficial to health." Not what one would consider a startlingly original finding, though it is perhaps a little ambiguous about the relative importance of regularity and moderation. But these are days of absurd subservience to expertise and Herr Stubinger can say, if assailed by puritan pressure groups, that this was what the doctor ordered. He has also quoted the example of the French, naturally the most knowledgeable in these matters, who issue to their soldiers a wine ration card along with the regulation uniform. Many would feel that Herr Stubinger had gone to needless trouble to defend in advance so excellent a suggestion. As the wise man said,

"If all be true that I think,
There are five reasons why we
should drink;
Good wine, a friend, or being dry,
Or lest we should be by and by;
Or any other reason why."

Indeed, civilian employees all over the world may wish that so pleasurable a medicine is administered to them as part of their lunch ration. Employers may perhaps be willing to consider the suggestion if their tax advisers would assure that it was deductible. Unhappily for us in India, this seems most unlikely, especially if the Income-tax Bill now before Parliament goes through in

its present form. An expenditure will henceforth qualify for deduction only if, besides being "wholly and exclusively" for the purpose of the business, it is also "necessarily" so incurred. Even if your present ration of wine is moderate, you may find the distinction a little difficult to grapple with. Let me put it this way. A rather extreme interpretation of the "necessity" of the expenditure can not only deny you the ration of wine you long for, but may even knock the lunch off your mouth! For though the lunch your employer provides you may be wholly and exclusively for the purpose of his business, it may yet not be necessarily so, since you wouldn't have starved if he didn't provide it. Tax authorities may not go to these lengths in practice. But I rate hopes of even a moderately bibulous lunch at company's expense (unless, of course, wine masquerades as meat in accounts) as rather dim.

Reverting for a moment to the good man, Herr Stubinger, honesty obliges me to tell you that his sudden solicitude for the German soldier is not wholly disinterested. As Minister of Viticulture, he is more worried about the wine surplus in Rhineland than about the health and happiness of the German army. The army itself may not be inclined to inquire too closely into Herr Stubinger's ulterior motivation, but it is better to be forewarned. There is need for a similar warning nearer home. At Bangalore the other day, Mr Thomas, the Union Deputy Minister for Food was trying to make people "more sugar-minded", as the jargon has it. In sugar in particular, past history of alternating periods of glut and scarcity is so notorious that I would resist

the temptation of developing a sweet tooth, merely because Mr Thomas is embarrassed at the moment by excess sugar stocks. When scarcity rears its head, as it no doubt will, Mr Thomas will be ready enough with the medical opinion that sweets are bad for the teeth.

★

It is symbolic of our troubled age that one of its major imaginative writers should have held up physical courage, endurance and plain guts as its only possible value and inarticulate-ness as its truest eloquence. Hemingway's search for the true emotion was unrelenting but he found it elusive and fugitive. Like Gide, he found counterfeiters busy debasing the spiritual currency of mankind. But unlike Gide, he could desiderate finally only courage, and curiously, cowardice as the only emotions that mankind was still capable of feeling without hypocrisy. Santiago, that tough weather-beaten Old Man of the Sea and Harry contemplating the Snows of Kilimanjaro are Hemingway "heroes" par excellence. The hair on Hemingway's chest was not, as Max Eastman once averred acidly, false. Time and again, Hemingway defied death and on all such occasions it was only the dread summoner's incredible incompetence that made Hemingway escape almost literally by the skin of his teeth. In Africa, his air-craft crashed twice in quick succession and Hemingway lived to comment on his wife's snoring after the event. The doddering Methuselahs of Shaw could die only by accident. There was greater appositeness in a similar death for Hemingway. To have died of hypertension in a hospital would have been wholly out of character for one who was literally and intellectually needing Death all the time. Death could defeat such an opponent only by cheating.

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IFC

Strong and Effective

Mr K. R. K. Menon, who retired as Chairman of the IFC on 30 June, after thirty-seven years' service in the Government of India, parried insistent questions about his immediate plans by correspondents at a press conference on the eve of his retirement. But these have only strengthened the rumours that he will soon be back in the capital as the Chairman of the NIDC. Mr Menon was appointed Chairman of the IFC soon after that institution had passed through an investigation by a parliamentary committee and became the target of scathing criticism. He leaves it at a time when there is practically no adverse criticism of the working of the IFC, which has now grown into a strong and effective instrument for implementing Government's policies of financial assistance to industry. The NIDC, which has had a similar recent history, may benefit by Mr Menon's rejuvenative abilities.

The IFC has excelled all previous records last year (that is the year ended 30 June 1961) in all branches of its activity. It has also in recent years considerably extended the range of its functions. Apart from loans in rupees and foreign currency, it also engages in underwriting issue of shares and guarantees deferred payment credits. Till last January the IFC was not empowered to hold equity shares except those left on its hands out of what it had underwritten and that too for a maximum period of seven years. Legislation passed last January empowered the IFC to hold shares, though so far it has not acquired any equity holdings. The Corporation has yet to reach a decision on two items which have remained on the agenda of its Board of Directors since last January.

Loans:

No. of applications received ...
No. of applications sanctioned ...
Amount of loans sanctioned ...
Deferred Payment Guarantees:
No. of applications received ...
No. of applications sanctioned ...

Amount of deferred payments guaranteed ...
Underwriting:
Shares underwritten ...

Under the scheme of deferred payment guarantees which was introduced in 1957-58, the Corporation has so far guaranteed credits for a total of Rs 25.47 crores. The total amount of shares underwritten amounts to Rs 4.20 crores.

namely whether the Corporation should assume power to convert loan capital into share-holdings and also whether it should participate in the profits of the loanee concerns in addition to charging interest on loans, as is the practice of institutions performing functions similar to those of the IFC in other parts of the world. A decision is expected in the course of the next two months.

Total loans disbursed by the Corporation now stand at about Rs 106 crores. Up till now, the record of repayment has been excellent. Mr Menon said that the percentage of defaults was very small, and stands comparison very well with the experience of any credit institution in India and abroad. Mr Menon also expressed satisfaction at the small number of applications—not more than three or four in a year—that the Corporation was obliged to reject on merits. Other rejections were mostly of applications that did not come within the four walls of the IFC Act.

In the course of processing the loan applications the IFC has to come into contact with a representative cross section of industrial leaders and executives. Mr Menon's favourable assessment of their entrepreneurial ability is welcome augury for the future development of Indian industry. Recalling his experience of Advisory Committee meetings—there are five (one for each group of industries) every month—at which representatives of the industrial units applying for loans are put through a gruelling cross-examination by the IFC's technical experts. Mr Menon spoke in terms of the highest appreciation of the general alertness and technical competence of the up and coming generation of business executives.

The following table summarises the record of the IFC last year, with comparable figures for the previous year. The figures for the current year are provisional as accounts have not been finally closed:

	Year ending 30 June, 1961	Year ending 30 June, 1960
No. of applications received	76	38
No. of applications sanctioned	57	29
Amount of loans sanctioned	Rs 21.21 crores	Rs 17.92 crores
Deferred Payment Guarantees:		
No. of applications received	14	5
No. of applications sanctioned	9	6 (including one relating to previous year)
Amount of deferred payments guaranteed	Rs 13.29 crores	Rs 7.87 crores
Underwriting:		
Shares underwritten	Rs 2.33 crores	Rs (25 lakhs)

Out of the loans granted last year, the largest amount (Rs 4.65 crores) was given to co-operative sugar factories. Mr Menon made the point that the loans to co-operative sugar factories have indirectly helped to build up sugar machinery manufacture in the country.

The break-up of the loans given last year according to industries is given below:

	Rs Crores
Sugar	4.65
Paper	3.50
Glass and ceramics (including refractories)	2.42
Chemicals	1.49
Cotton Textiles	2.16
Mechanical Engineering industries	0.82
Plywood	0.80
Hotel	0.19
Metallurgical (non-ferrous)	1.30
Electrical Engineering industries	0.57
Mining	0.20
Iron & Steel	0.60
Miscellaneous	2.51
Total	21.21

A guarded assessment of prospects of US assistance for a public sector steel plant at Bokaro was made by Ambassador Galbraith at his press conference in New Delhi recently. He found the response encouraging when he discussed the matter with the Eximp Bank and DLF authorities. The basic decision to have the steel plant in the public sector is recognised in the USA and is not likely to prove a stumbling block to the provision of US assistance. This marks a clear advance on the position last year when US steel interests were said to be allergic to this proposition.

While Mr Galbraith was hopeful about the prospects, he added the proviso that aid for the steel plant was subject to the passage of the Aid Bill through Congress, negotiations with contracting firms in US and also the priorities of the Indian Government. There is nothing special about the first two conditions which apply to assistance for all categories of projects. But the last is of crucial importance. Following his press conference Mr Galbraith also had discussions with the Minister for Steel, Mines and Fuel.

The aid promised by the World Bank Consortium will be just sufficient to meet commitments during the first year of the Plan. For the second year there is a shortfall of about 15 per cent in the requirements of free foreign exchange. The deficit will be increased by tying up aid to the steel plant. When the three steel plants in the public sector are working far below rated capacity, the case for diverting part of the funds available during the first two years of the Plan for establishing a fourth steel plant, must be much stronger than it is, if the project is to have top priority.

Though the project has been included in the Plan, and preliminary investigations may be carried out, the prospects are that actual construction will not be taken up till late in the Plan period, depending on aid prospects at that time that is, unless foreign assistance is specially earmarked for the Plan by the donor. Mr Galbraith's reference to the Government of India's

priorities may be taken as a pretty clear indication that, while US aid for the project may be readily forthcoming, there is no intention to influence Plan priorities by tying up part of the aid promised for the first two years to this project. In fact, Mr Galbraith deprecated the tendency to identify aid with fixed investment in particular projects. He said that provision of working capital was just as important for a developing country as provision of capital for investment. He also indicated that \$200 million out of the \$545 million dollars promised for 1961/62 will be in the form of "untied" loans available for balance of payments support.

The Ministry is also understood to be considering how far it will be possible to build up the plant with Indian resources of men and material. The preliminary project report has been prepared by an Indian firm of consulting engineers. The young technicians of Hindustan Steel are said to be eager to be given a chance to show their paces under more favourable auspices than at Rourkela. It is hoped that the Heavy Engineering Corporation at Hatia will go into production by the third year of the Plan and be in a position to supply a good part of the equipment for the steel plant. If the Heavy Engineering Corporation is able to keep to schedule—there is no reason why it should not, for all projects with Soviet assistance have come up in time—it should be possible to effect substantial economies in the foreign exchange required for the steel plant. This is also one of the main considerations which may delay start of work on the project.

Another point emphasised by Mr Galbraith was that the terms of the individual loans are as important as the total quantum of aid committed. The US view was that long-term development required that loans should be for long period, with low rates of interest or no interest, and that there should be an initial period without repayment obligations. But many countries participating in the Consortium do not share this view.

Mr Galbraith underlined the fact, that, while the total quantity of aid promised was adequate, there were also unsatisfactory features. Considerable part of the funds promised by some countries was for relatively short terms and at high rates of interest. This means that in the period immediately ahead, there will be a substantial increase of claim on foreign exchange for debt services, and, at this rate, the burden of debt would become intolerable. Warning that aid for development should not be confused with commercial credits, Mr Galbraith suggested that, apart from intensifying the export drive, it was also necessary to keep constant watch over the debt position and pay special attention to rates of interest and terms of repayment in future negotiations of foreign loans.

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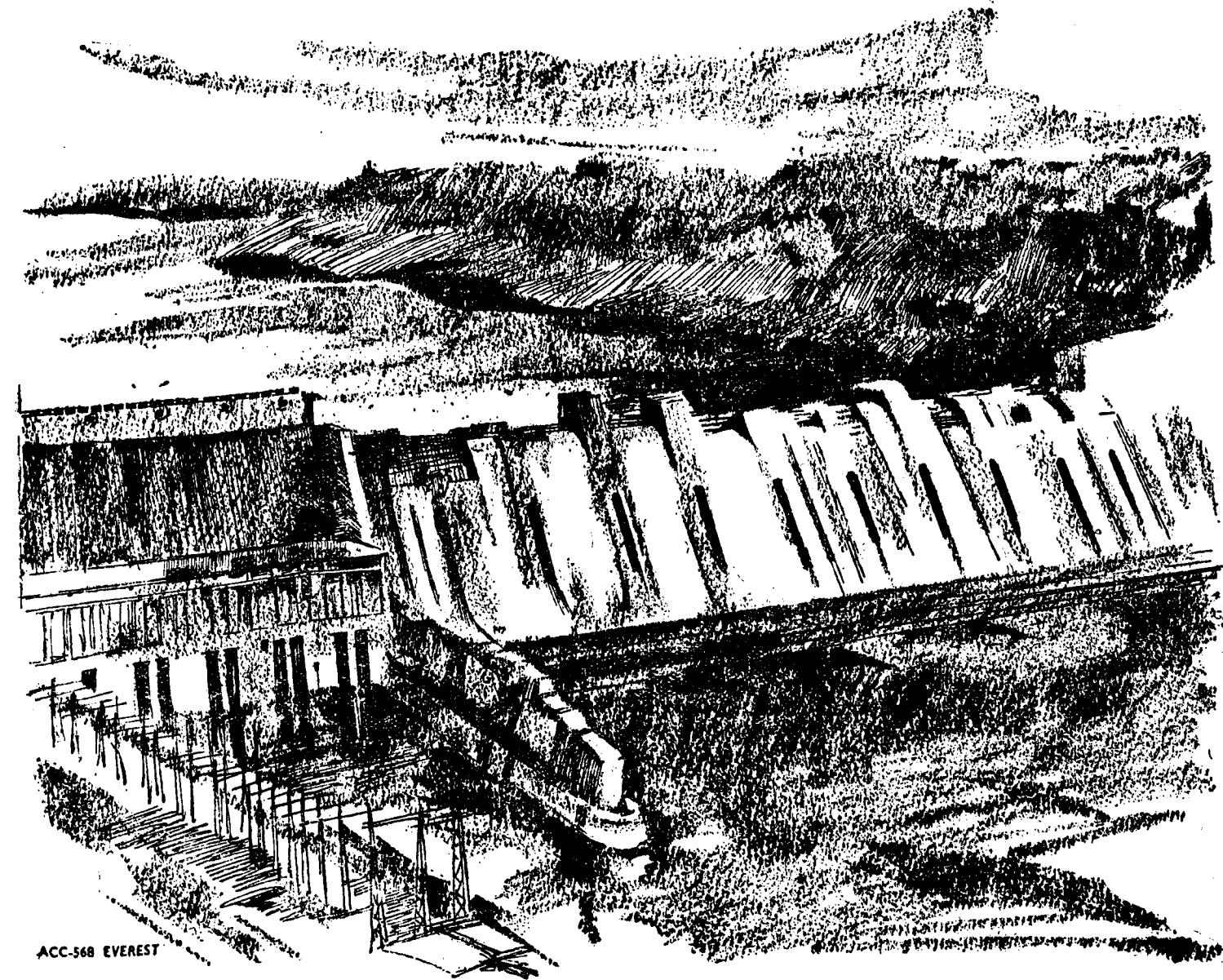
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ACC-568 EVEREST

Selected Satgram Collieries Limited

Addressing the shareholders of the Selected Satgram Collieries Ltd., at the Sixteenth Annual General Meeting, the Chairman said:

Ladies and Gentlemen,

I take pleasure in welcoming you to the sixteenth annual general meeting of the company. May I have your permission in taking as read the Audited Statement of Accounts and the Directors' report for the year ended December 31, 1960.

At the very outset I have to make a sad announcement of the demise of Mr L. Hirji, a Director of your company for a very long time, and whose services would be ever remembered.

TRADING & PRODUCTION

Raisings during the year under review were 283,851 tons, nearly 23% increase in the previous year's output, as against 10% increase in the country's output. This was achieved by scientific planning and efficient execution in the face of heavy odds. Despatches have come up by 43,161 tons to 263,931 tons—a record figure so far. This manifests in higher sales figures and ultimate increase in trading results. The profit before taxation being Rs 5,17,915/- against Rs 4,54,758/- last year. The ratio of profit to raising is slightly lower, for the reasons I shall deal with later in my speech. After providing Rs 1,89,000/- for taxation and transferring Rs 1,03,000/- to reserves, your Directors have recommended a final dividend of Rs 8/- per share on 13,000 old ordinary shares and pro rata Rs 2/62 on 6,500 newly issued ordinary shares, i.e. 16% gross dividend as declared last year on increased capital.

Contingent liabilities in the shape of tax matters mentioned in the accounts of last year have been removed, owing to your company's appeal being upheld in the Income-Tax Tribunal.

DEVELOPMENT WORK

The raising in the collieries in 1960 was obtained by development work requiring continued dose of capital investment resulting in comparatively higher cost. In the New Satgram Colliery expectations were not fully realized owing to the Satgram seam being declared gassy by the Department of Mines towards the end of the year. More expenditure, both of revenue and capital nature, had to be incurred in taking extra precaution as required by the Mines Act. The reflection of this in the cost was apparent. In the Sripur seam, one level stone drift through the faults, which, as had been reported last time, was stopped by the Department of Mines, has now been taken up. After a couple of months on its completion, the output there would go up. This year Sripur seams might also be entitled to the Coal

Increase in Output and Despatches

Mr S. D. Shethia, the Chairman, on Prospects During the III Plan Period

Board's subsidy of Re 0.60 per ton similar to the Satgram seam.

Electricity had come to South Joyramdanga Colliery towards the end of 1960 when the increase in output recorded a new level. In last two months of the year 5,000 tons were raised, as against that 6,500 tons on an average have been raised from January 1961. The coal was upgraded from Gr II to Gr. I resulting in an increase of Re 1/- in the sale price approximately per ton.

Manoharbahal seam has been fitted with required machinery and is capable of yielding 6,000 to 7,000 tons per month, subject to the pilot capacity and transport position. An application for grading this coal was made to the Coal Board on September 5, 1960 and their decision is awaited. Loading accommodation for this colliery has been increased to 25 wagons and every effort is being made to increase the pilot capacity from 65 wagons to 85 wagons.

The workings of the New Jamuria Colliery during the year under review, I am afraid, did not yield expected results owing to the thinness of the seam and extremely bad roof conditions. The machine mining having not succeeded resulting in high cost, pick mining method has been adopted. This colliery is also entitled to the Coal Board's subsidy of Re 0.50 per ton on its output.

The output per man shift of our group of collieries is 91 as against 72 of the all-India figure. We are making every attempt to improve this.

HOUSING & AMENITIES

Most of the construction work taken in hand during last year have now been completed. Having obtained further sanction for 100 more houses at all our collieries, the construction has been started in the face of the shortage of construction personnels. Houses under the cheap housing scheme have been sanctioned for the New Jamuria Colliery. The cooperation received from the Housing Board and the Office of the Labour Welfare Commissioner has been spontaneous and now to some extent acute accommodation problem has been solved. Adult Education Centre, Canteen, Creche, Pithead Bath and Multi-purpose Cooperative Society, Open Air Cinemas are showing satisfactory results. Distribution of sweets to labourers and special confectionaries to children under seven years is also continued.

In the field of sports your company has maintained its standard and the New Satgram Colliery

has again retained its zonal championship, stood well in the Raniganj Central Sports and participated actively in the all-India coalfield events.

In honour of Mr Jagan, your company's old and loyal Sardar of the surface trammers who retired during the year under review, Pit No. 1 at the New Satgram Colliery has been named after him as "Jagan Pit".

At the New Satgram Colliery the residential colony is fast coming up and it has been decided to name it Devchand-Nagar to commemorate the sacrifices and services of the Late Mr Devchand D. Shethia J. P., the first Chairman of your company who guided it capably during his tenure.

Labour Management Relations, despite the labour unrest in the neighbourhood, have remained cordial.

TRANSPORT SITUATION—A BAFILING PROBLEM

The second Five Year Plan target of 60 million tons about which I had expressed my doubts has fallen short by 8 million tons, the share of the private and public sectors in the shortfall, according to figures available being 8 million tons and 7.2 million tons respectively. However, one must say, there has been tremendous efforts on the part of the industry as a whole to come up nearer to the target level. Little those who were behind this herculean task realized that a most critical situation would develop in the country due to acute transport shortage. One wonders whether this was the reward for all sacrifices and tightening of the belts. As against the total daily requirement of 6,000 wagons for coal loading in Bengal/Bihar coalfields and 5,000 wagons committed by the Railways only 4,694 wagons on an average are loaded from January 1961 causing shortfall and short supply of 1,306 and 306 wagons per day respectively. The accumulation of pithead stocks amounts to over 5 million tons, locking up a huge capital. A high power committee was appointed by the Union Government to find out the solution. Change in the allotment system, more movements by railcum-sea routes, increased use of road transport, two tons extra loading in wagons and the proposed increase in the above Mughalsarai movement, are expected to somewhat relieve the acute shortage. Further, suggestion has been made to find out the possibility of the movement of coal to down country by the Durgapur Canal. It would not be

out of place to suggest the expeditious construction of the proposed Express Highway between Durgapur and Calcutta, and taking of coal by road by all priority consumers within a 100 miles radius to further relieve the bottleneck. This movement might also be subsidized from the increased excise duty recently imposed. In any case, I am glad that this acute problem is receiving the attention it deserves by all concerned and with efforts made in all spheres it should not be incapable of solution.

With all the force at one's command, efforts must be made to relieve the bottlenecks mentioned above and prevent consumers from hand-to-mouth stock position and ultimate closures and ever increasing heavy accumulation of pithead stocks exposed to quality deterioration and spontaneous combustion. This might otherwise be a main obstacle in the coal production.

THIRD FIVE YEAR PLAN

The target fixed by the third Five Year Plan of 97 million tons is no less ambitious than the second Five Year Plan's target and to fulfil it very careful planning in all its spheres and its expeditious execution with frequent reviews from time to time would be necessary. Our experience for all these years, particularly for the last five years, must be carefully remembered. The target of the private sector can be achieved with unstinted support of the Government in removing all the obstacles.

A FEW OBSTACLES

As is well known the correct dose of finance supported by realistic price policy for which the industry had been clamouring is the condition precedent to the achievement. Recent increase in coal price from June 1, 1961 by Re 0.06 nP per ton against the industry's demand of Re 0.40 nP per ton has been made to meet the increased incidence of labour wages. An appeal has been made to the Government in this connexion by the industry.

The foreign exchange requirement of the private sector for the third Five Year Plan period is estimated at Rs 28 crores. The Government as well as the Joint Working Committee of the industry are sending a delegation to finalize the World Bank loan. The word 'loan', I must, however, point out, is a misnomer for the industry as this loan is to the Government and not to individual collieries.

OUR NEXT FIVE YEAR PLAN

The company's target is 44,000 tons per month from the existing units excluding the Dishergarh seam which has finally been explored and is expected to yield selected grade of blendible coal of

good use for metallurgical purpose. Negotiations are afoot with foreign experts for its final exploration. Between 25/30,000 tons per month can be obtained from this mine. Thus the total target fixed would be at least 700,000 tons annually. This substantial increase has necessitated increasing our authorized capital from Rs 50,00,000 to Rs 2 crores and subscribed capital from Rs 19.50 lakhs to Rs 40 lakhs. Necessary permission has been obtained from the Government for this purpose. Your Directors are considering a proposal for purchase of a colliery in Chanda Coalfield in Maharashtra State presently mining Gr. III coal for which there is heavy and persistent demand. This colliery consists of 40 lakhs tons of coal, out of which approximately 12 lakhs tons can be obtained by development scheme and would be able to raise about 30,000 tons per month during the third Five Year Plan. The proposal for engineering works referred to in my last speech has encountered serious legal hindrances not being specifically provided for in the object clause of the company. Alternatives are being considered by your Directors.

The last issue of 6,500 ordinary shares was oversubscribed manifesting the confidence of the public over the company's management.

Your company's staff, both at the collieries headed by Mr J. Singh, General Manager of the collieries, and its registered office has shown a good deal of efforts and commendable earnestness to cope up with problems arising out of the expansion work taken in hand. Lectures film shows, demonstration by the foreign technicians and short courses organized by the Productivity Council and British Institutes are affording both the technical and administrative staff with the opportunity for enhancement of ideas and their practical applicability. I take this opportunity in according our sincere appreciation to them and to your Managing Agents who have forthwith arranged for much required finance during this year and for successfully negotiating for enhancement of credit facility for supply of machinery and equipment.

Last, but in no way the least, mention must be made of the very able and mature guidance given by the Board of Directors from time to time who have, I am sure, our hearty thanks. Let us hope we shall have their continued assistance and cooperation in future.

With your permission I now propose that the Audited Statement of Accounts and the Reports of the Directors for the year ended December 31, 1960 be hereby approved and adopted.

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

Markets

JUTE

Steady Trend

IN marked contrast to the mood prevailing last week, the jute and gunny markets have been ruling fully steady for the past few days. The improvement in sentiment in the gunny section is obviously due to the revival of interest in both the categories of goods. It has been reported that some business in hessian has been put through with the US while there has also been good news for the heavy goods in the shape of a Government of India enquiry for 20,000 bales of B Twills and the possibility of business from Japan. In the meantime, bulls in raw jute section have derived considerable encouragement from the indication that contrary to expectation, prices in Pakistan are ruling fairly high in spite of the reports of a bumper crop. It is evident that the fears of disruption of jute traffic in Pakistan consequent on heavy rains in parts of the jute growing areas have come true. It is argued that before deciding to approach the Government for permission to embark on a third closure of mills in August, the IJMA will have satisfied itself on the point of raw jute supply. It is evident that in its well considered opinion the prospects of a rapid improvement in the raw jute supply position in the immediate future are rather gloomy. This is not, however, to say that the long-term outlook for jute supply has also received a setback. Notwithstanding the fact that there has been some adverse developments in regard to the crop in Pakistan, it is generally accepted that the supply from Pakistan will be considerably larger this season than last year. As far as the crop in India is concerned, the adverse factors so far could not have any appreciable effect on the crop. By and large the weather has been quite favourable throughout the period of growth of the jute plant and up to now there have been no reports of serious disruption to jute traffic. That expectations in regard

to the Indian jute crop have largely materialised is borne out by the fact new crop jute in fairly sizable quantities have started arriving in the markets. It is generally believed that arrivals of raw jute may become quite heavy once the season gets into its stride. It may be noted that the IJMA is already working on a price support scheme in consultation with the Government of India with a view to assuring the cultivator that he may rest assured that he will get an equitable return for his labours. Such an assurance is considered essential because if prices are allowed to find their own level during a season of large raw jute production, the cultivator will invariably be reducing his acreage under jute in the succeeding season.

But it is not with this highly desirable state of affairs that the jute industry and trade are wholly concerned at present. There are problems to be satisfactorily solved in the meanwhile. The supply of raw jute continues to show no marked improvement. The first instalment of the block closure of mills has been completed and despite the continuing protest by labour, it is hardly doubted that the second instalment will be implemented as programmed at the end of the current month. It is on the proposed third closure that attention is centred. The fact that jute prices in Pakistan instead of showing a downward trend are steadily moving up seems to confirm the apprehension that import from that country in the early months of the current season will not be of any material assistance at improving raw jute supply to our mills. If the third closure is to be averted arrivals should show a sizable uptrend during the next few weeks. In the event of continued scarcity of raw jute, however, a block closure of mills at the end of August as is reported to have been proposed by the IJMA may become inevitable.

Jute goods prices spurted on Thursday following the rumour that Pakistani Mills were also considering a block closure on account of an acute shortage of raw jute.

PRICE TRENDS

	As on 29 May Rs	Highest Rs	As on 5 June Rs
Hessian:			
45" x 11 ozs ...	53.50	56.50	56.50
40" x 10 ozs Ready ...	46.80	49.35	49.25
40" x 10 ozs July/Sept ...	47.30	49.75	49.50
40" x 8 ozs ...	41.50	42.50	42.25
40" x 7 1/2 ozs ...	36.75	38.25	38.00
Sackings:			
B. Twills Ready ...	150.00	156.50	155.50
B. Twills July/Sept. ...	146.50	157.50	153.50
Hy. Ceas (Green) ...	150.00	157.00	156.00
Corn sacks ...	153.00	160.00	160.00
Cubans ...	190.00	200.00	198.00
A. Twills ...	179.00	184.00	184.00
L. Twills ...	171.00	179.00	179.00
D. W. Flours ...	174.00	178.00	176.00
Sugar Twills ...	172.00	180.00	178.00
Raw Jute:			
Assam Bottoms ...	47.00	48.50	48.50
Northern Bottoms ...	46.50	48.00	48.00
Dalsee Bottoms ...	49.00	50.50	50.50

The jute goods market ruled steady most part of the week, the uptrend having been helped partly by revival of overseas interest especially in hessian and partly by the hardening tendency noticeable in the raw jute section. Although the trend of raw jute arrivals some days ago appeared to confirm the view held by some that there is still a sizable quantity of old crop jute to come to the market, there has been no further improvement in arrivals during the past week. As for the improvement in sentiment in the goods section, it would appear that operators interpret the revival of interest in hessian as an indication of the foreign buyer's realisation that he may not be able to get his requirements at a level of price which he calculates as reasonable, for some time yet. Although it is not doubted that within the next few months there will be enough jute for the mills to resume normal working, it is rather difficult to assert at least at the present juncture that prices will be substantially lower at the same time. For one thing, indications of new crop jute prices are quite high.

TEA

Trends in Sales

THE Chairman of the Nilgiri Planters' Association has recently stressed the need for the formulation of a realistic policy in the matter of export promotion and also the provision of incentives with a view to obtaining quality production, so that the country will derive the maximum benefit. He has said that the production of tea in the area covered by the Association is nearly 22 million pounds as against just over 17 million pounds in 1959.

The crop in the first four months of 1961 is estimated to be over 3 million kgs or 7 million pounds. The average yield per acre in several estates approximates to 1,000 pounds, which is very creditable indeed for this elevation which is usually associated with relatively lower yields.

Satisfaction over the market performance of Nilgiri tea in 1960 is, however, tempered by the thought that it was aided to a considerable extent by the fall in production in North-East India due to drought and Russian purchases. If the first five months of 1961 are any indication, there is no room for satisfaction, but only deepening apprehension. The "high-growths" are not fetching the price they should and the average so far is more than a rupee less per kilogram than in the corresponding period of 1960.

In the Dust sales held at Cochin, the quantity offered from Anamalais was twice as much as last year; but the average price fetched was 34 nP per kilo higher. Nilgiris, which offered 50 per cent more than last year, fetched 14 nP per kilo lower. What is more significant is that the Nilgiri average was 22 nP more than

Anamallais last year. This year, it was 26 nP lower. On export sales, Anamallais average improved by 36 nP per kilo, while that of Nilgiris dropped by 69 nP.

Meanwhile, in the Export Sale held in Calcutta this week, offerings were 18,347 packages. There was a strong general demand. Prices of orthodox descriptions could be quoted generally firm to dearer with keen competition for any teas with improved quality. Darjeelings were again very irregular. The several invoices with flavour received good support; but the remainder were generally easier and sometimes difficult of sale.

Best CTC descriptions were irregular and sometimes easier. Medium and poorer kinds met, however, with keen competition and were generally sold at dearer rates. Legg-cut descriptions were also dearer. There was a good support for whole Leaf grades. Tippy grades were sold readily, but at about last rates. Following rates (per kilo) were quoted:—Clean Plain Pekoe Rs 5.20 to Rs 5.30; Plain Broken Pekoe Rs 4.75 to Rs 4.85 and Plain Fannings Rs 4.70 to Rs 4.75.

In the Internal Sale, offerings were 7,633 packages of Dusts of which 7,356 packages were of the new season's manufacture. There was a strong and active demand at dearer rates for all descriptions. CTC types were keenly competed for at considerably enhanced prices, particularly for the brighter lines. Dusts of orthodox manufacture were readily absorbed and were generally dearer by 10 nP to 15 nP per kilo and sometimes more. Legg-cuts were a strong feature and were taken up at much dearer rates. Following were the rates (per kilo) were quoted:—

Plain Orthodox Dust Rs 4.35 to Rs 4.50; Medium Assam Dust Rs 4.60 to Rs 5.00; Legg-cut Dust Rs 4.60 to Rs 5.20; Medium Assam CTC Dust Rs 6.00 to Rs 6.50 and Good Assam CTC Dust Rs 6.60 to Rs 7.30. Also, 28 packages of Leaf grades were offered for internal consumption and these were sold at irregular rates.

In the Colombo market, offerings were 6,988,501 pounds. Dimbula/Dickoya brokens were irregular; but useful liquoring sorts were generally dearer. Ova teas were in good demand with prices closely following quality. Medium teas were in strong demand at firm to dearer rates. Better demand was noted for high and medium-grown BOPs Fannings grades, which were dearer. Low-grown teas were in strong demand at firm to dearer rates.

There has been a steady increase in the space requirements of tea shippers, particularly for the UK and one or two vessels are reported to have received very good cargoes. These shipments can now be expected to increase steadily as the season progresses.

In the Cochin market, offerings were 274,000 kgs of Dusts. Against a strong general demand, low mediums and mediums were 10 nP a kilo dearer. Residuals, which were the strongest feature of the sale, were sometimes quoted at 20 nP to 25 nP a kilo dearer.

In London, stocks were estimated at 128.67 million pounds as on 23 June as against 131.60 million pounds in the previous week. Total amount to be landed on the same date was 10.58 million pounds. Total afloat was 17.70 million pounds including from Calcutta 3.40 million pounds; from Chittagong nil; from Cochin 3.53 million pounds; from Ceylon 9.42 million pounds and from other Ports 1.36 million pounds.

COTTON Futures Easy

THE cotton futures market in Bombay which ruled steady in the previous week depicted easy conditions during the past week due mainly to the long liquidation and lack of fresh incentives. After resuming on a firm note at Rs 584.00 the Jarilla August contract receded under selling pressure stemmed from the favourable reports of monsoon from the cotton growing centres and the listless conditions prevailed in the cloth market and on Tuesday last, it was quoted at Rs 577.75.

Trading in the new crop contract is likely to commence by the middle of this month. The Board of East India Cotton Association is reported to have accepted the by-laws pertaining to the new crop contract. These by-laws will be tabled before the general body shortly for approval. The sanction for trading from the Forward Market's Commission is expected to be made available before the end of the third week of this month.

Dull conditions prevailed in spot market at Sewri during the week under review. Mill demand exhibited a downtrend. Mill interest was mostly confined to Gujarat varieties, CO 2 and Laxmi. Certain mills were reported to have accounted for a small quantum of Vijay, Digvijay, Surti and Kalyan.

Conditions on the import front were encouraging. Mill demand mostly hovered around American short staple cotton. Mills which were expecting an extension of shipment period, which, of course, did not materialise, were found busy in the market to complete their quotas within the stipulated time. Fairly good enquiries were reported in African and Sudan varieties. On the contrary demand for Egyptian cotton was restricted. Mills have presumably preferred to wait and watch the development that are taking place in Alexandria cotton market after the nationalisation of cotton trade in that country. Earlier expectation of a decline in the price of Egyptian cotton was belied since no such turn was visible. Import houses also reported that the prices of the Egyptian growths were left unaltered.

The progress of crop in Rajasthan and Punjab was reported to be quite satisfactory. Reports that emanated from Gujarat and Saurashtra were, on the other hand, distressing. Many of the cotton growers in those regions have decided to shift from cotton to oilseeds cultivation.

The inordinate delay in arriving at a decision by the Government of India about the release of an additional export quota has created grave concern to the shippers who were anxiously waiting for such an announcement. It appears that some representatives of the shippers have approached the Textile Commission to plead for an immediate release of export quota.

The stocks of cotton with the mills in India at the end of April this year totalled 1.52 million bales as against 0.99 million bales in the corresponding period in the previous year.

Consumption of Indian cotton by the mills in April this year was

placed at 0.36 million bales, the relevant figure for the previous month being 0.35 million bales. The consumption of Indian cotton in the current season till the end of April stood at 2.71 million bales as against 3.05 million bales in the same period in the previous season. Consumption of foreign cotton in April, 1961 was placed at 82,000 bales which showed an increase by 1,000 bales over the previous month's total. Consumption of imported growths in April, 1960 amounted only to 60,000 bales.

ALEXANDRIA

Exports sales during the first half of June, according to official information, aggregated 35,829 bales of 720 lbs. Sales of new crop registered during the period under review totalled 13,707 bales as against 6,786 bales in 1960. Thanks to the favourable weather conditions new crop in both Upper Egypt and Lower Egypt is progressing satisfactorily.

TANGANYIKA

In the third auction held on 20 June, 15,000 bales of New Crop AR Mwanza were sold. Total sales upto the said period amounted to 45,000 bales. In the next auction an equal number of bales of New Crop will be offered for sale.

PIECEGOODS

Trading in the cotton piecegoods market in Bombay during the period under review turned out to be a colourless feature. The market was actually in the grip of seasonal dullness. Demand from both the upcountry and local traders was restricted.

Offtake in the domestic section was pronouncedly meagre. Business was cabinised to goods for the cold season. Some attention was also focussed around drills, flannels, and mercerised coatings. Varieties like long cloth and poplins seem to have lost the favour of consumers. Some manufacturers are reported to have decided to curtail the production of such varieties to a considerable extent.

In spite of the slackness in demand the textile industry does not appear to be prepared to reduce the prices and they preferred not to dispose of their goods below the ex-mill prices. The demand for piecegoods from the upcountry consuming centres were practically negligible. The only exception to this was Kerala which was eager to cover its requirements for the "Onam" festival. That destination showed interest in almost all the seasonal goods. Even though Bihar Kanpur, UP and Madras traders were active in the market only limited business was transacted.

The export front was featureless throughout the week with only stray inquiries from overseas customers. The United Kingdom was interested in the usual varieties but only a limited business was done with that destination. The general apathy shown by the foreign traders was presumably due to the disparity in prices and the keen competition from other countries in Europe and Asia.

France showed some interest in grey cloth while Germany was satisfied with a small quantum of voile and calico prints. East Africa focused its attention on bleached long cloth and cotton head cloth. Iraq

Indian Finance

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showed some fancy on dyed sheetings, khaki and bleached drill. It was reported that Philippine Government has decided to import a large quantum of textiles including grey sheetings and it is expected that destination will be active in the market in the immediate future.

World Sugar Production and Prices

ACCORDING to the US Agriculture Department, Washington, world production of sugar reached a record figure in 1960-61. By a phenomenal one-year increase of 7.3 million tons, world production overcame the 1959-60 interruption in the rapid rise of recent years, and placed the world total in line with the upward trend of more than 3 million tons increase per year in the last five years.

Sugar prices in the world, during the past 30 years were subjected to wide fluctuations due to the change in supply and demand and political factors. The maximum price of 8.05 cents per pound was reached in 1951. The average price was also the highest at 5.67 cents per lb in the year. The lowest price in 20 years was 0.55 cents per pound due to world-wide depression when prices of almost all primary products were reduced below the cost of production.

After 1952, the average prices were ruling between 3 and 4 cents per pound excepting in 1957 when the prices shot up to 5.16 cents per pound and, in 1959, when the prices came down to 2.97 cents per pound. In 1960, the maximum price reached was 3.40 cents per pound and the lowest was 2.85 cents per pound and the annual average was 3.14 cents per pound.

Meanwhile, prices in Indian markets have been ruling quiet. A major part of the sugar quota allotted for the month just ended had been cleared by the last week-end. Large quantities of sugar had moved from the factories to the Punjab destinations by road transport following permission given by the government in view of the unsatisfactory booking position from the railways. This resulted in a sharp decline in sugar prices at the destinations.

With the closure of Hargaoon sugar factory, the crushing season in the Uttar Pradesh State has ended for the season and about 40.11 crore maunds of cane was crushed during this season as against 34.28 crore maunds during the past year. In the Muzaffarnagar market, the rate for the sweet commodity is quoted at Rs 107.50 per bag for the dry quality.

GUR

In the Nagpur market, Gur prices have registered modest gains, as the demand for dry selected kotha quality has been brisk from the consuming areas of Gujarat, Madhya Pradesh and Rajasthan. Stocks are reported to be fast decreasing as, despite leading restrictions, gur is being removed out to Meerut and other stations for despatch to Rajasthan. Dry No. 1 is quoted at Rs 16.75.

KHANDSARI

Prices of Khandsari have improved further on a good consumer demand. Stocks at the producing centres are fast depleting as the overall producing of khandsari this season has been much lower than last year. Superior quality is quoted at Rs 35 to Rs 37 per maund, according to quality.

FOODGRAINS

Despite poor arrivals of "Rabi" grains, the Hapur market for Foodgrains is ruling quiet due to slack

demand. Wheat prices are stagnant at Rs 14 to Rs 14.50 a maund for the average quality. Although some demand is reported from East Uttar Pradesh, despatches are being hampered due to the non-availability of loading facilities. Rice prices are, however, ruling steady. The market for Gram is quiet. Among Pulses, the prices of Peas and Arhar have shown a downward trend.

COFFEE

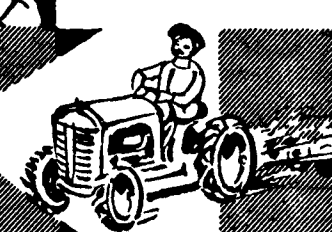
With world Coffee prices slumping fast and the Indian coffee industry

being charged with the mission of earning foreign exchange, at any cost, the future of the industry appears to be in grave jeopardy unless remedial measures are taken to resolve the marketing crisis before it is too late. In this connection, the Chairman of the Nilgiri Planters Association has appealed to the Coffee Board for a complete re-orientation of the current marketing policies and for the promotion of coffee propaganda abroad.

At the beginning of June, there were, 45,000 tonnes of coffee in the Board's Pool. Out of this, 15,735



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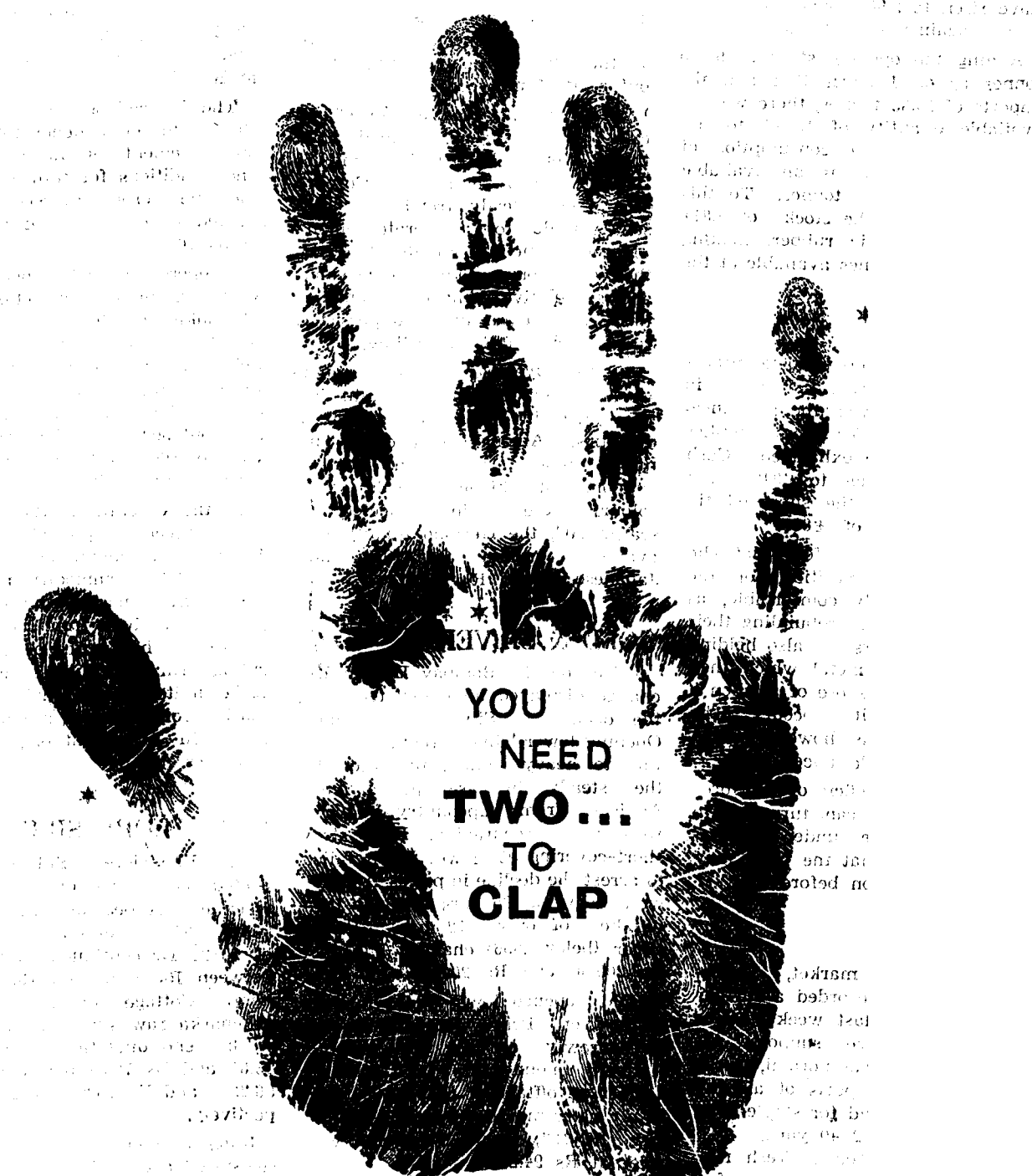
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tonnes were already sold to the export market and some further sales took place early in June.

East European countries are not active on the coffee market, one reason given being the shortage of rupee credit for the intending buyers.

RUBBER

According to the figures released by the Rubber Board, the output of Rubber has shown a rise to 1,002 metric tonnes in April from 1,625 tonnes in the previous month. Consumption has, however, declined to 3,812 tonnes from 4,419 tonnes. Stocks with the states and dealers have risen to 2,988 tonnes from 2,330 tonnes against 7,545 tonnes.

Adding the opening stock of 9,875 tonnes as on 1 April 1961 and the imports of 1,533 tonnes, there was an available quantity of 13,508 tonnes. After deducting the consumption of 3,812 tonnes, there is an available balance of 9,696 tonnes. To this must be added the stock of 2,811 tonnes of synthetic rubber, making total of 12,507 tonnes available at the end of April.

TIN

Tin has encountered some profit-taking after the recent increase in prices, which followed the announcement that the Buffer Stock supplies of the metal were exhausted. Cash tin rose at one stage to £940 a ton as compared with the supposed tin agreement ceiling of £880.

Dealers in London feel that the immediate supply position for the metal is reasonably comfortable, as consumers have been rebuilding their stocks, while dealers are also holding a fair amount of metal which they will want to dispose of when a suitable opportunity occurs. The long-term position is, however, viewed with considerable uncertainty.

The 15,000 ton deficit of tin forecast for this year can turn out to be a considerable under-estimate. Some people feel that the price may go to \$1,000 per ton before long.

YARN

In the Bombay market, Staple-Fibre yarn prices recorded a further advance in prices last week, thanks to keen speculative support. Although the supply was normal, prices shot up following reports of an excellent export demand for staple-fibre cloth woven out of 2/40 yarn.

Rayon yarns showed a fresh rise in prices. The unofficial premium for licences continued to be as high as 190 per cent. Nylons and acetate yarns also presented firm conditions on reports of an acute shortage of ready goods.

India's rayon and other synthetic fibres exports, during 1960, touched an all-time high mark, at 33.96 million yards, representing a rise of 15.28 million yards over 1959 and 7.77 million yards over 1958. This export constituted 24.83 million yards of rayon fabrics and 9.13 million yards of other synthetic fibres. India imported 45.31 million yards of both rayon and other synthetic fibre yarns, whereas the fabrics production jumped to 413.67 million yards during the same period.

The market for Cotton yarn, however, presented listless conditions with coarse and medium counts showing a small recession in prices. The demand from the upcountry centres continued to be limited.

CHEMICALS & DYES

Divergent conditions were noticed in the Bombay market for Chemicals and Dyes. With a few exceptions, the overall tendency in Chemicals was steady and that in dyes was subdued. The political developments in West Asia had made stockists cautious and so offerings were limited in chemicals. On the other hand, the demand was low in the dyes section, especially from the textile industry, on account of the outbreak of monsoon.

In general, the market for Chemicals was working on the feeling that there would be further imports through the State Trading Corporation. The steady trend in caustic soda was due to a moderate demand. Menthol gained about Rs 12 during the week on account of consumer and speculative demand. Camphor, too, was dearer due to persistent demand and lack of selling.

In the Dyes section, Vat colours were in demand with a slight improvement in the prices of certain varieties. Among direct dyes, Turquoise blue declined on lack of support at higher levels. Base colours were again neglected. In scarlet RC, the German quality was available around Rs 10.75 and Japanese around Rs. 10.25.

GOLD & SILVER

Prices on the Bombay Bullion Exchange displayed an easier tendency, the decline in Silver being sharp. Opening lower, silver dropped further due to heavy selling, prompted by the steady increase in arrivals. Advices from upcountry advices were also discouraging. Even stray short-covering at lower levels failed to arrest the decline in prices. Arrivals were heavy at 85 bars as against an offtake of only 12 bars. Ready silver (below .996) changed hands at Rs 200.50 and Rs 200.80.

Gold opened lower in sympathy with silver. Prices thereafter hovered narrowly on lack of support. Arrivals amounted to 5,000 tolas as against an offtake of only 3,000 tolas. Ready rates moved between Rs 121.90 and Rs 122, while Sovereign was quiet at Rs 94.25.

OILS & OILSEEDS

The market for Oils and Oilseeds displayed a weak tendency with prices suffering an all-round decline under the lead of groundnut. Reports of beneficial rains in Western India provided a major bearish influence to the market. Saurashtra figured as a consistent seller on account of the weakness in the prices of groundnut and groundnut oil at the terminal centres. The weakness in groundnut spread to castorseed, linseed and cotton seed.

Favourable weather in Saurashtra gave rise to hopes that the output of groundnut would be larger this

year. Dealers were, therefore, keen in getting rid of their stocks. Moreover, vanaspathi interests did not show any interest in their purchases especially in a week market. In the circumstances, Groundnut Bold ready was on offer at Rs 54.25 and Groundnut Oil at Rs 22.55.

Although the Castorseed section presented initially a firm front with buyers being encouraged by the decision of the Forward Markets Commission to allow trading in the new crop futures without any margin and ceiling, higher levels could not be retained till the close in the absence of any foreign enquiry for castor oil. Limited interest shown by crushers was also a contributory factor. Castor ready was quoted at Rs 35.50 and Castor Oil, commercial quality, at Rs 14.95.

The Linseed section displayed a slightly firmer tendency following the announcement of favourable terms and conditions for futures trading in the new crop. Linseed ready was quoted at Rs 39.25 and Linseed Oil at Rs 16.70.

Shippers reported a moderate activity in groundnut extraction with the JK making purchases around £29-2-6d per ton for June and £29 for July delivery. East Germany was reported to be in the market for linseed oilcake. Business done was estimated at about 500 tons. The price fetched was Rs 360 per tonnes f.o.b. on the basis of July delivery.

In the Calcutta market, the price of Linseed improved further to Rs 30.25 a maund for ready delivery. The commodity is reported to be in short supply due to restricted arrivals from the upcountry centres. The price of oil is also ruling firm, but business is reported to be limited due to small stocks. The market for oilcake remains very steady in the light of good local enquiries.

BANGALORE SILK

The Bangalore Silk market reflected the trend of the previous week in respect of prices of raw silk. Prices of filature raw silk of 20/22 Dr continued to be quoted between Rs 80.43 and Rs 83.23 per kgm. Cottage basin silk as well as charka raw silk ruled at the last week end quotations between Rs 73.85 and Rs 78.26 per kgm and Rs 56.22 and Rs 73.85 per kgm respectively.

Rates of reeling cocoons however registered a declining trend possibly due to easy supply position. While cocoons from Mugur area were quoted between Rs 3.25 and Rs 4.50 per kgm, Sidlaghatta cocoons fetched between Rs 4.50 and Rs 6.00 per kgm. Rates of Channapattana reeling cocoons ranged between Rs 4.25 and Rs 4.75 per kgm.

Mysore race seed cocoons declined further to be quoted between Rs 4.25 and Rs 4.75 per 1000 and foreign race seed cocoons between Rs 4.00 and Rs 8.00 per 1000.

HIDES & SKINS

Arrivals of tanned cowhides in the Madras Market were moderate with no change in prices last week and

this. No offer emanated from U.K. in the c.i.f. position due to high prevailing prices of cow hides. However a few deals were put through at 72d, 62d and 52d for 5/5½ lb but a few more deals are possible at a still lower price level.

As for semi-premium some business was reported in 5/5½ lb at 77d, 67d and 57d. Inferior fifths continue to get good demand at 45d for 5/5½ lb and 8/8½ lb and 10/12 lb at 39d while 10/12 lb was quoted at 36d/37d.

Tanned cow calf price remained unchanged. The same was the case with tanned buff calf.

Tanned goatskins had poor demand this week and continued easier. Demand for midweight tanned goatskins continues.

GOVT. PURCHASES

Rs 151.5 Crores from Indigneous Sources

Over Rs 151.5 crores of goods, the bulk from indigenous sources, were purchased by the Government through the Directorate-General of Supplies and Disposals in the period beginning April 1960 to January 31, 1961.

The value of purchases made from the indigenous manufactures amounted to Rs 122.76 crores, of which the small scale industries' sector accounted for Rs 5.93 crores.

The value of leather goods purchased from small scale industries in this period was Rs 84.70 lakhs, of ten'tago items Rs 67.19 lakhs. The woollen hosiery Rs 41.48 lakhs. The total value of khadi purchased during the period was Rs 76.38 lakhs. The question of supplying woollen and khadi uniforms to some categories of Government employees was under examination.

Other important items purchased from the small scale industries in the period were: tarpaulin and waterproof goods Rs 31.73 lakhs; paint and varnish—Rs 18.55 lakhs; cotton waste—Rs 23.58 lakhs; and bandages—Rs 22.32 lakhs.

IRON ORE

Trend of Production

The production of iron ore during April 1961 was 944,000 metric tons, according to the Indian Bureau of Mines.

This brings the total output during January-April 1961 to 3,838,000 metric tons which was higher by about 8 per cent compared to the output during the corresponding period of the preceding year.

Orissa was the leading producing State with an output of 321,000 metric tons followed by Bihar with 264,000 metric tons. The production from Madhya Pradesh, Mysore and Maharashtra was 169,000, 122,000 and 45,000 metric tons, respectively.

During the month, despatches for consumption in the iron and steel plants totalled 678,000 metric tons while despatches for export totalled 184,000 metric tons.



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Varying Conditions

Wherever new steam-raising plant is to be installed, either for generating power or in industry, it is essential that skilled investigation and analysis be carried out to ensure that the plant is tailor-made to give optimum performance under varying local conditions and requirements.

Fuel

Having established the purpose for which the steam power created will be required, it is necessary for the design engineer to identify the type of fuel to be used, either oil, gas or coal. Coal is by far the most widely used fuel, but its thermal content varies and it is therefore necessary to make an analysis to establish the percentage of principal heat-producing elements present. The thermal content of fuel has an important bearing on the designing of the kind of plant to be installed. Generally low-grade coal is used with anything up to 50% ash content. It should be remembered that steam must be raised as economically as possible.

Waste fuel

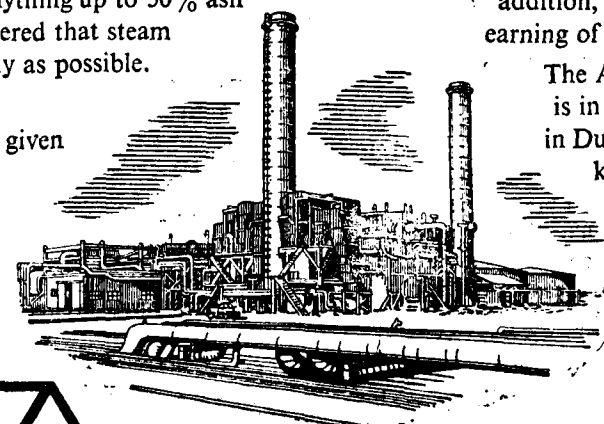
Particular attention has to be given to industries that wish to use waste material as fuel. For instance, the sugar industry absorbs vast quantities

of waste material in the form of bagasse for fuel. Again in the pulp and paper industry it is now the practice to combine the processes of chemical recovery and steam raising by burning the 'black liquor' from the digesters in a special type of boiler unit. Of course, these industries cannot keep their steam-raising plant functioning entirely on waste materials. So, in their designing and planning, the technicians and design engineers must allow for varying fuels to be used and at the same time achieve optimum performance.

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Company Reports

Expansion Plans of Hindustan Motors

IN order to achieve the manufacture of maximum number of components of cars and trucks in India, the Hindustan Motors Limited has approached the Government of India for allowing the import of capital goods. The Government has already forwarded the company's application to the US Development Loan Fund. If this capital goods licence is received soon, it will make the company almost independent of imported components.

The Government of India has accepted the main recommendations of the Jha Committee on the basis of which it has sanctioned to the company the manufacture of Bedford Diesel Engines as well as trucks of all types of wheel bases and capacity. Bedford Diesel Engines will not be allowed for fitment until the company is in a position to manufacture 80 per cent of the components. This, the directors, hope will be effective from 1 April 1963, provided the licence for capital goods is received in time. Thereafter, all restrictions will be removed.

The Government of India has also agreed to allow manufacturers to expand their existing capacity. Accordingly, the company has approached the Government for such sanction to expand as also to grant import licence for capital goods. On receipt of this sanction, the work of expansion will start.

Meanwhile, the company has produced excellent working results for the year ended 31 March 1961 despite a considerable increase in the prices of raw materials, salaries and wages items and other expenses, thanks to the rise in production and the indigenous content of the vehicle having increased. Although the production of cars and trucks was interrupted during the first half of the year due to shortage of raw materials and components, production increased during the latter half, reaching a figure of 2,027. Sales have shown a marked rise to Rs 30.45 crores from Rs 21.77 crores, while the net profit, after providing for Depreciation and Taxation, is almost doubled to Rs 172.21 lakhs as against Rs 99.10 lakhs for the preceding year.

Apart from providing Rs 50 lakhs for General Reserve, all other allocations have been raised:—Depreciation to Rs 63.07 lakhs from Rs 51.80 lakhs; Taxation to Rs 1.14 crores from Rs 68 lakhs and Development Rebate Reserve to Rs 36 lakhs from Rs 30 lakhs. The directors have recommended a taxable dividend of Rs 1.20 per ordinary share. This gives a net dividend of 84 p per share, payable on or after 25 July

to those shareholders whose names are registered as on 27 June 1961.

Bagalkot Cement Skips Dividend

The Bagalkot Cement Company Limited has reported a higher net profit, before providing for Depreciation and Development Rebate, of Rs 21.93 lakhs for 1960 as against Rs 16.36 lakhs for the previous year. As it was decided to provide full depreciation in respect of new machinery, the charge under this head is sharply higher at Rs 20.59 lakhs against Rs 7.37 lakhs. The transfer to Development Rebate Reserve is also higher at Rs 18.68 lakhs against Rs 24,000. Preliminary expenses and other intangible items were written off to the extent of Rs 1.32 lakhs on the last occasion.

As a result of the heavy provisions towards depreciation and Development Rebate Reserve, there is a large debit balance of Rs 17.34 lakhs, which is carried forward. It has, therefore, been decided to omit the dividend on the ordinary shares. The dividend for 1959 was 8 per cent.

Even though the second kiln was commissioned in May last year, there is only a slight increase in production. The actual output of clinker is 134,645 tons and of cement 134,901 tons. The increased capacity could not be fully utilised on account of the shortage of coal.

The Company has been granted a licence to raise its production to 4 lakh tons from 2 lakh tons; but the directors do not feel justified in implementing the additional capacity when its existing plant is not being fully utilised. The company has, therefore, informed the Government that it has to defer its decision to proceed with the expansion programme until the coal situation has eased and supply of power from Sharavati becomes available. This clearly indicates that there is no great anxiety to create new capacity in the present circumstances.

Balasubramania Mills Repeat

The net profit of Balasubramania Mills Limited is slightly higher at Rs 7.84 lakhs for 1960 as against Rs 7.54 lakhs for 1959, thanks to the rise in sales from Rs 63.56 lakhs to Rs 69.67 lakhs. The provision for Depreciation is Rs 2.27 lakhs against Rs 1.93 lakhs and for Development Rebate Reserve Rs 1.20 lakhs against Rs 71.453. The charge on account of Taxation is Rs 2.05 lakhs against Rs 2.23 lakhs. A sum of Rs 50,000 is transferred to General Reserve against nil, while the Contingency Reserve got Rs 55,000 and Machinery Replacement Reserve Rs 4,273 on the former occasion. The dividend

on the Ordinary shares is maintained at 15 per cent, subject to tax.

The results for the current year is expected to show better showing as the installed capacity has risen from 25,712 spindles to 30,967 spindles at the close of 1960. Besides, the old spindles have been reconditioned, renewed and modernised.

Cannanore Spinning Pays More

Thanks to a net profit of Rs 14.85 lakhs against Rs 10.34 lakhs, the Cannanore Spinning and weaving Mills Limited has recommended a final dividend of 11 per cent for the year ended 31 March, 1961. This gives a total dividend of 20 per cent, taxable, for the year as against 17 per cent, taxable, paid for the previous year.

In respect of allocations, a sum of Rs 2.26 lakhs (Rs 2.28 lakhs) is provided for Depreciation; Rs 5.00 lakhs (Rs 3.60 lakhs) for Taxation and Rs 85,777 for Development Rebate Reserve (Rs 12,414).

The blow-room machinery, imported from Switzerland, has been erected and has commenced working. An application has been made for installing additionally 6,000 spindles. The necessary permission from the Government is awaited.

TOMCO Pays Rs 5.75 Per Share

The working of the Tata Oil Mills Company has resulted in a profit of Rs 20.31 lakhs for the year ended 31 March 1961 as against Rs 24.71 lakhs for the previous year after providing Rs 17.10 lakhs for Taxation (Rs 25.75 lakhs) and Rs 2.85 lakhs for Development Rebate Reserve (Rs 2.00 lakhs). The directors have proposed to maintain the dividend of Rs 5.75 per share, subject to tax. The total turnover for the year amounts to Rs 10.02 crores against Rs 8.31 crores in the previous year.

The allocation to General Reserve amounts to 53,000 (Rs 1.00 lakh) and the Plant Modernisation and Development Reserve absorbs Rs 2.50 lakhs (Rs 5.00 lakhs). After providing for the dividend, a sum of Rs 28,609 is carried forward against Rs 46,303 brought in.

Improved Results of Lakshmiratan Engineering

The Lakshmiratan Engineering Works Limited has announced improved results for the year ended 30 September 1960. The profit has gone up from 7.19 lakhs to Rs 12.23 lakhs. Sales have increased from Rs 59.03 lakhs to Rs 66.47 lakhs. The closing stock is placed at Rs 8.80 lakhs against Rs 4.84 lakhs.

The provision for Depreciation amounts to Rs 4.47 lakhs against Rs 3.37 lakhs. The provision for Depreciation in respect of previous year of Kanpur and Faridabad assets amount to Rs 6.08 lakhs. The Developer Rebate absorbs Rs 73,261. After adjusting the surplus of Rs 93.78 against the brought forward loss, there is a debit balance of Rs 2.2 lakhs, which is carried forward.

Ishwar Industries Fare Better

The Ishwar Industries Limited, New Delhi, has earned a net profit of Rs 1.96 lakhs for 1960 as against Rs 1.61 lakhs. A sum of Rs 88,000 (Rs 62,000) is provided for Taxation and Rs 3,606 (Rs 26,428) for Development Rebate Reserve. The directors have proposed a dividend of 9 per cent on the Ordinary shares; 11 per cent on the Deferred shares and 7 per cent on the Preference shares.

The directors state that a major part of the machinery and equipment required for modernising the plant at Niwar has been received at the Port. The new plant is expected to go into production by the end of this year.

Lower Profits for Cheviot Mills

It would be recalled that the Orient Jute Mills Company Limited was amalgamated with this company with effect from 30 July 1960. A such, the company's ordinary capital has increased from Rs 15,95,000 to Rs 38,56,250 and that the excess of the book value of the Orient assets and liabilities at 31 July 1960 over the face value of the shares issued to the Orient shareholders has been shown as Capital Reserve.

Orient Mill was closed down at the date of amalgamation and the trading of the Orient Mill up to 3 July 1960 resulted in a loss of Rs 39,434. Although the transfer to Cheviot Mill was effected very smoothly, the subsequent working of the mill has been below the desired level of efficiency. A period of such unsettlement had been expected in view of the major upheaval involved. These are naturally reflected in the working results of the company for the year ended 3 November 1960.

Although sales have risen to Rs 1.27 crores from Rs 89.33 lakhs, the net profit, after providing for Depreciation and Taxation, amounts to only Rs 2.15 lakhs as against Rs 4.5 lakhs for the preceding year. The Depreciation amount is raised to Rs 2.64 lakhs from Rs 1.07 lakhs and Development Rebate Reserve to Rs 1.47 lakhs from Rs 4,426. No provisions are made for Taxation on General Reserve against Rs 1,500 and Rs 1.50 lakhs respectively allotted in the previous year.

Apart from recommending a supplementary dividend of 2.1 per cent on the Preference shares for the year ended 30 November 1959 and a total of 9.1 per cent for the year under review, the directors have passed over the dividend on the Ordinary shares as against 12½ per cent, taxable, paid for the preceding year. The directors state that the prospect for the current year are poor.

For the Investor

INVESTMENT GOSSIP Revival of Interest

THE stock markets have witnessed a moderate revival of buying interest this week. It is evident that both operators and investors have found new incentives in the fact that contrary to general expectation the last week-end has passed without any curb measures from Government and in corporate news and rumours. Although there has been no definite indication to show that Government will not embark upon any further curb measures, it would appear that confidence is slowly returning consequent on the report that all the principal Stock Exchanges in the country are united in their representation to the authorities that any further curb measures will be unwarranted.

While favourable rumours about the TELCO dividend and later on the announcement of an increased dividend kept marketmen in Dalal Street somewhat enthusiastic, Lyons Range also provided some cheer in the shape of a persistent rumour about an impending bonus issue from Dunlops.

Steel shares were once again in the limelight. Indian Irons were sought after following the publication of encouraging output figures for the month of June. Renewed hopes of a higher dividend distribution is an important influence sustaining interest in TISCO.

Even so, operators are moving quite cautiously. At other times when the activities of the operators were under no great restraint, such incentives as have come their way during the past few weeks would have brought about a wild upsurge in the stock markets. The outlook for industries both old and new is quite good notwithstanding such temporary setbacks as power shortage, transport difficulties etc. With the firm commitment by a number of friendly foreign countries, the problem of foreign exchange for the Third Plan is no longer the bug-bear it was till recently. The indication that the private sector collieries will be getting foreign aid for their expansion has helped maintain interest in coal shares while sustained enquiry has been forthcoming for selected miscellaneous shares.

It is clear, however, that bullish fervour will not get much encouragement and it would appear that operators realise more than ever that Authority will not be slow in crushing a runaway boom in shares. It seems an open secret that Government is considering a number of measures to make the stock markets safe for the genuine investors. Each

day brings a crop of fresh rumours about official thinking in this regard and it is no wonder that operators have thought it prudent not to extend commitments.

NEW ISSUE NOTES Volkart

Volkart (Bombay) Private Limited, a new company, has been granted consent to issue capital of Rs 25 lakhs in equity shares of Rs 1,000 each, at par. Of this, shares worth Rs 10 lakhs will be issued to Sarvasri J. P. Patel and Shavak Patel of Patel Cotton Company, Private Limited, Bombay, for cash and the balance of Rs 15 lakhs to the partners of the partnership firm of Volkart Brothers, Bombay and/or their nominees in consideration of assets taken over from the partnership. The company will take over the activities of the Bombay Branch of Volkart Brothers regarding import and export of cotton staple fibre and other products and also acting as shipping and insurance agents.

Patel Cotton

The Patel Cotton Company Private Limited, with a paid-up equity capital of Rs 25 lakhs, has been granted consent to issue capital of Rs 23,25,000. The entire issue will be made to the partners of Volkart Brothers, Bombay. Of this, Rs 6,50,000 in equity shares of Rs 500 each will be issued for cash at a premium of Rs 300 per share and the balance of Rs 16,75,000 in debentures carrying interest at 4 per cent per annum in consideration of the properties taken over from the partnership concern. The company will take over and carry on the domestic business of the Bombay Branch of Volkart Brothers in cotton and cotton waste. It will also take over the ginning and pressing factories of Volkart Brothers, Bombay.

Rajasthan Wool

The Rajasthan Wool Industries Limited, a new company, has been granted consent to the issue of capital of Rs 50 lakhs divided into 14,000 cumulative redeemable preference shares of Rs 100 each and 3,60,000 equity shares of Rs 10 each. The company proposes to set up a factory at Kotah in Rajasthan for the manufacture of wool tops, wool spinning and wool knitting equipment. The total capital cost of the scheme will be Rs 1 crore.

Goodyear

The recent offer of Goodyear India Limited to the public of 4,00,000 equity shares to raise Rs 68,00,000 is significant from three

aspects. It has produced the second largest number of shareholders of any public company in the private sector in India. Secondly, no prior allotments were made to Directors, friends or employees, all the shares being offered to the Indian public. Although the issue was oversubscribed by about 25 times, letters of allotment and regret with balance of refunds to unsuccessful applicants, were all posted within two months of the closing date. Offering equity shares of Rs 10 each at a premium of Rs 7 per share, the Company received applications totalling Rs 17 crores against the requisite subscription of only Rs 68 lakhs. 89,000 applicants were reviewed and processed, representing a total of about 10 million shares from which 49,231 applicants were allotted shares.

Goodyear India Limited, which is setting up a factory at Ballabgarh, near Delhi, has been granted a licence to expand substantially its production capacity of tyres and tubes. The increased annual capacity of the factory (on three-shift basis) will be:—Passenger tyres 61,600; motor cycle and scooter tyres 20,000; truck/bus tyres 200,000 A.D.V. tyres 3,500; Wheelbarrow tyres 1,400; tractor tyres 12,500; Aeroplane tyres 1,600; automobile tyres 326,600 and camelback 2 million pounds.

Hindustan Wired Glass

The Hindustan Wired Glass Manufacturing Company, Limited has proposed to offer, at par, for public subscription, 23,520 equity shares of Rs 100 each. The subscription list will open on 14 July and close on 21 July or earlier at the discretion of the directors, but not before 17 July. The company proposes to establish a factory to manufacture wired, figured and rolled glass. The plant will be located in the vicinity of Baroda. The issued capital is Rs 60 lakhs, while the capital already subscribed amounts to Rs 10 lakhs. The company's foreign collaborators, Mississippi Glass Company, St. Louis, Missouri, USA, have agreed to take up 12,000 equity shares of Rs 100 each. The directors and their friends have agreed to take up 9,480 equity shares. The ICIC has agreed to subscribe for 5,000 shares. The balance of the issue amounting to Rs 23.52 lakhs is to be offered for the public.

Satgram Collieries

The Selected Satgram Collieries Limited has decided to raise its equity capital by issuing 20,500 shares of Rs 100 each. It has been proposed to issue 19,500 equity shares to the existing shareholders in the proportion of one new equity share for one old share. The balance of 1,000 shares will be disposed of by the Board of Directors at par in such manner as they think most beneficial to the company. The new equity shares will have the right to any dividend declared for the year ended 31 December, 1961. An amount of Rs 50 per share is payable with the application; Rs 25 on allotment and the balance of Rs 25 as and when the directors think it necessary.

Usha Spinning

The Usha Spinning & Weaving Mills Limited, a company proposed to be incorporated in Delhi, has been granted a consent to the issue of capital of Rs 35 lakhs divided into 2,80,000 equity shares of Rs 10 each and 7,000 Cumulative Redeemable Preference shares of Rs 100 each carrying dividend of 9.3 per cent, free of company's tax, but subject to deduction of tax at source. The capital is required for the establishment of a cotton mill in Badrapur, Gurgaon district. The consent is valid for twelve months.

Cambatta Ferro Manganese

The Cambatta Ferro Manganese Private Limited, Bombay, has a paid-up capital of Rs 85,05,500 divided into equity shares worth Rs 35,05,500 and preference shares worth Rs 50,00,000. It is now proposed to be converted into a public limited company. The company has been granted consent to issue capital of Rs 1 crore to the public in equity shares of Rs 10 each for cash, at par. The proceeds of the issue will be utilised for repayment of loans and working capital.

International Instruments

The International Instruments Private Limited, Bangalore, has been allowed to issue further capital of Rs 6,34,400 divided into 1,364 equity shares of Rs 100 each and 5,000 preference shares of Rs 100 each carrying a dividend of 9.3 per cent, at par. The consent is valid for twelve months. The proceeds of the fresh issue will be utilised for the development of the manufacture of automobile dash board instruments.

Flender Macneill Gears

Flender Macneill Gears Limited is a new company promoted by Messrs. Macneill & Barry Limited, Calcutta. A West German company has been granted a consent to the issue of capital of Rs 25 lakhs for undertaking manufacture of gears and couplings. The capital will be subscribed equally by Macneill & Barry Limited and the West German firm. The cost of the project is estimated at Rs 25 lakhs in the first phase. The consent is valid for twelve months.

INVESTMENT NOTES IISCO

According to the figures released by the Indian Iron & Steel Company for June, the output of all categories has shown a rise except for a decline in pig iron from 100,815 metric tonnes to 96,921 tonnes. The production of Steel Ingots has risen to 74,229 tonnes from 70,912 tonnes; semi-finished steel to 13,576 tonnes from 11,065 tonnes and finished steel to 36,513 tonnes from 31,100 tonnes. Despatches are substantially higher at 51,410 tonnes against 39,812 tonnes.

DENA Bank

The Wankaner Bank Limited, which was under moratorium from 7 May, 1961, has been taken over by Devkaran Nanjee Banking Company Limited on 17 June 1961, under the scheme of amalgamation sanctioned by the Government of India. Under the scheme, all the depositors of the Wankaner Bank have received full credit for their deposits from the DENA Bank.

Sifco Limited

Sifco Limited, a new company, has secured a licence to manufacture 10,000 alarm clocks a month. The company will produce 85 per cent of the components in the first two years and up to 95 per cent from the third year onwards. Besides alarm clocks, it also proposes to manufacture other precision instruments. Arrangements for technical and financial collaboration have been finalised with the French company, Messrs. Jaz S. A. Favre Leuba & Company of Geneva.

TEXMACO

The Textile Machinery Corporation Limited, Calcutta, has plans to produce seamless iron and steel pipes and tubes. The company is understood to have been granted a licence to manufacture these pipes and tubes with a capacity of 30,000 tons a year on a three-shift basis.

Sarangpur Cotton

The Sarangpur Cotton Manufacturing Company, Limited, Ahmedabad, has been accorded consent to the issue of 3,988 bonus shares of Rs 250 each on capitalisation of reserves and allotment in the ratio of one bonus share for every four equity shares held.

Perfect Pottery

The Perfect Pottery Company Limited has been granted consent to the issue of bonus shares of the value of Rs 7.59 lakhs dividend into equity shares of Rs 50 each in the ratio of three bonus shares for every four shares held.

Vikram Mills

The Vikram Mills Limited has been given consent to the issue of 5,500 equity shares of Rs 100 each as bonus on capitalisation of reserves to the extent of Rs 5.50 lakhs. The bonus shares will be offered to the existing shareholders in the ratio of one share for every equity share of Rs 500 each held. The consent will be valid for a period of one year.

Karam Chand Thapar

Karam Chand Thapar & Brothers Private Limited, Calcutta, has been allowed to start a new project for the production of steam-generating plants. The firm has been granted a licence to manufacture plants up to 20 T.H. worth Rs 1.20 crores in the first year of production; plants from 20 to 70 T.H. worth Rs 2 crores in the second year and plants of more than 70 T.H. worth Rs 2.70 crores in the third year.

Indian Finance

restrictions on speculative trading as was originally feared.

Thus, the feeble recovery in equity prices, that was noticed towards the previous week-end, was carried a stage further due to the emergence of bull support, being influenced by the satisfactory performance as revealed by the production figures released by the Indian Iron & Steel Company for last month. Encouraging advices from Bombay following the liberal dividend policy adopted by the TELCO directors, imparted further strength to the market, resulting in some of the shares scoring sizable gains on balance. There was, however, a general disposition to restrict commitments and book profits at bulges due to fears that the banks might raise further their lending rates in order to discourage borrowing.

There was hardly anything of interest passing in the Gilt-edged market. Conditions were more or less similar to those prevailed in the previous weeks, with the volume of business transacted being negligible. In the Central Loans section, the demand continued to be confined to shortdated issue.

Bank shares were a steady feature on expectation of higher earnings for the half-year just ended. Punjab National changed hands at Rs 22.50 to Rs 22.75 and United Commercial at Rs 90.50 to Rs 91.

Even the scattered interest shown in the Jute shares during the past two weeks seemed to have subsided. This was mainly due to reports of the IJMA's proposal for a third block closure some time in August which, it was feared, might lead to further loss of income to the mills.

Birlas were on offer at Rs 27.25 against Rs 27.50, while Ganges were slightly better at Rs 10.81 against Rs 10.69; Howrah at Rs 20.75 against Rs 20.50 and Chitavalsah at Rs 11.50 against Rs 11.31. New Central were, however, supported up to Rs 20.62 from Rs 19.50 from interested quarters.

Coal shares were generally steady on the news that the representative of the industry would be going shortly to Washington to finalise the terms and conditions of the World Bank loan for expansion. Bengal were enquired up to Rs 391 from Rs 385.50, while New Beerbhoom and Western Bengal were almost maintained at Rs 24.25 and Rs 10 respectively. Burrakur were a narrow market, moving between Rs 20.12 and Rs 20.44.

The support for selected Tea shares was well maintained due to better prices obtained at the week's auction. Dhunseri changed hands at Rs 16.37 to Rs 16.50; Grob at Rs 11 to Rs 11.12; Hasimara at Rs 26.12 to Rs 26.31; Hattikhira at Rs 10 to

Rs 10.31; Jay Shree at Rs 23.75 to Rs 24.06 and Tezpore at Rs 18.37 to Rs 18.56.

Except for renewed interest shown in Carew up to Rs 13.50 from Rs 13.31, Sugar shares were generally dull. Balrampore were on offer at Rs 2.50 to Rs 2.56 against Rs 2.62. There was an anxiety to know how the factories would be compensated for the export losses.

Textiles shares remained generally firm on hopes of higher production by the industry. Kesoram had buyers at Rs 35.06 to Rs 36.75 and J. K. Rayon at Rs 19.06 to Rs 20.62. Elgins came in for business up to Rs 20.12.

In the week's dealings, the lead to the general recovery was mainly given by the speculative issues. Indian Irons, after opening steady at Rs 27.66, receded at one time to Rs 27.54. But, the news of the satisfactory production figures released by the company for last month coupled with higher Bombay advices induced a sharp recovery to Rs 28.44—the highest level. In sympathy, TEXMACO moved up to Rs 20.30 from a low of Rs 20.15, closing on the ex-dividend basis at Rs 19.80. Guest, Keen, Williams changed hands at Rs 41.25 to Rs 41.50; Escorts at Rs 23.75 to Rs 24.75 and J. K. Steel at Rs 34.87 to Rs 36.12. The newly-enlisted Binani Metals forged ahead to Rs 13.56 from Rs 11.81 due to continued support. Jay Engineering were rather sticky at Rs 29.06 and so also Dalmia Iron at Rs 10.12.

Of all the sections, the Miscellaneous fared exceedingly well and provided a few bright features. Dealings were very prominent in Dunlop Rubber and Indian Copper. Dunlop Rubber scored more than Rs 3 at Rs 53.87 due to persistent rumours of a right or bonus issue before the week-end. Indian Copper were keenly sought after at one time up to Rs 5.84 from Rs 5.73 on rumours of the possibility of a bonus issue. Following were the price trends of a few other selected shares:

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	Week's Opening	Week's High	Week's Closing
Orient Paper	34.35	35.20	35.20
Shree Gopal	26.62	26.87	26.00
Rohtas	19.50	20.25	20.12
H. Motor	22.44	23.19	23.19
Alkali Chemicals	37.12	38.00	38.00
Titagarh Paper	34.31	36.62	36.62
I. Oxygen	38.75	40.25	40.25
I. Cable	37.69	38.25	38.25
I. Aluminium	33.62	34.75	34.69
I. Steamship	6.94	9.12	6.94
I. Copper	5.78	5.84	5.81
Aluminium Corpn.	15.25	17.12	16.73
BIC	7.69	7.87	7.87
Usha Martin	6.62	7.06	7.06
Asso. Battery	34.00	34.12	34.12
Isaac Holden	17.00	19.37	19.12
*=Cd.	†=Xd.	‡=Xr.	

MEETINGS AND DIVIDENDS PROPOSED

Companies.	Meeting Date	Dividend Proposed	Previous Dividend (Rs Per Share)	Transfer Books Closed
Bengal Potteries	July 10	0.375	0.356	15/6/61 to 10/7/61
Murphulani Tea	July 12	0.50*	2.00	6/7/61 to 12/7/61
		1.063**	2.50	
Basmatia Tea	July 19	3.50	3.00	12/7/61 to 19/7/61
Kesoram Cotton	July 22	1.20	0.50	10/7/61 to 22/7/61
Larsen and Toubro	July 25	1.80	1.80	26/6/61 to 22/6/61
National Jute	July 27	0.75	1.00	7/7/61 to 27/7/61
Indian Copper	Aug. 9	0.36	0.36	12/6/61 to 1/7/61
* = Ordinary.				
** = Preference				

Facts & Figures

FOREIGN AID

The US Contribution

US economic assistance to India consists of both grants and loans. The total commitments of the United States under various agreements with the Government of India now stand at \$3,872.6 million (Rs 1,843.3 crores).

GRANTS are gifts. They do not involve any repayment. For instance, the rupee equivalent of \$788.2 million and the rupee equivalent of the sale proceeds of agricultural commodities supplied to India under Public Law 480, Title I, will be grants made to the Indian Government for economic development. So is a sum of \$334.6 million provided under the Indo-American Technical Cooperation Programme. Grants total \$1,122.8 million.

LOANS, involve repayment. The Wheat Loan of 1951 and loans made by the Export-Import Bank—totalling \$427.7 million—are to be repaid in dollars. Loans made by the Development Loan Fund (\$493.4 million), under the Technical Cooperation Programme (\$156.1 million), and from the sale proceeds of agricultural commodities supplied under PL-480 (\$1,086 million) totalling \$1,735.5 million—can be repaid in either dollars or rupees at the option of the Indian Government. Repayment in rupees does not involve the utilization of India's foreign exchange earnings or the export of goods from India. It will be noted that 80% of US loans to India (\$2,163.2 million) are repayable in rupees.

Under Title I of PL-480, the United States has entered into agreements with India for the supply of large

quantities of wheat, rice, coarse grains, cotton, dried milk powder and tobacco. The total value of the commodities covered by these agreements amounts to \$2,337.3 million. Of this, the rupee equivalent of \$300.8 million is reserved for US Government use; \$162.3 million will be given in loans to private enterprise under the Cooley amendment; \$788.2 million is to be granted to the Indian Government for economic development and the balance (\$1,086 million) is to be loaned to the Indian Government for the same purpose. Thus 80% of the value of agricultural commodities supplied under Title I of PL-480 will be utilised in financing irrigation dams, power projects, the expansion of educational and research facilities, the malaria eradication programme, and similar development projects in this country.

Title II of Public Law 480 enables the US President to furnish emergency assistance to foreign countries in meeting famine or other urgent or extraordinary relief requirements. Under this title India has received agricultural commodities worth \$4.9 million. The US International Co-operation Administration sent supplies valued at \$5.5 million to meet a food emergency. Thus India received famine relief grants totalling \$10.4 million.

Under Title III of Public Law 480, \$113.1 million worth of dried milk, wheat, rice, corn, cotton seed oil and other such commodities have been distributed in India through voluntary agencies.

The Cooley amendment to Public Law 480 (named after Congressman Harold D. Cooley, Chairman of the

Committee on Agriculture of the US House of Representatives) provides that up to 25% of the local currency proceeds from the sale of American agricultural commodities shall be made available to the United States Export-Import Bank for lending in the private sector to two categories of borrowers: 1) American firms or their subsidiaries operating in the host countries or indigenous firms having an affiliation with an American firm; 2) Indigenous firms of the host countries with no American affiliation but which are facilitating the disposal of American agricultural products, e.g. local private warehouses storing grain or flour mills processing the grain etc. The five agreements between India and the United States under PL-480 provide for \$162.3 million to be given in loans to private enterprise under the Cooley amendment.

Breakdown by Commodities and Services

US aid to India has been extended through different agencies of the American government such as the Development Loan Fund and the Export-Import Bank.

The terms and conditions under which assistance is given by the different agencies vary. But what India ultimately receives consists of commodities and services. For instance, steel shipments have been made, available to India through credits extended by the Technical Co-operation Mission and the Development Loan Fund. Capital equipment for industries in both the public and private sector has been bought with loans given by the Export-Import Bank and the Development Loan Fund.

In the following table is listed the commodities and services received by India from the United States aid programme as a whole.

Some of the items below are grants some loans, and others include both loans and grants.

The following list covers only grants and loans in foreign exchange. A number of projects in India have been given loans and grants from the sale proceeds of agricultural commodities supplied to India under Public Law 480 and Section 402 of Public Law 665. These rupee grants and loans are not included in the tabulation which follows.

	DOLLARS (Million)	RUPEE equivalent (Crores)
Agricultural Commodities:		
These include the Wheat Loan of 1951, the three Titles of Public Law 480, and Section 402 of Public Law 665. These provide for a total supply of approximately 30 million tons of wheat, 1.4 million tons of rice, 1.4 million bales of cotton, 600,000 tons of corn and sorghum, 3,000 tons of tobacco, and 4,000 tons of soybean oil	2,718.3	1,294.4
Industrial Development:		
Capital equipment for industries such as jute, cement, automobile, rayon, paper, aluminium, mining, etc.	298.2	142.0
Orissa Iron Ore Project & other mineral development.	21.2	10.0
Financial Institutions (Industrial Finance Corporation, Industrial Credit & Investment Corporation of India, National Small Industries Corporation).	25.0	11.9
Industrial Research Organizations.	...	...
National Productivity Council, etc.	12.3	5.9
Nuclear Engineering & Research.	1.4	0.7
Transportation:		
Rehabilitation & Modernization of Railways.	189.5	90.0
Road Transportation	38.1	18.1
Expansion of Aviation facilities & purchase of aircraft.	7.0	3.3
Electricity:		
Electric Power Generation.	...	...
Rural Electrification & electric distribution systems.	162.1	77.2
...	3.4	1.6
Steel:		
Steel imports for both industry & agriculture.	145.8	69.4
Health:		
Malaria eradication.	...	...
Control of filaria, water supply and sanitation, medical colleges, etc.	78.4	37.3
...	12.8	6.1
Agricultural Development:		
Fertilizer imports.	...	...
Trombay fertilizer factory.	...	...
Ground water exploration, irrigation & tubewell casing.	34.4	16.4
...	30.0	14.3
Agricultural education, research, etc.	24.3	11.6
Expansion of fisheries.	23.2	11.0
Dairy development, including Calcutta Milk Scheme.	2.9	1.4
...	1.4	0.7
Education:		
Technical, home science, extension, adult, audio-visual, etc., educational institutions.	162.1	77.2
Training craftsmen, instructors, foremen, etc.	3.4	1.6
General & Miscellaneous:		
Technical Cooperation Mission: Technical Support and programme direction.	145.8	69.4
Miscellaneous projects including assistance to Indian Investment Center, Small Industries Development, Indian Statistical Institute etc.	10.8	5.1
Community Development, Housing, Social Welfare, etc.	2.6	1.2
...	14.5	6.9
TOTAL	3,872.6	1,843.3

INDEX NUMBERS OF SECURITY PRICES

(1952-53=100)

Week ended	18-6-60	10-6-61	17-6-61
Government and semi-Government securities—All-India			
TOTAL	101.1	101.0	101.0
Government of India	100.9	101.0	100.9
State Governments	102.7	102.0	102.0
Municipal, Port Trust, etc.	100.0	99.7	99.7

Debtentures of Joint Stock Companies—All-India			
Total	101.0	101.2	101.2

Preference shares—All-India			
Total	89.4	84.1	84.1

Variable dividend industrial securities—All-India

TOTAL	174.9	182.2	184.2
Agriculture and Allied Activities			
Total*	177.7	173.5	173.5
Tea Plantation	173.4	167.4	167.5
Coffee Plantation	208.0	179.0	181.2
Rubber Plantations	179.3	174.5	174.3
Mining and Quarrying: Total	159.4	156.6	156.2
Coal	121.7	131.3	131.2
Other Mining	185.2	190.8	199.3
Processing and Manufacturing:			
Total	188.6	199.6	199.4
Processing & Mfg. (Food stuffs, Textiles Etc., Total*)	190.0	204.5	204.5
Sugar	195.9	165.4	164.6
Cotton, Textiles	152.8	169.5	171.2
Jute Textiles	94.2	88.2	87.2
Silk & Woollen	111.7	125.0	125.7
Processing & Mfg. (Metals, Chemicals Etc., Total*)	198.0	212.1	212.2
Iron & Steel	163.7	180.3	179.5
Transport Equipment	409.8	427.9	425.2
Electrical Machinery	137.9	162.9	164.7
Machinery Other than Transport and Electrical	230.1	219.1	218.7
Basic Industrial Chemicals	205.8	219.0	218.6
Processing and Mfg. (Others):			
Total*	166.8	161.5	160.3
Cement	148.2	144.7	144.0
Paper	232.6	209.0	207.4
Other Industries: Total*	112.4	111.2	110.9
Electricity Generation and Supply	82.0	81.6	82.2
Trading	131.2	133.9	131.9
Shipping and other Transport	114.5	101.2	100.4
Construction	339.3	302.4	299.5
Financial Total	169.0	194.8	195.9
Banks	184.0	217.4	219.0
Insurance	145.8	154.7	154.6
Investment Trusts	92.3	90.8	90.4

Variable dividend industrial securities—Regional

Bombay	180.3	191.8	193.3
Calcutta	160.6	167.4	167.2
Madras	189.5	195.5	196.7
Delhi	237.7	249.6	252.0

*Including "Miscellaneous."

*Including "Edible and Vegetable oils."

SHORT-TERM MONEY RATES

(Per cent per annum)

	17-6-60	9-6-61	16-6-61
Call Money—			
From Banks			
Bombay	3.50	4.58	4.34
Calcutta	3.75	4.19	3.74
Madras	2.75	4.46	4.25
Deposits at notice of 7 days—			
Bombay	3.35	3.00	3.00
Calcutta	3.36	3.00	3.00
Madras	3.37	3.00	3.00
Fixed Deposits—			
3 Months—			
Bombay	3.50	3.00	3.00
Calcutta	3.44	3.50	3.47
Madras	3.36	3.00	3.00
6 Months—			
Bombay	3.49	3.74	3.75
Calcutta	3.16	3.69	3.72
Madras	3.48	3.72	3.70

Transaction.

BULLION PRICES

Week Ended	24.6.60	16.6.61	23.6.61
	Ra. nP.	Ra. nP.	Ra. nP.
GOLD:—			
Spot—			
Highest	108 67	122 50	122 20
Lowest	107 40	119 85	120 80
Average	107 91	121 08	121 18
1st Settlement—			
Highest	108 77	121 25	121 15
Lowest	107 92	119 00	120 10
Average	108 22	120 16	120 42
SOVEREIGN—			
Average	85 50	94 46	94 58
SILVER—			
Spot—			
Highest	182 79	204 00	204 05
Lowest	181 08	201 70	202 75
Average	182 89	203 17	203 24
1st Settlement—			
Highest	183 95	204 50	204 55
Lowest	182 45	202 20	203 25
Average	183 14	203 67	203 74

GOVERNMENT OF INDIA TREASURY BILLS

Week ended,	17.6.60	9.6.60	16.6.61
Amount offered ...	2.00	2.00	2.00
Amount tendered ...	2.00	2.03	2.00
Amount sold by tender ...	2.00	2.00	2.00
Of which against maturing Treasury Bills ...	...	...	...
Intermediate Treasury Bills sold ...	62	1.22	1.05
Total sales ...	2.62	3.22	3.05
Average rate of discount for auction sales ...	2.745	2.750	2.750
Sold in favour of Reserve Bank of India ...	175.38	22.48	116.32
Total amount outstanding ...	1,291.58	1,117.59	1,120.46

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From To	
Belgium	Fcs. to Rs. 100	1038 1036	17.6.61
France	"	1036 1035	22.6.61
"	"	102.10 102.00	17.6.61
"	"	102.00 101.90	19.6.61
"	"	101.00 100.00	20.6.61
"	"	100.00 101.90	23.6.61
Switzerland	"	90.00 89.90	17.6.61
"	"	89.90 89.80	19.6.61
"	"	89.80 89.70	20.6.61
"	"	89.70 89.60	22.6.61
"	"	89.60 89.50	23.6.61
Netherlands	Guilders to Rs. 100	74.80 74.70	17.6.61
"	"	74.70 74.60	19.6.61
"	"	74.60 74.50	20.6.61
"	"	74.50 74.40	21.6.61
W. Germany	Mks. to Rs. 100	82.60 82.50	17.6.61
"	"	82.50 82.40	19.6.61
"	"	82.40 82.30	20.6.61
"	"	82.30 82.20	21.6.61
Italy	Lire to Rs. 100	129.10 128.95	17.6.61
"	"	128.95 128.85	19.6.61
"	"	128.85 128.75	20.6.61
"	"	128.75 128.65	21.6.61
"	"	128.65 128.55	22.6.61
Denmark	Kronor to Rs. 100	144.48 144.30	17.6.61
Sweden	"	107.60 107.50	17.6.61
"	"	107.50 107.40	19.6.61
"	"	107.40 107.30	20.6.61
"	"	107.30 107.20	21.6.61
"	"	107.20 107.10	22.6.61
Hongkong	\$ to Rs. 100	107.60 120.10	19.6.61
Japan	Yen to Rs. 100	7559 7550	17.6.61
U. S. A.	Ra. to \$ 100	479.50 480.75	17.6.61
"	"	480.75 480.00	20.6.61
"	"	480.00 479.25	21.6.61
"	"	479.25 478.50	22.6.61
"	"	478.50 477.75	23.6.61
Canada	"	481.75 476.25	22.6.61
"	"	476.25 475.50	23.6.61

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	17.6.60	9.6.60	16.6.61
Forward Contracts—			
Purchases	£ ('000) 105	235	600
Sales	Ra. ('00,000) 14	31	80
Deliveries—			
Spot Transactions—			
Purchases	£ ('000) ..	...	...
Sales	Ra. ('00,000) 1,910	1,805	1,735
Against forward contracts—			
Purchases	£ ('000) 405	10	525
Sales	Ra. ('00,000) 54	1	71
Total	£ ('000) ..	...	...
Ra. ('00,000) ..	...	...	...

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	24.6.60		16.6.61		23.6.61	
	Price Rs. nP.	Yield %	Price Rs. nP.	Yield %	Price Rs. nP.	Yield %
3½% 1961	99 65	3.43	99 90	3.34	99 90	3.34
3½% 1962	99 90	3.52	99 95	3.51	99 95	3.51
3½% N.P.B.1967	99 55	3.57	99 00	3.68	99 00	3.68
3½% Dev. 1970-75	99 85	4.10	99 93	4.19	91 00	4.18
3½% 1974	99 70	3.78	99 68	3.78	99 73	3.78
3% (Conv.) 1986 or later*	73 33	4.10	72 42	4.14	71 95	4.17

*Running yield.

INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS

(Base: 1952-53=100)

Group and Sub-Group	20.6.60	12.6.61	22.6.61	21.6.61
Food Articles—				
Cereals	117.4	117.6	116.8	119.6
Pulses	99.7	99.5	98.8	105.7
Fruits & Vegetables	87.5	87.1	86.5	89.9
Milk & Ghee	126.1	119.8	118.2	133.6
Edible oils	116.1	116.5	118.2	114.0
Fish, Eggs & Meat	159.2	160.3	160.5	139.1
Sugar & Cur	125.3	127.2	124.2	120.3
Others	120.1	121.1	119.5	138.4
Liquor and Tobacco	164.9	167.0	171.4	164.5
Tobacco	98.9	108.4	111.1	106.0
Fuel, Power, Light & Lubricants	95.3	105.4	108.3	105.3
Industrial Raw Materials	122.4	122.3	123.4	119.2
Fibres	153.2	153.7	152.2	139.2
Oilseeds	165.5	166.1	168.0	144.9
Minerals	156.9	157.4	158.8	140.0
Others	95.8	95.2	95.2	98.2
Manufactures	126.8	126.8	126.8	129.5
Intermediate Products	125.9	126.5	126.7	119.8
Finished Products	126.7	126.7	126.7	126.6
Textiles	124.1	124.4	125.1	118.8
Cotton	127.3	128.2	128.9	120.0
Jute	126.5	126.6	126.6	125.1
Woollen	136.3	139.2	141.8	116.1
Silk & Rayon	110.1	110.1	110.1	104.3
Metal Products	114.9	115.6	116.1	103.0
Chemicals	146.9	146.9	146.9	148.3
Oil cakes	105.5	105.5	105.4	104.5
Mchy. & Transport Equipment	140.8	142.7	143.0	133.2
Others	112.8	112.7	112.6	111.0
All Commodities	118.6	118.8	118.6	114.3
	125.2	125.7	125.2	122.4

* = Estimated.

† = Revised

RESERVE BANK OF INDIA

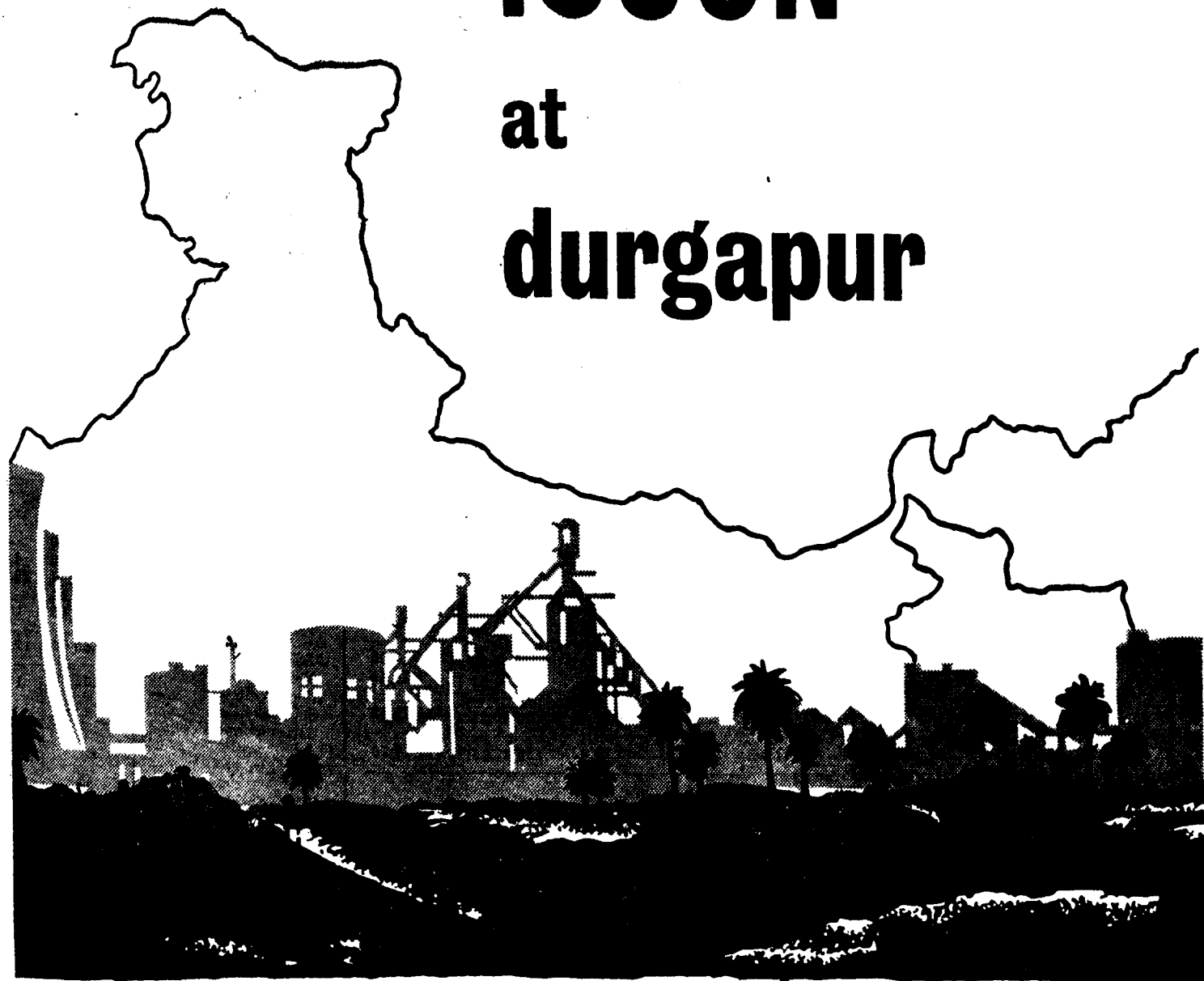
ISSUE DEPARTMENT: (In 000's of Rupees).

	30-6-61	23-6-61	1-7-60
LIABILITIES:			
Notes in Banking Dept.	44,81,23	41,40,54	30,54,49
Notes in Circulation...	1933,40,81	1945,74,67	1834,52,00
	1978,22,04	1987,15,21	1865,06,49
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76,03	117,76,03	117,76,03
(b) Outside India...	...	...	nil
Sterling Securities	103,00,89	108,00,89	143,00,89
Total of A	220,76,92	225,76,92	260,76,92
(B) Rupee Coin	120,52,47	119,47,27	127,89,71
Rupee Securities	1636,92,65	1641,91,02	1476,39,86
	1978,22,04	1987,15,21	1865,06,49

BANKING DEPARTMENT:

	30-6-61	23-6-61	1-7-60
LIABILITIES:			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long-term Operations) Fund	50,00,00	40,00,00	40,00,00
National Agricultural Credit (Stabilisation) Fund	6,00,00	5,00,00	5,00,00
Deposits—			
(a) Central Govt.	59,68,33	82,05,45	54,67,10
(b) Other Govt's	15,18,04	14,63,17	28,79,21
(c) Banks	94,72,93	89,36,64	115,44,60
(d) Others	115,27,27	128,49,43	133,05,82
Bills Payable	31,19,21	37,32,42	21,82,29
Other Liabilities	14,23,90	62,10,68	119,44,89
	471,29,68	534,97,61	485,23,91
ASSETS:			
Notes	44,81,23	41,40,54	30,54,49
Rupee Coin	1,33	3,11	4,14
Subsidiary Coin	1,52	1,63	4,27
Bills Discounted:			
Internal	...	...	nil
External	...	...	nil
Govt. Treasury Bills	35,53,03	41,04,28	3,68,54
Balances held abroad*	10,77,62	12,65,23	13,59,04
Loans & adv. to Govt.	34,29,70	77,42,91	31,92,22
Other Loans & Adv.	130,41,34	115,71,30	120,05,86
Investments	189,49,13	223,09,63	257,10,17
Other Assets	25,94,68	23,63,78	18,25,18

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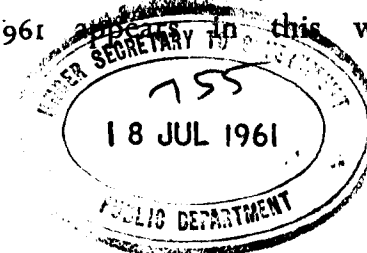
15 July 1961

Volume LXVIII No. 3

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HIGHLIGHT OF THIS ISSUE

A study of the behaviour of the Stock Market during the first half of 1961, this week's Leading Articles section.



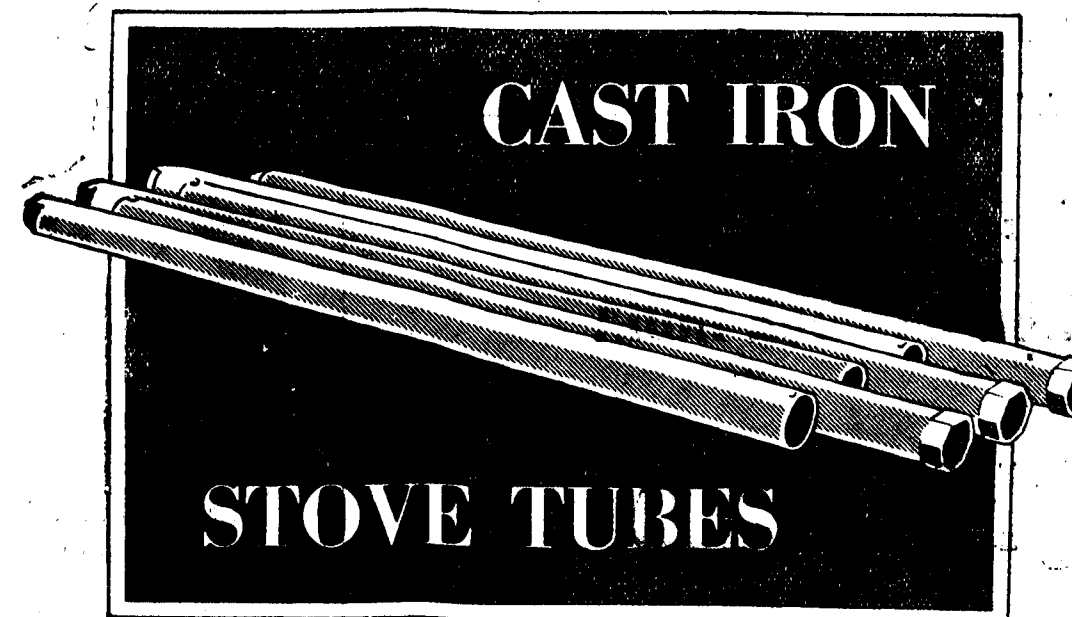
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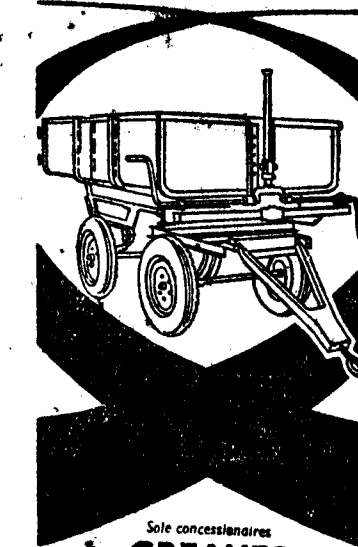
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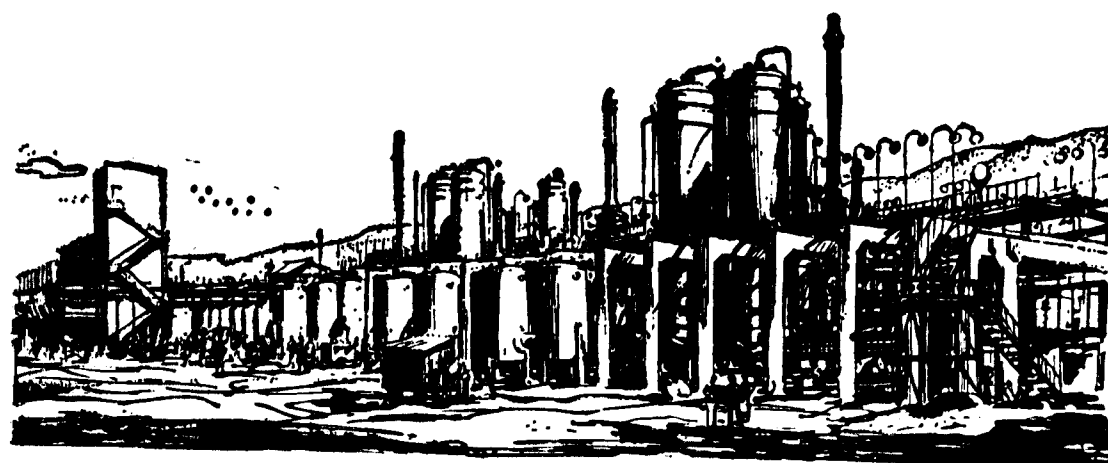
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15 July 1961

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India, Britain and the EEC

AT the moment of writing, the discussion between Mr Morarji Desai and Mr Peter Thorneycroft and the teams of officials on both sides has concluded, though no formal communique has yet been issued. Mr Thorneycroft has also had a meeting with Mr Nehru, who, it is reported, has communicated to him some of his concern over the wider issues involved in the eventual British decision to become a member of the European Community. This is an enlargement of perspective that was badly needed, for in most recent discussion in India, the EEC has been naively equated with the ECM. If that was all there was to it, it would be, as Lord Goldwyn put it, "pathetic to oppose it, just because it might put up the price of a British sausage." Lord Goldwyn himself indicated one of the wider issues involved by linking Britain's membership of the EEC with the "defence of the free world." These are ominous overtones. Moreover, in discussing the political implications of the EEC, too narrow an interpretation of the "surrender of sovereignty" is given, as though all that was involved was a membership of another UN body. Speeches made—notably by M. Faure—in the European Parliament last March and quoted at length in the EEC bulletin show that a fundamental realignment of political forces is implicit in the EEC and will eventually be made explicit. M. Faure spoke about "upholding the torch, handed down from their ancient history, for the sake of their very being. That is what makes our task so difficult, perilous, and onerous but also exalting." M. Faure also thought that unless Europe united, anything may happen in a world in which "the Europeans were outnumbered by three to one now and may soon be by seven to one." In the US the other day, Dr. Hallestein, Chairman of the European Commission put it bluntly by saying that "we are not in business at all, we are in politics." It is possible that these various undercurrents may be unavailing against ingrained habits of centuries in which European nations have thought in terms of balance of power and interests. But such consolations are the specious tranquilisers of a Job's comforter. On the other hand it is hypocritical, in the light of the thinking quoted above, to pretend that the United States of Europe is a precursor of the United States of the Globe. It is also necessary to remember that even in the narrowly economic sphere, there is more to it than mere tariffs and quotas. The kind of fear that Mr Nkrumah expressed somewhat hysterically the other day may be exaggerated in the face of the abundant evidence of goodwill that the developed nations of the West have shown. But the dangers inherent in a political and economic integration of some of the most powerful nations of the world, especially when there are military overtones to it, cannot be dismissed as unreal.

These are important considerations. But the immediate task is to assess the long and short term implications to our plans of development of an almost certain decision of Britain to join the EEC. Here again, abstract considerations like the rights and wrongs of protectionism and free trade, and consistency

with past professions on the subject are somewhat remote. It is nothing to the point to say that the Indian National Congress opposed imperial preference as enunciated in Ottawa in 1932. Logically, there is much that is untenable in our demand for special treatment. Even in our plea for commonwealth preference, there is no reciprocity, for we have probably very little to offer in return for low tariff and almost complete absence of quota restrictions on our exports to Britain. Special tie-ups with aid funds and our precarious balance of payments position make any meaningful reciprocal gestures to the UK out of the question.

Our plea for special consideration is thus based on nothing more pretentious than mere expediency. The most important consideration—and this is one to which Britain is willing to give due weight—is the immediate impact of Britain's decision on Indian exports. Our unenviable predicament is that we are not able to take too distant a view of the prospects of increased trade with the EEC countries. These may well be bright, provided we are able to rid ourselves of our chronic weaknesses like a narrow range of exports, low productivity, uncompetitive costs and phlegmatic and unenterprising marketing. But our programming of export earnings for the next five years is so oriented that it involves a heavy dependence on duty-free entry of vital export earners into the UK. The need for some safeguards for ensuring that the assumptions behind these calculations are not entirely knocked off is obvious.

It is perhaps possible to argue that in the context of our total volume of export trade which is getting more and more diversified, losses may be minimal in the long run. It is also possible to build a plausible case that what is now being demanded by trade is not so much equality of trading opportunities as perpetuation of preference in our favour, feather-bedding of our inefficiency and a protective armour even against equal or weaker competitors. But when all allowances have been made for these, it remains true that our export earnings from tea, cotton textiles, woollen textiles and jute goods will fall because of consumer resistance to higher prices in the UK, competition from the present members of the EEC and their associated territories who will have then the kind of preferences we now enjoy from Britain. There is also the paraphernalia of quota restrictions that the EEC now has which will get automatically extended to Britain.

Two developments may help to mitigate the rigours of a contingency that is now almost taken as inevitable. One is the adoption of a voluntary global division of labour by which cheap manufactures from under-developed countries will be allowed to supply the needs of all. This doubtless involves the curbing of the autarkic grandiosity of some of the under-developed nations, who want steel mills as well as safety-pins of their own. Secondly, India should seriously buckle down to the job of increasing production, reducing cost and generally making our products preferred in foreign lands on their intrinsic merits.

STOCK MARKET

Continued Firmness
in Second Quarter

EXCEPT for somewhat shaky and erratic conditions in the last two weeks of June, when there was the fear that the Stock Exchange Directorate might take fresh measures to enforce stiffer margins and minimum brokerage regulations, the half-year just ended witnessed a fresh rise in equity values from the levels touched at the end of the first quarter, suggesting that the bulls had retained their mastery over the market. Although many industries had a hard time on account of acute raw material shortage, delay in getting import licences and a drastic cut in power supply, the basic sentiment was not materially affected, reflecting the market's optimism that these difficulties might prove to be temporary. The market, therefore, took a favourable view of the long-range outlook for the economy as a whole and leapt forward, with fresh high levels marked up each month. Indeed, peak levels in most industrial groups were touched in the closing month of the half-year.

While the speculators were largely responsible for a sharp spurt in select shares, investors, too, were inclined to pick up growth stocks. As a matter of fact, the runaway enthusiasm for the new issues, which was reflected in a rush for allotments and fantastic premiums in 1960, gave place to a more realistic assessment of the prospects of each issue. But, the somersault from premiums to discounts, which was staged by several shares, reflected the market's disappointment at the post-issue performance of some of these new issues. In some cases, there was manipulation of shares and in others there were disagreements. The sense of selectivity displayed by some of the investors was, however, significant. This was indicated by the fact that the new issues of industrial ventures with good foreign collaboration, financial and technical, had a good response from investors, although the overall response to capital issues was not as overwhelming as in the previous year. (Table I).

The confidence amongst the professional operators as well as investors sprang from various factors. First, the flow of company reports showed how the profitability of various industries had been helped by the expansion of activities. Secondly, it was thought that the severe restriction on imports might enable the domestic industries to flourish under the advantages of a protected market. Thirdly, most of the scrietal were held by the LIC, which appeared never to sell shares it had once bought, or by individual holders who were reluctant to sell and attract the tax on capital gains. Lastly, there was a general hope that companies, having large reserves, might issue bonus shares in order to raise their capital. In the circumstances, investors found it comparatively cheaper to invest their funds in good new shares, especially when companies making new issues often had an assured demand due, among other things, to import restrictions.

With the result, almost all popular shares sought new peak levels, as will be clear from the price trends of a few selected shares in each counter (Table II). The only weak spots were Jute, Sugar and Paper. In the case of Jute, the present position in the industry is scarcely satisfactory. It was feared that the industry might experience a further loss due to a cut in production following the decision made by the IJMA for a block closure

TABLE I

Company.	Type of Issue	Issue Price	Details of Issue
1. Madras Aluminium.	Offered to public	Ord. Rs 100 Pref. Rs 100	Authorised capital is Rs 10 crores. Issued capital is Rs 6 crores comprising 4,50,000 equity shares and 1,50,000 preference shares. The entire public issue of Rs 1,86,50,000 is underwritten.
2. Usha Martin.	Offered to public	Ord. Rs 100 Pref. Rs 100	Issued capital is Rs 28 lakhs in 1,80,000 equity shares and 10,000=9.5 per cent Cumulative Redeemable Preference shares. The ICICI has subscribed for 30,000 equity shares. The balance of the issue amounting to Rs 25 lakhs in equity shares and 10,000 preference shares was offered to the public. The applicants for the ordinary shares got partial allotment and those for the preference shares in full.
3. Travancore Electro Chemical.	Offered to public	Rs 100	The authorised capital is Rs 1 crore, while the paid-up capital is Rs 13,78,800 in shares of Rs 100 each. Offered to the public 10,000 shares.
4. Indian Oxygen Limited.	Rights Ordinary	Rs 10 at a premium of Rs 8	Issued 6,00,000 new ordinary shares of Rs 10 each.
5. Bombay Oxygen Corporation.	Offered to public	Rs 100	Out of the authorised capital of Rs 3 crores, the issued capital is Rs 1.50 crores, consisting of 1,50,000 equity shares of Rs 100 each. Out of this 73,500 shares was offered to the public.
6. Belsund Sugar.	Offered to public	Rs 7.50	Issued 1,29,935 new shares, at par, in the proportion of one new share for every two existing shares.
7. K.C.P. Ltd.	Rights Ordinary	Rs 10	Issued 1,00,000 equity shares at par in the proportion of 17 shares for every 100 shares held.
8. Mysore Kirloskar Ltd.	Rights	Ord. Rs 100 Pref. Rs 100	Capital is raised by the issue of 15,000 ordinary shares and 25,000 preference shares.
9. Thakur Paper Mills.	Offered to public		The authorised capital is Rs 1 crore out of which equity shares of the value of Rs 40 lakhs were issued. The amount offered to the public was Rs 25 lakhs. The entire public issue was underwritten.
10. British Paints (India), Ltd.	Offered to public	Rs 10 at a premium of Rs 5	Raised additional capital. Out of the new issue of Rs 21,63,000, a sum of Rs 2 lakhs was reserved for subscription by the directors and their friends and the employees of the company. The issue was oversubscribed by eight times.
11. Mahendra Electrics.	Offered to public	Rs 100 each	Issued 23,000 equity shares.
12. Swastik Rubber.	Offered to public	Rs 100 each	Raised additional capital. Issued 15,500 equity shares to the existing shareholders. Out of the shares not taken by them, the managing agents and their friends agreed to take up shares worth about Rs 10 lakhs. The balance of the shares was offered to the public.
13. Madras Cements Limited.	Offered to public	Ord. Rs 100 Pref. Rs 100 both at par	Raised additional capital by Rs 70 lakhs. The entire issue was underwritten. The capital offered to the public was 17,211 equity shares and 7,050 preference shares.
14. Rajaramka Pulp and Paper.	Rights Ordinary	Ord. Rs 100 Pref. Rs 25	The authorised capital is Rs 50 lakhs of which Rs 40 lakhs were in equity shares and Rs 10 lakhs in preference shares. The issued capital was Rs 25 lakhs in equity shares. The public was offered only 12,250 equity shares, the balance being taken by the promoters and their friends.
15. Travancore Chemical.	Rights Ordinary	Rs 10 at par	Issued 20,000 equity shares in the ratio of two shares for every thirteen shares held.
16. Ballapur Paper.	Rights Ordinary	At par	Issued right shares for Rs 85.82 lakhs in the proportion of three new shares for every two existing shares.
17. Blue Mountain Estates Ltd.	Rights Ordinary	Rs 2 at a premium of 45 p	Issued 10,50,000 equity shares in the proportion of one share for every three shares held.
18. Jay Engineering Company	Rights Ordinary	Rs 10 at a premium of Rs 7.50	Issued 6,07,500 equity shares to the existing shareholders in the proportion of 2: 3.
19. South India Viscose Ltd.	Offered to public	Rs 100 at a premium of Rs 5	Issued right shares for Rs 1.40 crores in the ratio of 2:5.
20. New Central Jute	Offered to public	Rs 10 at a premium of Rs 3.25	Issued new ordinary shares in the ratio of one for two shares held.
21. Southern India Industrial Corp.	Offered to public	Rs 10	Issued 90,000 equity shares out of which 16,500 shares were allotted on a firm basis. The balance of the issue of 73,500 shares was offered to the public. The issue was over-subscribed by nearly three times.
22. Bhagwan Devi Paper	Offered to public	Rs 10	Issued 1,50,000 equity shares.
23. Fit Tight Nuts	Offered to public	Rs 100	Raised fresh capital for Rs 25 lakhs in 25,000 ordinary shares. The amount offered to the public was Rs 14,70,000.
24. Amalgamated Electricity	Rights Ordinary	Rs 10 at par	Issued 84,375 equity shares in the proportion of one for every ten shares held.

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of the mills for a week each in June and July. As regards sugar shares, there was an anxiety to know how the factories would be compensated for the export losses. In the case of paper shares, concern was expressed over the unremunerative price obtained.

But the steady rise in values in a number of shares had taken them to such dizzy heights that scope for any further advance was extremely restricted. While the professional operators were inclined to book their profits, investors were completely out of the market as they seemed to be busy effecting the necessary adjustments in their holdings in order to find the required additional resources for making payments in respect of calls from new companies and subscribing to issues of right shares by established companies. If there was any other factor, that could be interpreted to have an effect on the sentiment of operators, it was the talk in Dalal Street of changes in the margin system. Thus, with the bulls inclined to lighten their burden and the bears tending to be somewhat aggressive, there was a steady drift in share values. But for these factors, the market would have

TABLE II

	30-12-60	31-3-61	% increase or decrease	30-4-61	% increase or decrease
	(1)	(2)	(3)	(4)	(5)
Giltedged:					
3% 1966 Conversion Loan	74.35	74.00	-0.44	71.95	-2.34
Banks:					
P. National ...	19.50	21.37	+9.59	22.82	+13.79
United Coml.	83.00	87.87	+5.87	91.00	+9.89
Textiles:					
Jay Shree ...	14.37	18.19	+26.58	15.62	+8.00
(a) Kesoram	26.56	32.62	+22.81	35.06	+24.24
J.K. Rayon ...	14.56	19.94	+36.91	19.12	+23.85
Coals:					
Bengal ...	317.00	358.00	+12.30	386.00	+17.87
Burrakur ...	18.81	20.12	+7.00	20.00	+5.95
Jutes:					
Howrah ...	20.00	22.25	+11.25	20.50	+2.44
(b) Birlas	28.87	35.75	+23.83	27.19	-6.14
New Central	21.31	18.62	-12.62	19.37	-10.01
Teas:					
Brooke Bond	15.25	17.75	+16.40	16.12	+5.39
Hasimara ...	21.75	28.44	+30.75	26.62	+18.29
Jay Shree ...	17.12	22.87	+33.64	23.62	+27.47
Tezpor ...	14.50	18.00	+24.14	17.94	+19.18
Sugars:					
Carew ...	10.81	13.56	+25.44	13.50	+19.92
Cawnpore ...	13.19	12.62	-4.32	12.56	-5.01
Champurun ...	19.37	18.87	-2.58	16.31	-18.76
Dyer Meakin	27.12	33.00	+21.68	33.75	+19.64
Engineering:					
Indian Iron ...	23.22	28.87	+15.71	27.52	+15.62
TEXMACO ...	22.95	22.60	-2.31	20.10	-14.17
Jessop ...	19.75	22.25	+12.75	20.44	+3.37
G. K. Williams	36.87	44.12	+19.66	41.25	+10.62
Miscellaneous:					
(c) Orient Paper	40.70	41.00	+0.74	34.20	-19.00
Shree Gopal	28.00	27.25	-2.68	26.25	-7.43
Sirpur ...	16.87	17.37	+3.00	15.37	-9.76
Rohatas ...	21.12	20.94	-0.85	19.37	-9.04
Dunlop ...	41.87	50.00	+19.42	51.37	+12.63
H. Motor ...	18.81	21.50	+14.30	22.25	+15.46
I. Cable ...	31.81	36.62	+15.12	37.62	+15.44
I. Aluminium	30.12	34.44	+14.34	33.92	+10.41
I. Copper ...	4.52	5.35	+18.36	5.61	+19.42
I. Oxygen ...	38.87	36.62	-5.79	38.81	-0.15
I. Steamship	9.62	8.84	-8.10	8.91	-7.97
Alkali Chem.	33.00	38.44	+16.48	37.12	+11.09
Alumn. Corp.	17.06	19.69	+15.41	18.25	+6.52
Asso. Battery	35.50	39.00	+9.86	33.94	-4.60
U. Carbide ...	44.12	55.62	+26.06	57.50	+23.27
Phillips Carbon	15.69	18.75	+19.50	20.37	+22.97
NICCO ...	28.87	36.75	+27.29	38.50	+25.01
Rallis India ...	126.00	145.00	+15.09	140.00	+10.00
(a) Issued right shares in the ratio of one for four held, at par.					
(b) Issued right shares at a premium of Rs 6 per share in the ratio of one for every two shares held. Also issued bonus shares in the ratio of one for every four shares held.					
(c) Issued right shares at a premium of Rs 12 per share in the ratio of 3 for every 10 shares held. A sum of Rs 5.50 was payable on application and the balance of Rs 15.50 in one or more instalments as and when called for.					

TABLE I—(Contd.)

Company.	Type of Issue	Issue Price	Details of Issue
25. Pesticides Ltd.	Offered to public	Rs 100	Issued 5,00,000 equity shares. The amount offered to the public was Rs 24,50,000.
26. Tube Suppliers Ltd.	Offered to public	Rs 10	Issued Rs 8,70,000 in equity shares. The actual offer to the public was Rs 6 lakhs.
27. Kirloskar Oil Engines Ltd.	Offered to public	Pref. Rs 10 at par	Issued 2,50,000 Redeemable Cumulative Preference shares. The whole issue was underwritten.
28. Ceat Tyres Ltd.	Rights Ordinary	Rs 100 at a premium of Rs 25	Raised additional capital by issuing 1,61,000 new equity shares in the proportion of 7 shares for every 6 shares held.
29. Aruna Sugars	Offered to public	Rs 10	Issued 8,50,000 ordinary shares. The amount offered to the public was Rs 35 lakhs.
30. Jaipur Udyog Ltd.	Rights Ordinary	Rs 10 at par	Proposed to issue 5,00,000 Ordinary shares in the ratio of one for every four existing shares.
31. Enfield India Ltd.	Rights Ordinary	Rs 10 At par	Issued 2,33,300 equity shares. Of this, 33,300 shares are reserved for foreign collaborators. The balance 2,00,000 shares was issued to holders at four shares for every five shares held.
32. Emerald Valley Estates	Rights Ordinary	Rs 5 at par	Issued 50,000 equity shares in the ratio of one share for two shares held.
33. Lynx Machinery.	Offered to public	Rs 10 at par	Authorised capital is Rs 2.50 crores, while the issued capital is Rs 60 lakhs of equity shares of Rs 10 each. Out of this, Rs 30 lakhs is subscribed by the promoters, directors and their friends. The balance of Rs 30 lakhs is now offered to the public.
34. Goodyear Tyre.	Offered to public	Rs 10 at a premium of Rs 7	The authorised capital is Rs 2 crores. Four lakh Ordinary shares were offered to the public. The issue was oversubscribed by 25 times.
35. Baroda Electric.	Offered to public	Rs 100 at par	The authorised capital is Rs 1 crore and the issued capital Rs 40 lakhs comprising 40,000 Ordinary shares of Rs 100 each. The promoters, directors and their friends have subscribed for shares worth Rs 20 lakhs.
36. Indian Firebricks.	Offered to public	Ord. Rs 10 Pref. Rs 100	The issued capital is Rs 1 crore comprising Rs 75 lakhs in equity shares and Rs 25 lakhs in 7½ per cent Cum. Redeemable Preference shares. Offered to the public 4,75,000 equity shares and 15,000 Preference shares. The entire public issue was underwritten.
37. Fuel Injections.	Rights Ordinary.	Rs 100 at par	Issued 10,000 equity shares in the ratio of two for every three shares held.
38. Vijayalakshmi Mills.	Rights Ordinary.	Rs 100 at par	Raised an additional capital of Rs 6,91,500 by the issue of equity shares in the ratio of one share for every two shares held.
39. Binani Metals.	Offered to public	Rs 10 at par	Raised Rs 21,50,000 by the issue of 2,15,000 equity shares. After allotting 19,000 shares to the directors and their friends, the balance of 196,000 shares was offered to the public.
40. United Wire Ropes.	Offered to public	Ord. Rs 100 Pref. Rs 100	Issued 25,000 equity shares and 10,000 9½ per cent taxable Preference shares. The entire public issue was underwritten.
41. Madras Rubber.	Offered to public	Rs 10 each at par	Offered 5,00,000 equity shares. The issue was oversubscribed by 11 times.
42. Aeronautical Services.	Offered to public	Rs 10 at par	Issued 1,00,000 equity shares
43. Structural Engineering.	Rights Ordinary.	At a premium of Rs 30	Raised capital by the issue of right ordinary shares to the existing shareholders in the ratio of one share for every two shares held.
44. Associated Industries (Assam).	Offered to public	Rs 10 at par	Raised new capital amounting to Rs 50 lakhs comprising 3,50,000 equity shares of Rs 10 each and 15,000-9.3 per cent taxable Redeemable Cumulative Preference shares of Rs 100 each. The Government of Assam agreed to subscribe for the entire issue of the Preference shares. The directors and their friends took up 29,100 equity shares; Rallis India 30,000 equity shares and the Assam Government 40,000 equity shares. The balance of the issue of 2,50,900 equity shares was offered to the public.
45. Urmi Cheese.	Offered to public	Rs 10 at par	Out of the total issue of Rs 50 lakhs, the directors and their friends took up Rs 25 lakhs worth of equity shares. The entire public issue of 2,50,000 shares was underwritten.
46. Rayon Pulp.	Offered to public	Ord. Rs 100 at par	Raised capital of Rs 45 lakhs consisting of Rs 35 lakhs of equity shares and Rs 10 lakhs of Preference shares. The directors and their friends took up Rs 15 lakhs worth of equity shares. The balance of Rs 30 lakhs were offered to the public.

finished around the highest levels for the half-year under review.

Although the year started without any inspiration for marketmen, sentiment showed a distinct improvement from the middle of January, being influenced by a number of factors. The rise in equity values was more striking during the post-budget period due to renewed activity of the bulls, reflecting the market's satisfaction over the Budget proposals. It also indicated the general feeling that the overall burden of taxation proposed by the Finance Minister, though higher than anticipated, being by and large indirect, could be passed on to the consumers in the present context of a seller's market. It looked as if most of the operators had even shed their caution and were extending their commitments, so that the trend was more or less a one-sided movement.

The real fillip to the steady rise was the continued flow of encouraging corporate news, which enabled the market to accelerate the pace of movement, reflecting the brilliant performance of corporate undertakings and the impact of expansion in different units. Another piece of news, that heartened the market, was a favourable allocation of foreign exchange to the export industries. But a feeling amongst certain operators that there was very little prospect of any further big rise in prices induced profit-taking. It was thus that there was a tendency for a reaction in prices from the middle of March.

From the beginning of the second quarter, prices were generally on the downswing though, at every bottom, desperate attempts were made to reverse the trend. It was thought that, with a large number of new issues entering the market in the coming weeks, substantial funds would be diverted for this purpose and thus the holding ability of the bull operators would seriously be limited. Another factor, which disturbed the trend of the market, was the shortage of fuel and power. It was feared that there might be a possible disruption of industrial production. Again, certain other developments puzzled operators. The deteriorating position in the supply of raw jute induced the fear that it might lead to a total stoppage of working of the mills. The accumulation of stocks of sugar posed a problem of finance for that industry. As for the coal industry, wagon supplies were considered to be inadequate. The cement and paper industries were reported to be having a disquieting time of it due to unremunerative controlled prices. The tea industry was reported to be in a depressed state of affairs. It was feared that the working of the engineering industry might have been affected by the power-cut. It was thought that the electric companies, having a low supply, might have a low-income phase. Despite these adverse factors, it was encouraging to note that the technical position of the market remained healthy; but there was none to exploit the situation.

Thanks to industrial performance being maintained at a very encouraging level, the market presented a cheerful outlook from the third week of May. Although this sudden turn in sentiment was mainly influenced by the near-boom conditions that prevailed in Dalal Street, indications that steel companies would be given more favourable treatment with regard to retention prices reinforced confidence in the market. High hopes were also entertained in respect of the forthcoming dividends of the two steel companies. It was felt that, as the refunds from the recent new issues had started to come in, there would be a greater flow of money into stocks and shares. Again, holders of certain good shares were reluctant to book profits due to the capital

TABLE I—(Contd.)

Company.	Type of Issue.	Issue Price.	Details of Issue.
47. Bihar Cable and Wire.	Offered to public	Ord. Rs 10 Pref. Rs 100, both at par	Issued capital is Rs 10 lakhs in 70,000 equity shares and 3,000-7 per cent tax-free Preference shares. The actual issue for the public was Rs 7.20 lakhs.
48. Polychem Limited.	Rights Ordinary.	Rs 50 at a premium of Rs 75	Issued 32,000 equity shares of the face value of Rs 50 each, at a premium of Rs 75 a share. The issue amounting to Rs 40 lakhs is offered to the existing shareholders in the ratio of two for every five shares held.
49. Escorts Limited.	Rights Ordinary.	Rs 10 at Rs 3 premium	Issued in the ratio of one share for every share held.
50. Amar Dye-Chem.	Rights Ordinary.	Rs 100 at par	Raised the capital by Rs 10 lakhs by issuing 10,000 new equity shares.
51. Dr Paul Lohmann.	Offered to public	Rs 10 at par	The issue is for Rs 30 lakhs. The directors and their friends have taken up Rs 6 lakhs, while the foreign collaborators have subscribed for Rs 4 lakhs. The balance of the issue for Rs 20 lakhs is offered to the public. The issue was oversubscribed by 3½ times.
52. Hindustan Glass.	Offered to public	Rs 100	Issued Rs 60 lakhs in equity shares. The directors and their friends have taken up shares worth Rs 24 lakhs and the foreign collaborators for Rs 12 lakhs. The public issue is for Rs 24 lakhs.
53. Birla Jute.	Rights Ordinary.	Rs 10 at a premium of Rs 6	Issued 4,56,300 new ordinary shares in the ratio of one for two shares held
54. Orient Paper.	Rights Ordinary.	Rs 10 at a premium of Rs 12	Issued right shares in the ratio of three for every ten shares held.
55. Tensile Steel.	Offered to public	Rs 100 at par	The authorised capital is Rs 1 crore. The issued capital is Rs 45 lakhs in equity shares. The public is offered shares worth Rs 14.73 lakhs.
56. J. K. Synthetics.	Offered to public	Rs 10 at par	Offered 5,23,750 equity shares. The present subscribed capital is Rs 72,62,500 dividend into 7,26,250 equity shares of Rs 10 each. The issue was heavily oversubscribed.
57. Sahayak Finance.	Offered to public	Rs 10 at par	Issued 77,700 equity shares.
58. Hindustan Electric.	Offered to public	Rs 100 at par	Issued 20,000 equity shares.
59. Universal Cables.	Offered to public	Rs 10 at par	Raised new capital of Rs 70 lakhs in equity shares of Rs 10 each. Of this issue, Rs 34.97 lakhs is offered to the public in the ratio of one for every share held. The balance of the issue of Rs 35.02 lakhs is offered to the public.
60. Indian Rubber Regenerating.	Offered to public	Rs 100 at par	The authorised capital is Rs 1 crore in equity shares. Of the proposed issue for Rs 35 lakhs, the directors and their friends have taken up shares worth Rs 17.85 lakhs. The actual offer to the public is Rs 17.15 lakhs.
61. Aluminium Corporation of India.	Rights Ordinary.	Rs 10 at par	Issued 3,12,500 right shares in the ratio of one for every two shares held.
62. Thamarapally Rubber.	Rights Ordinary.	Rs 10 at par	Issued 37,500 equity shares in the ratio of three shares for every two shares held.
63. India Forge and Drop Stampings.	Offered to public		Offered Rs 40 lakhs in equity shares and Rs 10 lakhs in Preference shares
64. Britannia Engineering.	Rights Ordinary.	Rs 10 at par	Issued Rs 50 lakhs in 5,00,000 equity shares of Rs 10 each.
65. Associated Rubber.	Offered to public		Raised the equity capital from Rs 7.50 lakhs to Rs 10 lakhs by issuing new equity shares in the proportion of one new share for every three shares held.
66. Kothari Cables & Electricals.	Offered to public		Out of the proposed capital of Rs 65 lakhs, Rs 40 lakhs will be in the form of equity capital and Rs 25 lakhs in the form of loans. The foreign collaborators provided Rs 12 lakhs out of Rs 40 lakhs and Rs 28 lakhs was raised by Kothari & Sons.
67. Acme Pig Iron.	Offered to public	Rs 100 at par	Out of the issued capital of Rs 20 lakhs in equity shares of Rs 100 each, shares worth Rs 10 lakhs was offered to the public.
68. Colour-Chem Limited.	Rights Ordinary.	Rs 100 at par	Capital raised by the issue of 25,000 new equity shares. Of this, 14,000 shares were issued to the shareholders in the ratio of one share for every five shares held.
69. Star Paper Mills.	Rights Ordinary.	Rs 10 at par	Offered 5,00,000 equity shares to the existing equity and preference shareholders in the proportion to the capital paid-up on the shares held by them.
70. Kesoram Cotton Mills.	Rights Ordinary.	Rs 10 at par	Offered to the shareholders in the ratio of one for every four equity shares held.
71. Mandya National Paper.	Rights Ordinary.	At par	Raised additional capital for Rs 80 in equity shares.
72. Shree Vallabh Glass.	Offered to public	Rs 100 at par	Out of the issued capital of Rs 72 lakhs in ordinary shares, the public was offered shares worth Rs 37.25 lakhs. The issue is over-subscribed by three times.
73. Parrys Confectionery.	Rights Ordinary.	Rs 1 each at a premium of Rs 1.	Issued 5,00,000 ordinary shares both to residents and non-residents.

gains tax. Above all, the news that the Aid-India Club, comprising six nations and the world Bank, had agreed to give India more than \$2,000 million for launching its Third Five-Year Plan provided further encouragement to the bulls, who became more and more aggressive and succeeded in rigging up prices.

Activity in the market, however, showed signs of flagging from the middle of June. Apart from the fact, that a sharp and successive rise in values evoked corrective profit-taking, some circles entertained fears that measures might be taken by the authorities to check speculative activity. As a matter of fact, the market was almost in a panicky state. While the continued impasse over the imposition of stiffer margins and minimum brokerage induced the operators to be extremely cautious in extending their commitments, some of the measures proposed by the Reserve Bank for strengthening bank finances caused a good deal of anxiety. Some quarters thought that these were only a prelude to a further tightening of monetary policy. There were also other restrictive influences, such as the TELCO debenture issue, the forthcoming loans of the Central and State Governments and the reports of adverse developments on the international front. The only relieving feature was the fact that the sharp fall in prices attracted some replacement buying at the lower levels, resulting in a feeble recovery at the end of the period under review.

Sectionwise, Engineering shares came in for a good deal of attention in the belief that the scope for the engineering industry, during the next few years, was good as development in the Third Plan would take place mainly in this sector of the economy. It was thought that expansion was likely to be facilitated by the prospects of increased supplies of steel from the expanded existing steel companies and the new steel plants of the public sector and, as a result of larger supplies of steel, it was possible that the fabricating industries would also be given a new boost. In the case of Indian Irons, hopes of an early announcement with regard to steel retention prices and of the possibility of the company enhancing the rate of distribution as a gesture of goodwill to investors were utilised by the speculators to keep the price movement fairly upward during most part of the period.

Except for scattered interest shown towards the end of the period following the stable conditions prevailing in the gunny market, Jute shares remained generally neglected with more sellers than buyers in evidence. It was feared that the high prices paid for raw jute, the increased labour emoluments and the cut in production due to the block closure might squeeze the mills' profitability.

If there was any section which did not show much reaction at any stage, that was Coal. Almost all the shares enjoyed sustained support at rising levels on the view that the production would rise when foreign loans became available for expansion. Top levels were, however, not maintained till the close due to anxiety with regard to the shortage of wagons as well as explosives.

Till the end of February, dealings in the Tea section were few and far between. Professional operators as well as investors could not but be shy until they could properly assess the result of working of the tea companies in 1960. But the Budget proposal to reduce the export duty induced a broadening of enquiry from the beginning of March. Although it was gradually realised that the net effect of the changes in the export and excise duties would be very little, the news of the proposals made by a few companies to issue bonus shares set the ball rolling in the direction of buying of shares of other companies having bonus possibilities. Shares of

good dividend-payers and those companies with large disposable reserves attracted the best attention.

Sugar shares were subjected to frequent selling pressure due to fears of excessive supplies and the consequent accumulation of stocks with the factories. It was felt that the surplus production of the commodity had brought neither prosperity to the industry nor relief to the consumer. Again, there was an anxiety to know how the factories would be compensated for the export losses. There was also a general feeling that the import quota given by the US was too small to be of much use.

Textile shares were initially subdued due to the fresh burden imposed on the industry following the announcement of an increase in the excise duty on yarn. Sentiment, however, turned bright, resulting in an actual boom from the beginning of the second quarter. This was inspired partly by large-scale modernisation and diversion in production undertaken by many units and partly by the flood of bonus issues and higher dividends proposed by certain Bombay and Ahmedabad mills. A favourable cotton supply position also aided sentiment.

Despite the highly promising outlook for the paper industry, the performance of the shares was far from encouraging, mainly on account of the cut in paper prices with effect from 1 January 1960.

Cement shares, however, looked up following a sizable increase in consumption and a resultant shortage. The promise of substantial expansion in consumption during the Third Plan period was the main bullish factor behind the rise in prices, although the ex-factory price of the commodity, fixed by the Government, continued to be uneconomic.

Prospects of bonus or right issues, the flow of encouraging corporate results and the sustained support for certain shares from influential quarters—all these factors kept up sentiment in other Miscellaneous shares. Generally speaking, this section received constant attention on the belief that the companies which were engaged in the newer lines of production were doing very well.

Bank shares showed a marked improvement in prices on the belief that the demand for banking credit would be accentuated further as the economy gathered momentum under the stimulus of the Third Plan outlays. It was also thought that the banks might consider the possibility of increasing their resources by issuing fresh shares in order to correct the imbalance between the share capital and deposit liabilities.

COMPANY LAW

Plural Directorships

CORPORATE activity which is at various stages of growth in different countries, has, in recent times, been marked by increasing governmental legislation, aimed everywhere at assisting its healthy growth in the face of the complexities of form it has come to assume. A vital part of such legislation relates to the position and powers of the directors, who in the eyes of the law are the locus of legal responsibility of the company. The objective of the law as it applies to company directors is to secure efficiency in the management of business enterprise and particularly to protect the interests of the shareholders who provide the legal personality to corporate business. Though efficiency in the wide sense is not purely a matter of law, it

is indisputable that there are objective factors in the working of companies which if left outside the purview of law may lead to inefficiency and mismanagement. From this point of view it is fundamental that the law should take into account opportunities for abuse of power by company directors in a way detrimental to the interests of the shareholders. Depending upon the form of management, the Companies Act 1956 provides a wide measure of safeguards intended to help the healthy growth of the corporate sector. The most important of the provisions are those which seek to restrict the role of the managing agents with a view to their ultimate elimination. But as recent statistics relating to forms of company management reveal, the managing agency system is already getting decadent while there has emerged a definite trend towards the directoral type of organisation. It is worth noting that of the 1,683 new registrations during 1960-61, as many as 1,062 had the board type of management, while 596 were formed with the managing director type of organisation. How far the objectives of the Companies Act 1956 are being fulfilled is a question that assumes importance in the context of the increasing size of the corporate sector in the country. A pilot study undertaken by the research and statistics division of the Company Law Administration, provides some interesting facts regarding the pattern of company directorships in the country.

Two aspects of company working that have a bearing on efficiency of management by the directoral board, are the existence of nominal directors on the one hand and the growth of inter-locking directorates or multiple directorships. The existence of directors who are directors only in name and participates very little in the management of the company is a feature common to all countries. In India, the managing agents introduced the practice of putting their nominees on the boards of companies, and in view of the undesirable effects of this practice on the working of companies, the Companies Act 1956 has laid down restrictions with respect to the number of nominee directors permissible within a company.

Inter-locking directorates or multiple directorates relate to a situation in which one person holds directorships on the boards of several companies. While it is true that the growth of such multiple directorships only serves to emphasise the scarcity of managerial talent—a scarcity not peculiar to our country—a tendency toward excessive pluralism leads to concentration of power and other undesirable results associated with such concentration. The Companies Act has taken note of the undesirable feature represented by multiple directorships and section 275 of the Act lays down that no person, save as otherwise provided in Section 276 could hold office at the same time as director in more than 20 companies as determined by the provisions of Section 278 of the Act. The pilot study conducted by the Company Law Administration provides a general idea of the degree of multiple directorships prevailing in the country after the enactment of the new Companies Act.

The pilot study is in the nature of a sample survey and is confined to the position in respect of 117 big-sized companies having their registered offices in the Western region and having a paid-up capital of Rs 50 lakhs and more. It is revealed that the total number of directorships of the 117 big-sized companies of the Western region total 917 held by 546 persons. On the average, thus, a person who served as a director in any of these companies held in rounded terms 2 directorships in the 117 companies. It is further shown that on an all-India basis, the aforesaid 546 persons held a

No. of Directorships	No. of persons holding the directorships	Total No. of directorships held
1 ..	113	113
2-10 ..	294	1,541
11-20 ..	95	1,421
21 and more	44	1,999
Total ..	546	4,174

On the basis of the figures given in the table it is clear that nearly 80 per cent of the directors of the big-sized companies covered by the study were plural directors while single company directors constituted only 20 per cent of the total. In view of the possibility that the 40 persons holding more than 20 directorships would be covered by the exceptions provided in the Companies Act, it is clear that the predominant type is represented by directors holding between 2 and 10 directorships. The relative position in India in this connection as compared with the USA and the UK is brought out in the following table.

No. of companies in which director- ships are held	Indian Cos. included in the pilot study	Large British Cos.	large American Cos.
One to five	77	70	72.5
Six to ten	..	17	17.5
Over ten	23	13	10.0
	100.0	100.0	100.0

The table establishes the prevalence of a greater degree of plurality in India as compared with the USA and the UK, which is attributed to the acute shortage of qualified candidates and also to the dominance of certain business houses and managing agency firms and companies.

The pilot study has also gathered material in regard to the age pattern of the directors and the composition of the board by young and old directors.

Age Group		
(as on 31 March, 1957)		No of Directors
Upto 30 years	..	36
31 to 45	..	142
46 to 55	..	172
56 to 65	..	92
Above 65	..	63
Total ..	..	505

There is a greater representation of the middle aged in the directorships of Indian companies than of old and young blood. It is in this connection interesting to note that while the average age of Indian directors is shown to be 49.5, the average age of directors in the UK and the USA are 55.2 and 65 respectively. The great difference between the average age of the American and Indian directors is explained as reflecting the peculiarity of the American administrative structure on the one hand and of the limited longevity in the case of the Indian directors on the other. Though the question of age is a point of great importance to the working of the directoral board, as the study makes it clear, it is difficult to claim any clear-cut advantage for any parti-

cular age group. A blend of youth and old age may appear to be more advantageous than exclusive composition by one group alone.

Orissa's Industrial Outlook

THE resounding victory of the Congress in the Orissa elections and the assumption by Mr B. Patnaik of the Chief Ministership have encouraged the hope that the State can now look forward to a bright industrial future. Orissa is endowed with vast mineral and forest resources which properly exploited can make it one of the most prosperous States in India. It has made fairly rapid progress under the first and second Five Year Plans but so great is its backwardness that its achievements in the last decade have hardly made any appreciable impact on the conditions of the people. Orissa, therefore, has to make systematic and determined efforts in the next few years in order to provide decent living standard to its population. The comfortable majority of the Congress and the industrial background of its energetic Chief Minister are favourable factors which augur well for the economic future of Orissa.

To what extent Orissa has industrially developed has been interestingly brought out in a brochure recently issued by the Tata Iron & Steel Company. In 1945, it is pointed out Orissa's entire industry consisted of a paper mill, one sugar mill, a glass factory, a soap works, a few oil mills and a few rice mills. In 1957 Orissa's industrial position vis-a-vis the rest of India is shown in the following table:—

	Orissa	India
Number of factories ..	137	7,754
Total production capital employed (Rs lakhs)	1,492	1,06,260
Total number of persons employed ..	19,630	18,13,322
Total salaries and wages paid (Rs lakhs) ..	181	25,831
Gross ex-factory value of output (Rs lakhs) ..	1,595	1,64,017
Value added by manufacture (Rs lakhs) ..	425	4,44,461

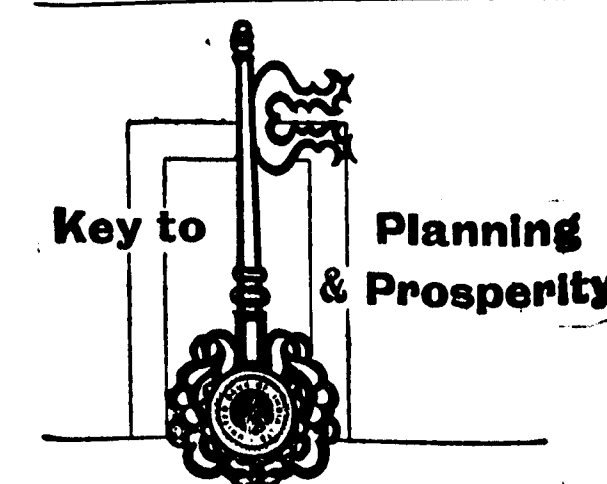
These figures are from the Census of Manufactures for 1957. In the last three years further strides have been made in industrialisation. The steel plant at Rourkela with an annual production capacity of 1 million tons of ingot steel or 720,000 tons of finished steel will give a fillip to the establishment of a number of ancillary industries. A fertiliser factory with an annual capacity of 50,000 tons of nitro-limestone is being set up in the neighbourhood of the steel plant and a Rs 4 crore pipe mill with an annual capacity of 1,20,000 tons of large-diameter pipes is also coming out. The ferro-manganese industry has also made a good beginning. There are already two ferro-manganese plants at Joda and at Rayagada and it is proposed to put up another at Kashipur in Kalahandi. The State has already two new refractory units and two more plants are going to be set up. The Kalinga Tube Works which produce about 36,000 tons of tubes ranging from $\frac{1}{4}$ " to 2" nominal bore are now implementing an expansion programme to produce tubes upto 6" nominal bore and to step up capacity to about 1,00,000 tons of tubes and 3,00,000 poles per year.

Other notable developments in the industrial sphere are the expansion of the output of the cement factory at Raigangpur from

3,50,000 tons to 7,25,000 tons per year and the establishment of a new factory with a capacity of 4,95,000 tons in the Sambalpur district; expansion of the Indian Aluminium Company's smelter from 10,000 tons to 20,000 tons; the establishment of a new sugar factory in Garjam with a crushing capacity of 1000 tons per month; the erection of a new paper mill with an annual capacity of 12,000 tons by Titaghur Paper Mills and another new mill by the Orient Paper Mills for producing paper and boards from both straw and bamboo. In addition, the State Government has set up new industries—a weaving mill at Cuttack, a chlorine and caustic soda factory at Brajrajnagar and a foundry at Jatui. In the private sector licences have been issued for several light engineering industries such as the manufacture of simple sheet metal machinery, grinding machines, sluice gates, twist drills, wood working tools, steel wire ropes, bicycle chains, spokes and nipples etc.

The increasing availability of electricity from the Hirakud, Machkund and the Duduma transmission schemes will be an important factor which will help to accelerate the process of industrialisation. The development of roads, railways, and inland waterways is also being pursued actively.

Orissa's Third Plan outlay is fixed at Rs 160 crores of which the Centre's share is Rs 132 crores. The State will additionally get Rs 10 crores as the Centre's share to meet certain schemes not included in the State Plan. In any case finance is unlikely to be a serious handicap. If the State Government improves its administrative efficiency and if it is prepared to extend reasonable facilities and incentives to entrepreneurs from other States, its industrial development can certainly proceed at a much faster rate than hitherto.



Individual well-being is linked with national prosperity and only planned efforts can ensure both in the shortest possible time. And planning, for its success, largely depends on savings, individual as well as national. Saving in the form of Bank Deposits provides resources for the National Plan.

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MONEY

Unlendable: Banks' Predicament

MONEY is unlendable, and what are banks going to do? Borrowings from the Reserve Bank have possibly been reduced to their nadir, for, it is unlikely, though possible, that the banking system gets wholly out of debt with the central banking institution. Borrowings from the State Bank can be repaid somewhat, but the amount involved is not large. Inter-bank borrowings can be brought down but in many cases these may just be book entries. Cash balances can be increased, but they would then be sterile assets. Meantime there is conclusive enough proof that resources are piling up. In the last week of June, the contraction in bank credit is of sizable proportions, and although it is barely possible that, in the return for the first Friday of July, month-early disbursements may cause an increase, the declining trend in Advances has been established beyond all possible doubt. The fall from the busy season peak, touched on 31 March, and as at 30 June 1961 is placed at the considerable figure of Rs 58 crores.

Meantime, too, almost unnoticed, Deposits of banks have been steadily rising. Though concealed to the extent of Rs 72 crores, owing to the making over of counterpart funds in such amount by the State Bank, the rise in Deposits of Scheduled Banks since the first Friday in January this year, and as at 30 June, adds up to Rs 44 crores.

The first thing that banks obviously had to do was to stop paying penal interest on borrowings. Almost without break, week-by-week falls in indebtedness to the Reserve Bank were registered. The first thing done, there is no attractive second method left for banks profitably to utilise their resources.

For a matter of a few weeks, the inter-bank money market offered interesting opportunities: the rate hovered distinctly over the 4 per cent mark, though very temporarily, in Calcutta, it had gone below that level. But now, picture the predicament of banks, with their high-costing Deposits that they just cannot lend.

We have before examined the causes of banks' affluence of such nature, already apparent and even more strongly emerging, during the current slack season. What matters now is the embarrassment that banks are suffering from, a plethora of riches that seem destined merely to swell cash balances.

As a hedge against the cost of Deposits, and if money is not taken up in the inter-bank call market, and furthermore if the demand for Advances which banks would at all consider satisfying does not arise, all that banks can do is to buy more of Government securities. Preference would doubtless be shown for Treasury Bills—but the present rate of 2.65 per cent, and prospectively a rate as low as 2.4 per cent, is hardly good enough cover, when banks are paying 3 per cent on savings Deposits. If the cost of Deposits is to be covered, the yield earned by banks has to exceed that 3 per cent.

So, automatically, but reluctantly, too, banks are being compelled, as they were in 1957, first to begin, and later on to step up, purchases of giltedged from the Reserve Bank tap. The automatic nature of the buying transactions arises from the anxiety to maintain bank profits; the reluctance stems from the very real apprehension that, should demand for money again make itself felt in the next busy season, banks would be forced to borrow at penal rates from the Reserve Bank, or in the alternative to sell at a loss the giltedged that they had but lately bought.

It is time that both Reserve Bank and the banking system did something to prevent or at least minimise the erosion of earnings in the rest of 1961. The factor most responsible

for inhibiting bank purchase of gilt-edged is the continued existence, at least on paper, of the three-tier bank rate. We call upon the Reserve Bank, interested as it surely is in both an orderly structure of interest rates and the sound health of the banking system, without further delay to announce the repeal of the three-tier rates.

For, what good does a three-tier rate now do? It will not be until the end of the year (save perhaps for Puja and Diwali weeks) that banks will need to be assisted by central banking credit. Then, and only then, is it at all possible that the penal rates will become applicable. Meantime, because the three tiers exist in theory, banks are deterred from purchases of giltedged. As a result Government's borrowing programme feels the adverse repercussions of banks' abstinence; and, too, bank earnings are going to be eroded, precisely at the time when the Reserve Bank is taking other steps to strengthen banking. So, firstly because a 5 per cent or a 6 per cent bank Rate is unnatural vis-a-vis the current money market conditions, secondly because it is reducing banks' appetite for giltedged, and thirdly because it is weakening banks' earnings, we suggest that the three-tier bank Rate ought to be repealed.

That, however, is only a part solution. A forewearing of the three-tier system will merely enable banks with greater confidence to purchase dated securities and so to enlarge the profitable utilisation of idle (but high-costing) resources. Earnings can in such fashion be improved; but expenses must also be reduced.

We admit that the raising of interest rates has somewhat contributed to the luring of new Deposits into the banking system; we concede that banking interest rates, in relation to those on small savings schemes of Government are on the relatively low side; but we do not grant that money that would have been deposited with a bank will be diverted to small savings on the consideration alone of a higher interest available. On the contrary amounts put into a bank most often are never destined for small savings; and vice versa. So, banks would do well to realise that it is absurd for them to compete with small savings in the matter of rates of interest offered. Instead they would do well to concentrate on improvement of services and facilities, so that the banking habit can spread.

We believe that banking interest rates are too high; we believe that a lure of 3 per cent on savings bank Deposits is unnecessary. We urge a revision of the inter-bank agreement on interest rates. It would be most unfortunate if the experience of 1958-1959 were repeated, when time and again the rates were revised too little and too late. On each occasion, in that period, the new rates were enforced from a date just on the eve of the busy season. Surely, the time when rates should be reduced is during the slack season. We therefore emphasise the need for a revised schedule of rates to be operative from 1 August 1961.

If the banks fail to agree amongst themselves in this regard, we fear it may devolve upon the Reserve Bank to issue suitable directives. There is already the precedent of last autumn, when the central banking institution prescribed maxima of rates of interest on certain kinds of Deposits; and therefore it is that we herein enter a plea for appropriate and timely Reserve Bank action, should there be inaction on the part of the banking system itself; what is at stake is banking earnings—and therefore banking strength.

BANK RETURNS

Further Fall in Foreign Balances

Beginning of the month disbursements have made their deep impress upon the returns of the Reserve Bank for the week ended 7 July, though it would appear that the strain has not amounted to much for the banking system. Active Note Circulation is sharply higher by Rs 15.85 crores at Rs 1,949.26 crores, and there has been outflow of Rupee Coin for Rs 1.50 crores. There has been a transfer of Rs 10 crores from Foreign Securities (which are now placed below the Rs 100 crore mark at Rs 93.01 crores) to bolster the daily dwindling Balances Held Abroad, as shown in the Banking Department; and this has been offset by transfer of equivalent amount from Investments to Rupee Securities. As such, the Reserve Bank's cash in the till has been drawn down by Rs 17.35 crores to Rs 27.46 crores.

The Centre, no doubt owing to month-early disbursements, has experienced a drop of Rs 5.17 crores to Rs 54.51 crores in its Deposits; and State Governments, for the same reason, show a fall of Rs 6.22 crores to Rs 8.96 crores in Deposits as well as a rise of Rs 2.86 crores to Rs 37.16 crores in ways and means borrowings from the Reserve Bank. Member banks, on the other hand, do not seem to have been greatly put out: the Other Loans and Advances of the Reserve Bank have declined by Rs 6.82 crores to Rs 123.79 crores, with advances against usance bills dropping by over Rs 4 crores. Similarly, though Reserve Balances appear to have been drawn on, with the relative figure moving down from Rs 94.73 crores to Rs 91.69 crores, it needs to be noted that, in the same week, the State Bank has reported a fall of nearly Rs 7½ crores in its own cash in hand and with Reserve Bank. It is possible, thus, that constituents met their requirements, for beginning of the month disbursements, from out of Deposits rather than from borrowings from banks.

Balances Held Abroad, despite transfer of Rs 10 crores from the Issue Department, are higher only by Rs 5.76 crores: net drain during the week is thus to be placed at Rs 4.24 crores—and reserves have fallen below Rs 110 crores.

The return of the State Bank for 7 July shows how little banks have felt the strain of month-early demand for funds. The total of Advances has risen only by Rs 0.76 crores to Rs 261.49 crores, and Deposits have actually increased by Rs 2.12 crores to Rs 531.84 crores. Nevertheless, some disinvestment in gilt-edged, for about Rs 2 crores, has been disclosed. Cash balances, including money at call, have fallen by over Rs 8 crores, but this has gone

to swell Other Assets by Rs 12.14 crores to Rs 41.23 crores. Undoubtedly tap purchase of securities is likely to be recorded in the next return of the State Bank for at least Rs 10 crores.

The return of Scheduled Banks for 30 June contains changes which are the result of window-dressing, but is most importantly noteworthy for the sharp rise it registers in Deposit resources. Net Demand Deposits have moved up very considerably by Rs 26.34 crores to Rs 832.75 crores, while net Time Deposits have shrunk by Rs 10.24 crores to Rs 1,094.37 crores. The net rise is thus to be placed at Rs 16.60 crores, of which Rs 7.45 crores is traceable to the State Bank. In order to improve cash balances, borrowings from the Reserve Bank have been increased by Rs 4.10 crores to Rs 15.69 crores. Cash in India is marked up by Rs 6.94 crores at Rs 54.56 crores; Reserve Balances by just under Rs 14 crores at Rs 87.62 crores; and balances with other banks by Rs 5.33 crores at Rs 21.72 crores. However, money at call has moved down from Rs 53.44 crores to Rs 50.85 crores. The gilt-edged portfolio shows a rise of Rs 3.63 crores to Rs 549.01 crores, but, with the State Bank in that week reporting purchase of roughly Rs 6 crores of gilt-edged, it is to be inferred, clearly, that other banks have sold a small parcel. Lastly, the total of Advances has risen slightly by Rs 1.73 crores to Rs 1,275.96 crores—the first expansion recorded in almost exactly a month.

Bank Profits

The Bank of India Limited has reported a net profit, before providing for Taxation, of Rs 47.85 lakhs for the half-year just ended as against Rs 42.65 lakhs for the corresponding period of 1960. The directors have declared a higher dividend of Rs 4 per share, taxable, for the period as against Rs 3.75 per share, taxable, for the corresponding period of 1960, presumably with a view to compensating the shareholders more fully for the loss sustained by them on account of tax deducted at source. A dividend of 20 per cent, taxable, was paid for 1960.

The net profit of Devkaran Nanjee Banking Company Limited, for the half-year ended 30 June 1961, including the sum of Rs 7.36 lakhs brought forward from last year's account, amounts, subject to audit, to Rs 22.95 lakhs as against Rs 15.87 lakhs, including a carry-forward of Rs 5.69 lakhs, for the corresponding period of last year. The directors have proposed to raise the ad-interim dividend by 14 p to Rs 2.00 per share (net dividend raised from Rs 1.30 to Rs 1.40).

The Hongkong and Shanghai Banking Corporation has declared an interim dividend of

5/- a share on its paid-up capital of 3,161,845 shares (£4,940,383). This interim dividend is a distribution of £790,461 and is unchanged from that declared in July 1960. The Hongkong and Shanghai Banking Corporation is the parent company in a group comprising the Mercantile Bank Ltd and The British Bank of the Middle East.

More Fool's Paradise Economics

By Paul Einzig

Mr. SELWYN LLOYD promised the House of Commons to announce measures in support of sterling before Parliament rises at the end of this month. It may well be asked why he is proceeding at such a leisurely pace. Week after week the Treasury loses more gold and dollars, and in addition to the actual losses the short-term liabilities represented by foreign Central Bank holdings of sterling also increase. The widening of the discount on forward sterling has made outward interest arbitrage increasingly profitable, and holders of sterling outside the Sterling Area are certain to take advantage of it to an increasing extent. In spite of this, the Government thinks it can afford to wait before adopting long-overdue measures. Possibly it may mean that Mr Selwyn Lloyd wants to announce these measures simultaneously with the application of the new surcharge and payroll tax, the authorisation of which measures has not yet reached the Statute Book. Or possibly he intends to do nothing else than adopt surcharge and payroll tax. If that is the intention, the Government and the country are in for a major disappointment. For the natural, logical and inevitable consequence of these measures will be an accentuation of the rise in the cost of living index, leading to a stepping up of wage demands.

The fact that even the Government has failed to realise the urgency of taking effective measures in defence of sterling shows the extent to which it lives in its fool's paradise economics. How can the Government expect to arouse the country to the consciousness of the imperative need for self-restraint in order to check the growing pressure on sterling? Surely the natural reaction to the casual way in which the situation is being handled is for trade unions and everybody else to be equally casual about it. The only effect of Mr Selwyn Lloyd's grave warnings is to accentuate the pressure on sterling and the declining trend on the Stock Exchange, without impressing employers, employees, and consumers with the need for making sacrifices for the sake of avoiding a crisis. It is actions and not words that are needed, and right now, not in a few weeks' time.

Other members of the Sterling Area, too, appear to have failed to realise so far the imperative need for self-restraint. Yet unless they accept their share of the necessary sacrifices they will share with the British Government the responsibility for the development of the biggest crisis of the post-war period. Unfortunately the external support to sterling under the Basle arrangement and in the form of the increased drawing right on the International Monetary Fund has encouraged further this fool's paradise economics. A statement offering American aid to sterling is believed to be imminent. Realities are not likely to be faced until all this external aid has been exhausted, and meanwhile the fundamental position will continue to deteriorate.

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Notes

NON-FERROUS METALS
Joint Venture
Possibilities

The twelfth annual general meeting of the Indian Non-ferrous Metals Manufacturers' Association, held in Calcutta last week, has focussed attention on the importance of developing the non-ferrous metals industry in the country. While there has been considerable progress in production in recent years, there is still a great leeway to be made up in meeting the entire consumption requirements from internal sources. It is anticipated that by the end of the Third Plan, consumption of non-ferrous metals would increase by nearly 100 per cent. Consumption of copper is expected to go up from 85,000 tons to 170,000 tons, zinc from 85,000 tons to 187,000 tons, aluminium from 50,000 tons to 100,000 tons, tin from 7,000 tons to 10,500 tons, lead from 35,000 tons to 65,000 tons and antimony from about 800 tons to 1,000 tons. The gap in production is of different size for the different industries, but it is in respect of copper supplies that grave concern is entertained about the adequacy of the country's reserves. The Khetri deposit is perhaps the only

large source and for this reason it would be desirable that the area round the Khetri deposit is intensively prospected. In view of the limited reserves of the country in copper, it is also necessary that proper conservancy measures should be adopted in the utilisation of the copper ore for industrial purposes. In the course of his address, Mr Manubhai Shah, Union Minister for Industry has suggested the substitution of copper by aluminium in the electrical cables and wire industry. There can be no doubt about the practicability of such a proposal as the case of France would illustrate.

The Third Plan envisages substantial expansion of the non-ferrous metals industry and provides Rs 80 crores for the development of the primary metals and another sum of Rs 13 crores for the manufacture of cables and wires. The problems posed by development of these industries are, as Mr A. C. Dutta, the President of the Association pointed out, diverse. Prospecting done so far in the field of non-ferrous metals had not been extensive enough. To enable extensive drilling and prospecting work, Mr Dutta has suggested the creation of a revolving fund through the Indian Bureau of Mines. The proposal of Mr K. D. Malaviya, Union Minister for Mines and Oil, for the setting up of mixed ventures in mineral prospecting and mining through the industry associating itself with the Government either through collaboration or through capital participation will be welcomed as eminently well conceived. The most important thing that deserves consideration is the creation of an atmosphere in which entrepreneurs will be encouraged to put their investments in the non-ferrous metals industry. With this view, Mr Dutta, has suggested several proposals including the facility of charging prospecting and development expenses against future profits, adequate provision for depletion of ore reserve, and most importantly a tax holiday in the initial years to enable the mine to recover the capital cost for the development of mines and installation of the processing equipments before any tax becomes payable. A flexible policy with respect to the role of the public and private sectors should also prove helpful. The establishment of the machinery side of the industry is also a question that assumes importance in view of the need not only for rapid development but also for conservation of foreign exchange.

SMALL INDUSTRIES

A Catalogue of Woes

It was a long and in some ways formidable list of grievances that Mr A. R. Bhat, President of the Federation of Association of Small Industries in India presented the other day in Madras. Chief among them is the absence of a steady supply of raw material, especially of steel and non-ferrous metals. Others besides small industrialists have complaints of the same kind to make, but Mr Bhat's special grievance was of discrimination vis-a-vis bigger units who were able to have their cases heard more effectively. The little man was in effect out-bidden and his resources did not make it possible for him to obtain his needs by dubious means. The substance of Mr Bhat's grievance is difficult to resist, to any one who is aware of the distress among the smaller units in and around Calcutta. Despite the declared aim of decentralising and dispersing economic power, the practical consequences of a free-for-all rush in a period of shortage is that the small man goes to the wall. Lack of coordination of policy between the Centre and the States is also responsible to some extent for this state of affairs. There is apparently no uniformity in the matter of assessing essentially, for some States attach more and others less to the needs of the small industrialists.

The other handicap that the small industrialist has to contend with is lack of finance. Here again, good intentions and even a considerable amount of practical action have not caught up with the needs. The Reserve Bank's initiative in this matter has been of considerable importance. Recently, it extended the scheme of credit guarantee to more districts. The State Bank has been specially wooing the small industrialist as part of the official policy in this regard. The Madras Minister for Industries announced at the very conference addressed by Mr Bhat that the Madras Government had intentions of starting cooperative industrial banks to provide credit for small industrialists. It has asked the Centre to consider the idea of underwriting the Madras venture by taking over any loss that might arise. Despite all this, the present position would appear to be that the credit needs of the small industrialists are not taken care of as best as they ought to be. Mr Bhat estimates the total advances from all sources to the small industrialists at Rs 65 crores during 1960. The Working Group on Industries of the Planning Commission has estimated the credit needs of the small industries during the Third Plan at Rs 300 to Rs 360 crores.

Mr Bhat complained about alleged niggardliness of commercial banks in the matter of credit to the small industrialists and their general attitude of dubiousness towards the probability of success of small ventures. This may be somewhat exaggerated, since banks have to depend as much on the small bor-

rower as on the small deposit these days. But the tight monetary conditions of last year or so may have been responsible for the banks' inability to lend more to the small man at rates he could afford. When banks themselves were obliged to borrow at penal rates from the Reserve Bank, they may not have been able to find the money in adequate measure for the small man at reasonable interest rates. Mr Bhat's suggestion of a compulsory allocation of 15 per cent of deposit resources of scheduled banks to advances to small industrialists is impractical. Banks may legitimately complain that if they are to be compelled, as was urged recently at the NDC meeting, to meet the need of public sector undertakings and small industries as now urged by Mr Bhat they may as well hand over the deposits they collect to Government instead of being in the banking business. Mr Bhat's request that the State Finance Corporation should be more sympathetic and make less rigorous demands in the matter of margins, however, deserves consideration. Mr Bhat's contention about the crucial importance of the small banks with local affiliation is undoubtedly well founded and is a pity that the general tendency for them to get swallowed is making matters more difficult for the small entrepreneur.

COAL

The Problem of Price

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while despatches were higher by 43,161 tons representing a new record at 263,931 tons. The consequent increase in sales has contributed to better trading results and the profit before taxation at Rs 5.12 lakhs compares with Rs 4.55 lakhs during the previous year.

While highlighting the bright performance of the Company, in the course of his speech at the sixteenth annual general meeting of the Company, Mr S. D. Shethia, Chairman, referred to the problems faced by the coal industry in reaching the target which the Third Plan has set for it. As Mr Shethia has stated, the Third Plan envisages the development of the coal industry on a more ambitious scale than in the Second Plan, and if the Plan schemes are to be fulfilled without leading to shortfalls in production as had happened in the Second Plan, it is necessary that there should be careful planning in all spheres. One of the important prerequisites for the smooth progress of the development schemes is the availability of finance. Investment in coal production in the private sector is expected to be of the order of Rs 60 crores of which Rs 18 crores will be in foreign exchange. In view of the negotiations scheduled to be carried on with the World Bank, chances of obtaining the foreign exchange requirements can be rated high. There is also the problem of price policy adopted by the Government which has an important bearing on progress of production in the private sector. While there can hardly be any agreement between the Government and the industry on the amount of weightage to be given to incentive elements in pricing, it is necessary to emphasise that the price fixed by the Government should at least bear a reasonable relation to costs of production in the light of all the factors involved and particularly of the increased incidence of labour costs. Mr Shethia is confident of the private sector being able to reach its target if Government encouragement in the form of a realistic price policy could be assured to the industry.

Blast It!

A new crisis has emerged, and it is evident that the Government which seems anxious to develop minerals, has missed the point that explosives are needed for regular mining operations. The closure of collieries may lighten stocks and give relief to railway transport but consuming industries are bound to be affected and the coal owners are naturally apprehensive about reaching planned targets. A substantial increase in the production of powder, dynamite fuses etc., may be needed, though it may be suspected that the sole manufacturer of explosives being an associate of the Government is likely to give pri-

ority to Government requirements. Since foreign exchange reserves are low, the chances of importing explosives quickly may not appear very bright. However, there are many manufacturers in America and a loan from the Development Loan Fund may help India to buy explosives from the USA. In any case, the USA has promised to help the coal-mining industry and US assistance can take the form of essential materials as well as machinery. More prosperous coal-mining companies, might well undertake the establishment of a new unit for the manufacture of commercial explosives and the example of South Africa where the gold-mining industry has sustained the large-scale local manufacture of chemicals and explosives alike, cannot be overlooked. A co-operative venture launched by the organisations representing the coal industry should prove successful, and it may be claimed that in spite of the Government's attitude to armaments manufacture in the private sector, a distinction may be drawn between blasting powder required for quarries and the ingredients used for making bombs. The crisis in the coal mining industry may compel some firms to start production, if licence can be obtained for not only roadmaking on the border areas but extraction of coal for not only road making on the really described as urgent. Foreign assistance on approved terms can be secured only with Government permission, but it is clear that Atlas Powder or Hercules Powder would welcome an opportunity to set up an Indian affiliate.

CAPITAL ISSUES A Few Surprises

Capital issues have increased in number and variety, and the official review for the last quarter of 1960 indicates that only a few applications were rejected. The borrowings of local authorities are not included in the capital issues. Some surprise will be occasioned by the inclusion of an aircraft firm that sought to raise Rs 2 crores. It is evident that a Government company is involved. If it is the Avro manufacture scheme at Kanpur, it is perhaps an offshoot of the Defence Ministry. Probably it is HAL, that got formal permission to raise extra capital.

The expansion of fertiliser production stands out in the detailed analysis of new ventures. In fact it is the branch of the chemical industry which shows the greatest increase in capital by over Rs 40 crores. The paper industry comes a long way behind, but aluminium production takes the third place. New industries, rather than the old, account for much of the new capital authorised in Oct-Dec. 1960. The refusals are indicated in a summary fashion. A new bank could not start, as it could not raise funds by seeking support. An insurance company engaged in fire and marine insurance (the inclusion of life is probably an error) could not add to its capital by raising Rs 22.6 lakhs, as the proposal was not considered

to be in the public interest. The amount of loan capital raised is shown at Rs 15.15 crores but no figure is available as regards preference capital raised or to be raised by the new companies. That the Bengal Coal Co., got consent for a debenture issue may be easily inferred from the classified analysis. A point that needs mention is that no separate classification of bonus issues is made by the analyst. But one point stands out: only four applications for bonus issues by industrial concerns were made because of the 30 per cent tax levied on capitalisation of reserves by bonus issues. Only a few planting companies were permitted to issue bonus shares owing to the size of the reserves built up out of past profits. Some surprise too will be caused by the consent given to a Government-owned cotton mill asking for Rs 2.5 crores to start operations. Whether it is necessary at all when India has over 400 cotton mills at present, is a question that is sure to be asked. The analysis also indicates that the merger of Sindri with the Nangal fertiliser factory was carried out last year, and the formal announcement came only this year.

HMT Brilliant Performance

The annual report for 1960-61 of the Hindustan Machine Tools Ltd, is replete with evidence of the strident progress being made by the Company in all directions. The fact that the Company has been able to report a return of 13.9 per cent on the share capital against 1.02 per cent in 1956-57, 5.54 per cent in 1957-58, 7.15 per cent in 1958-59 and 8.22 per cent in 1959-60 provides a measure of the financial improvement that the Company has achieved since it started working. It is also noteworthy that during 1960-61, the Company registered a net profit of Rs 74 lakhs against Rs 37 lakhs during the last year.

The HMT represents an integrated project with an industrial estate and watch project as the notable features. The industrial estate, has features of a pioneering endeavour in as much as it is intended to serve as a feeder industry to the machine tools factory. The watch factory for which Japanese collaboration has been obtained is only in the process of being set up, but it is reported that orders for the machinery required for the factory have been placed.

Progress in production and diversification has also been more than satisfactory. Production of 1,002 machines during the year 1960-61 represents an increase of 250 per cent over the Plan target of 400 machines and compares with 702 machines during the previous year. In respect of diversification, 16 types of Cylindrical Grinding Machines have been added to the

list of items. The Company has also made a beginning in the manufacture of the heavy duty Turret Lathes. Technical collaboration agreements with Messrs Regie Nationale Des Usines Renault of France for the production of Special Purpose Machine and another one with Messrs Limex, G.M.H., of the German Democratic Republic were signed during the year under review. Further it should be mentioned, that in the manufacture of the Cylindrical Grinding Machines, the HMT has secured the technical collaboration of Messrs Officina Meccanica Olivetti of Italy.

Construction of the second machine tool factory has been completed ten months ahead of schedule in May 1961 and is designed to double the output of machines to 2,000 valued at Rs 7 crores per annum. It is remarkable that the factory was built without any financial contribution from the Government or the shareholders and entirely with the internal financial resources built up by the Company during its first five years of operation.

This picture of progress is however marred by the state of rivalry between two labour unions for recognition by the management. The matter of recognition of one of the unions is pending with the Labour Ministry of the Mysore Government. It is however comforting that the disquietude in the labour front has not affected production as is evident from the record figures for the year under review.

SHIPPING Unrealistic Targets

Speaking from the chair at last week's annual meeting of the National Shipping Board, Mr G. L. Mehta has reiterated that the Board's indication as regards the shipping target for the Third Plan is the absolute minimum. It may be recalled that the National Shipping Board's recommendation has been for a financial allocation of Rs 104 crores over and above Rs 14 crores that the private sector shipping companies will be able to spare from their own resources. This outlay has been arrived at on the basis of a provision for a modest expansion at the rate of 100,000 GRT annually during the period of the Third Plan. A painful surprise was in store for the Board as the financial outlay envisaged by the Third Plan outline is no more than Rs 55 crores. Of course recently the Minister for shipping has indicated that the outlay may be increased by another ten crores or so. There is also the vague assurance that the outlay may be revised up-

wards provided increased resources become available.

Shipping interests have been expressing anxious concern at the apparently unrealistic attitude of the Planning Commission and Government to one of the vital aspects of national life. Government spokesmen are still waxing eloquent over the urgent need for building up a merchant fleet of a size commensurate with the size of the country. Even in the present context of the acute shortage of foreign exchange, it is rather difficult to understand why shipping development has been given a low priority in the national plan. Shipping is perhaps the one industry that can pay its way within the shortest possible time and an increase in shipping tonnage can bring about an immediate saving of foreign exchange in the shape of diminished freight payable to foreign ships which are still carrying the bulk of the cargo to and from Indian shores. In protesting against the decision to provide for a net addition of a little less than 200,000 tons against the Board's proposal of 500,000 GRT during the Third Plan period, Mr Mehta is only echoing the general sentiment in the country.

Government's intinsigence is also responsible for the unenviable state of our coastal shipping. Here again there is no dearth of lip-sympathy for this sector of the Indian shipping industry from Authority, but when it comes to a question of looking carefully into coastal shipping's malaise and initiating steps toward remedying the position, one finds no clear-cut policy. While on the one side its costs are going up, on the other coastal shipping has not been able to get adequate cargo to carry. It would appear that in the matter of rehabilitation and expansion, coastal shipping has been left to shift for itself as best as it can. Thus with no foreign exchange earning to its credit and without much Government assistance its pace of expansion has slowed down considerably. Although the target for coastal shipping for the Second Plan was 412,000 tons, the actual attainment is only of the order of 268,000 GRT. If the overall target of 0.9 million GRT has been reached (875,000 GRT actual tonnage in operation at the end of the Second Plan plus about 60,000 GRT under construction), it is because much of the headway has been accounted for by overseas tonnage. Overtaken by the crisis in the movement of coal, Government has now turned to coastal shipping for help. It has been announced that one million tons of coal will be moved by sea and even though the problem of costs will continue to remain very much with the coastal shipping companies, there is some consolation to be derived from the fact that there will be adequate cargo. But in view of the slow progress

it has made in the two Plan periods, it is doubtful if coastal shipping will be able to cope with a sudden increase in the demand for cargo space.

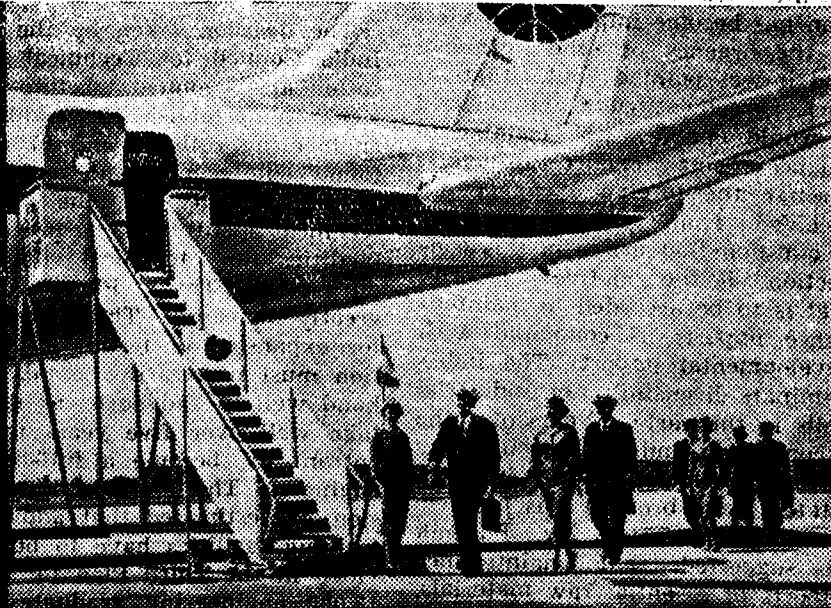
Mr Mehta has pointed out that export of sugar to America may go some way toward solving the problem of increasing Indian tonnage on the overseas trade, especially on the India-US route, as it will solve, to a limited extent, the problem of return cargo to Indian ships engaged in the transport of foodgrains from America.

In order, however, to enable a large number of Indian ships to participate in the transport of foodgrains from America, some sort of subsidy has to be given because even if the sugar deal materialises many of the ships will perforce have to go empty one way. As for coastal shipping, a reliable indication of the quantum of cargo that will be available to it over a period of years will, help remove more than anything else some of the more intractable obstacles in the way of its growth.

AIMO

Problems of Import and Exports

The quarterly meeting of the All India Manufacturers' Organisation, held at Coimbatore, last week, has highlighted some of the important problems which the country faces in the fields of



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trade and industrial production. Stated in a general way, the problem in the field of foreign trade is one of balancing imports against exports in the context of the development schemes envisaged in the Third Plan. While the aid promised by the World Bank Consortium has solved the problem of development imports at least for the first two years of the Plan, the outlook for maintenance imports is still clouded by uncertainty. Referring to the importance of providing for maintenance imports, Mr G. V. Puranik, Chairman of the AIMO asked whether it would not be practicable for the Government of India to prevail upon the Consortium to provide a fair proportion of foreign exchange aid for maintenance imports. The question has become important in view of the urgency of the problem and it was pointed out, that if such agreement could be secured it would enable the country to finance maintenance imports through the foreign exchange aid received from the Consortium. A question that arises in this connection is the relative priority that is to be accorded to maintenance imports as compared with developmental imports. The indiscriminate licensing of industrial units in the early years of the Second Plan and the serious crisis in foreign exchange which it precipitated, have brought this problem into sharp focus. Mr Puranik has suggested that maintenance imports of essential raw materials, spare parts, components etc., required by existing industries should be given precedence over developmental imports of capital equipments unless the industries to be started were based on indigenous raw materials or were planned for production of essential raw materials and components which had to be imported at present. It cannot be denied that the lack of adequate provision for maintenance imports by leading to idle capacity will aggravate the inflationary potential and this should be a decisive consideration in settling the extent of importance to be accorded to maintenance imports.

While stressing the need to provide for sufficient maintenance imports, Mr Puranik did not fail to emphasise the role of a dynamic policy in respect of export promotion. In this light, he welcomed the establishment of export houses and referred to the prospects for greater exports through measures of expanded credit facilities provided by the Government on the lines existing in Australia, Canada, Japan and West Germany. In the final analysis, only progressive reduction in the prices of manufactured exportable goods would provide the basis for continuous expansion of exports. The problem of stimulating export consciousness in the Indian businessmen who have been prone to be apathetic

in this matter in view of the existence of a sheltered market within the county has also to be faced in a realistic way. It was suggested at the meeting that further efforts in export promotion could be considerably stimulated by a variety of measures including tax concessions on exported goods, supply of raw materials at low prices, proper link between wages and labour productivity, and abolition of sales tax and octroi on industrial raw materials.

TECHNICAL EDUCATION Inadequate Finance

The decision taken by the All India Council for Technical Education at its annual meeting last week to establish 19 additional engineering colleges and 67 additional polytechnics and expansion of the capacity of the existing technical institutions means that facilities for technical education during the Third Plan will be greatly increased. The programme for expansion of technical education must necessarily be taken on hand well in advance as it will take well over five years for an entrant to become a full-fledged engineer. The Planning Commission has estimated that additional training facilities have to be provided in the Third Plan for about 18,000 engineering graduates in different categories and for about 26,000 diploma holders. This will mean an increase in existing intake for degree courses by 5,000 and for diploma courses by about 10,000 in regular institutions. It is proposed to increase further the intake for degree courses by 1,000 and diploma courses by 5,000 through part-time and correspondence courses.

As a result of the new expansion decided upon, the annual admission capacity of technical institutions will increase to 19,130 students for degree courses and 37,390 students for diploma courses by the end of the Third Plan period. But these estimates appear to be unrealistic, in the light of the financial provision that the Planning Commission has found it possible to make for technical education. Originally the working group on technical education had drawn up a programme involving a total outlay of Rs 201 crores. The State Plans for technical education as finally approved by the Planning Commission provide for an outlay of Rs 71.33 crores. At the Centre the Ministry had suggested a programme of Rs 96.15 crores which has been reduced by stages to Rs 70 crores. But funds, even for this reduced programme, are not fully assured. What the Planning Commission has done is to indicate "a programme limit" of Rs 70 crores with a financial provision of

Rs 45 crores. In the circumstances it remains to be seen how many of the technical institutions approved by the Council actually come up during the Third Plan period. According to the Ministry's estimates, it will be extremely difficult, within the provision, to complete even the schemes undertaken during the Second Plan. No wonder that Dr Humayun Kabir spoke in bitter terms of the parsimony of the Planning Commission and expatiated on the folly of building costly industrial establishments without adequate provision for trained personnel to man them.

The annual intake in 1960-61 in degree courses was 13,850 and in the polytechnics the intake was 27,750. The total number of colleges and polytechnics in that year was 100 and 198 respectively. In 1960 the outturn of degree holders and diploma holders were 5,310 and 10,397 respectively. The tremendous expansion in the facilities for technical education that has taken place in the past one decade will be evident from the fact that in 1950 there were only 49 colleges and 86 polytechnics with the annual outturn of degree holders and diploma holders at 2,198 and 2,498 respectively. It is expected that the supply of engineering personnel will be adequate during the Third Plan. An estimated surplus of 6,200 degree holders and a deficit of 4,100 diploma holders is expected. The surplus and deficit, being only marginal, may not present any great problem.

But the actual position as it may finally emerge may not be as heartening as the impressive estimates. Disturbing trends have been noticed in the matter of admission to both the colleges and polytechnics. Considerations other than merit often come to determine entry and this seems to be common to both types of institutions. An increasing number of entrants failing to pass the first year in degree courses testifies to this. The All India Technical Education Council itself has expressed serious concern over the position in respect of admission to polytechnics. While students of a decidedly inferior quality are given admission, there are many seats left unfilled in a number of institutions. The Council has suggested a detailed investigation into the matter. An obvious remedy is to make selections purely on merit. Another drawback to which pointed attention has been drawn by the Council is the lack of proper equipment in many of the polytechnics. This is largely due to want of foreign exchange allocations. The Council has done well to emphasise first that Government should make available adequate foreign exchange to these institutions and secondly that no new institutions should be started till existing ones are properly equipped. Since the technicians will be entrusted with valuable

machinery often obtained at great expense of foreign exchange, they have to be of a fairly high calibre. Ill-trained technicians will not only make the plan costlier by damaging equipment and machinery but will also slow down industrial progress as replacements and repairs will be time consuming.

IBRD Loan for Calcutta Port

The Executive Directors of the World Bank have approved a loan equivalent to \$21 million to the Commissioners of the Port of Calcutta. The loan will help to finance dredges and other floating craft to maintain navigation on the Hooghly River approach to Calcutta, and equipment and works to improve the efficiency of the Port. The loan will also finance the foreign exchange costs of a hydraulic study of the Hooghly River to help solve the problem of siltation in the river and to determine the feasibility of establishing a deep-water satellite port farther down the river at Haldia to accommodate bulk cargo vessels.

The greater part of the current Bank loan will be used for the purchase of about 20 floating craft, of which four will be large dredges and six, auxiliary dredging vessels. With this addition to their dredging fleet, the Commissioners should be able to achieve their objective of maintaining access to the Port the year round for vessels of 26-foot draft. The works to be undertaken to improve the Port itself include the extension of the western arm in King George's Dock to provide holding space for four ships and four dolphin berths for ships undergoing repairs; the installation of a water recirculation scheme in Kidderpore Docks to help eliminate the siltation problem in the Docks, and the replacement of a 70-year old swing bridge. Cranes, fork-lift trucks, tractors and trailers will be added to the mechanical cargo-handling equipment of the Port. Repair and maintenance facilities are to be improved by the installation of modern plant and machinery in the Port's work-shop and ship-yards.

The Commissioners of the Port of Calcutta and the Bank attach great importance to the hydraulic studies to be undertaken of the Hooghly River. In order to assure that these studies are promptly initiated, and carried out on a continuing basis, the Commissioners will establish a Hydraulic Study Department manned by Indian hydrologists and assisted by foreign experts supported by the leading hydraulic laboratories abroad.

The total cost of the equipment, the study and works included in the project is estimated at the equivalent of \$31 million. The Bank loan will cover the foreign exchange requirements and the local currency costs will be provided by the Commissioners of the Port of Calcutta.

BANK CREDIT TO GOVT. No Special Treatment

Whether commercial banks should finance State-owned enterprises when a big nationalised institution exists is a moot point. Bank directors who are aware of the increased demands of the private sector and the hardening of interest rates in 1960 and after are probably justified in asking for higher rates in spite of the Finance Minister's recent suggestion that public enterprises could open accounts with joint-stock banks. The fact that the balance sheets and reports of State-owned enterprises are not impressive enough to justify loans at a low rate has not been mentioned specifically so far though the plea is that an extra half per cent was demanded for a loan sought by a State enterprise. It is a fair enough demand that if commercial banks are to finance a State enterprise, its credit rating must be made on a commercial basis. It can claim no special exemptions from the usual procedure. Books of account must be open for inspection by the Bank staff as a routine auditor's certificate will not do. It must be also remembered that the money of private depositors cannot be lent to State-owned enterprises at a low rate, when there are competitors prepared to borrow at the current market rate. It is, of course, open to the State enterprises to rely on the State Bank of India and the ten minor institutions taken over last year. But the shareholders of the latter will probably feel that sacrifices are being made at their expense for the benefit of State-owned enterprises. And a fixed dividend of 5 per cent is not going to help them when shareholders of other banks are able to enjoy better dividends. The rise in operating expenses is one reason for banks asking for higher rates of interest especially when short-term rates tend to be higher than the bank rate. Further, banks competing keenly for deposits from the public at present are paying more to encourage deposits and this point deserves mention as also the fact that regional disparities in interest rates as between Madras and Madhya Pradesh warrant the joint-stock banks' demand for half a per cent more. The State Bank of India enjoys unusual advantages and has access to many sources for deposits. Any concessions it now offers to State enterprises may be approved tacitly by the Government. But commercial banks have to earn profits, add to reserves, and pay out dividends to merit the confidence of depositors and shareholders alike because there is really no distinction between the two classes.

USA

Better Cities and Improved Housing

President Kennedy has signed into law one of the most comprehensive and far-reaching housing bills ever approved by Congress. Congressional debate on the measure was prolonged and sharp in both the Senate and the House of Representatives. But in the final analysis, the legislation that emerged accords pretty much with the recommendations offered by the President some months ago.

In general, the legislation makes it easier for Americans to buy and repair their own homes and to enlarge them by the federally subsidised public housing programme. It expedites urban renewal and slum clearance; provides federal funds to help finance construction of public facilities in local com-

munities and makes available federal financial help for such projects like college dormitories, farm housing, local mass transit facilities, parks and recreational areas, and housing for elderly citizens.

Already, some of the measure's major provisions are being put into effect. The Federal Housing Administration (FHA), for instance, has invoked the new schedule of home mortgage terms made possible by the legislation. The schedule permits lower down payments—initial cash payments—on mortgages insured under FHA's programme, and extends the maximum maturity of these mortgages to 35 years from 30 years. The FHA, which was established in 1934, does not itself make loans or build and repair homes, but it insures loans made for these purposes by private institutes.

In practical application, the new FHA schedule means that a family can now buy a new home costing

up to \$15,000, generally considered in the low to middle-price range in most parts of the United States, for a mere \$450 down payment. Over a 35-year period, the repayment on the mortgage would be at \$81.84 per month at the prevailing FHA-insured interest rate of 5.25 per cent. In special "hardship" cases, the mortgage repayment period for a house in that price range can be spread over 40 years, which would further reduce the monthly payment to \$78.64. Cash requirements and monthly payments would be proportionately higher on higher-priced houses, though terms on these dwellings have also been liberalized considerably.

In addition, FHA offices are busy spelling out the details of the programme for insuring home improvement loans. The new law now allows as much as \$10,000, repayable over a period of up to 20 years, for repairing and modernizing older houses. Previously,

ADVENTURES INTO TUBELESS

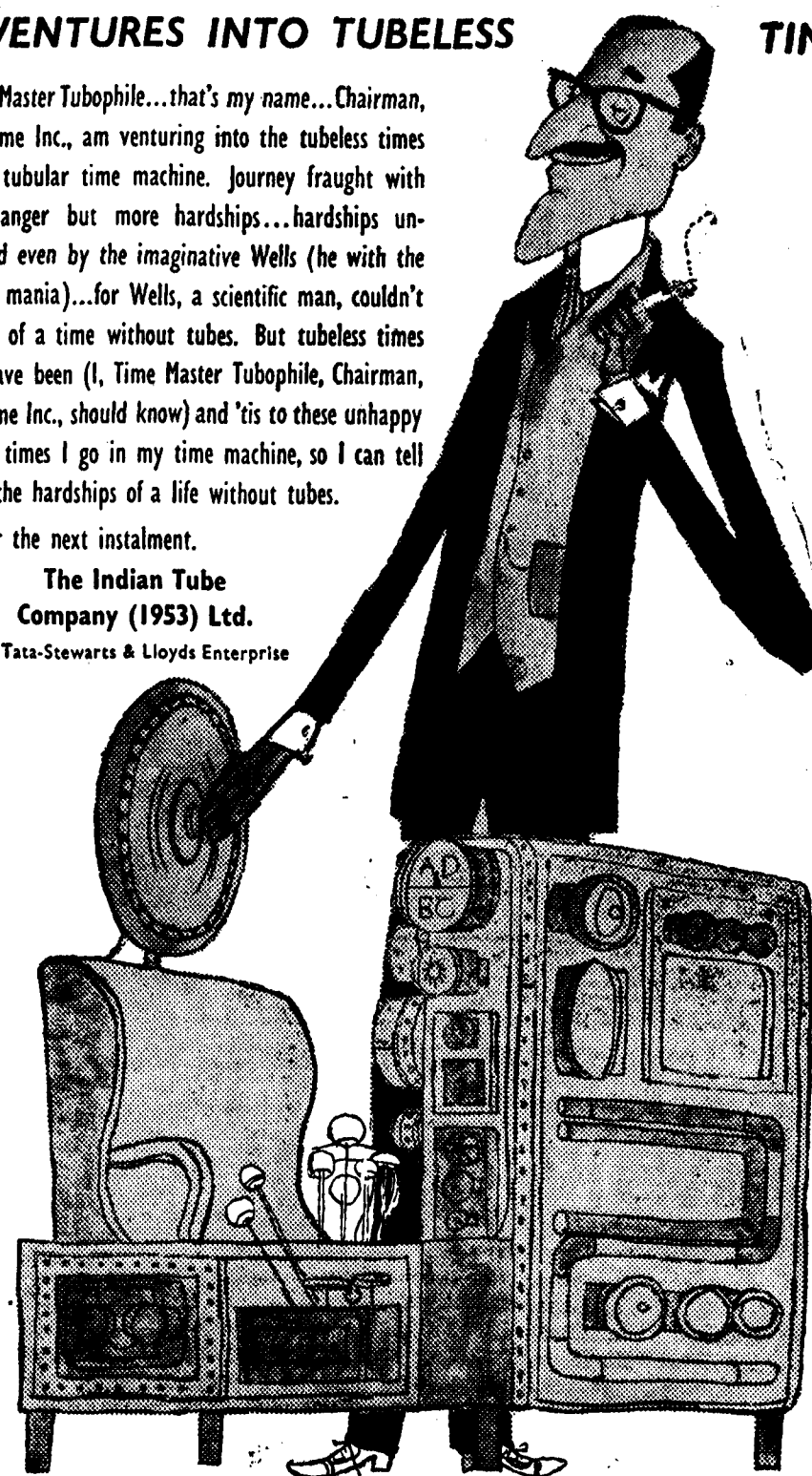
TIMES

I, Time Master Tubophile...that's my name...Chairman, Tube Time Inc., am venturing into the tubeless times on my tubular time machine. Journey fraught with some danger but more hardships...hardships unimaginable even by the imaginative Wells (he with the Martian mania)...for Wells, a scientific man, couldn't conceive of a time without tubes. But tubeless times there have been (I, Time Master Tubophile, Chairman, Tube Time Inc., should know) and 'tis to these unhappy tubeless times I go in my time machine, so I can tell you of the hardships of a life without tubes.

Look for the next instalment.

The Indian Tube
Company (1953) Ltd.

A Tata-Stewarts & Lloyds Enterprise



he limit was \$3,500 over a five-year period.

It takes little imagination to see what this could mean to the improvement of housing conditions in urban neighbourhoods threatened by physical deterioration. Economists believe that this programme can make for substantial rehabilitation of such neighbourhoods, thereby averting the growth of unsightly and unhealthy slum districts which would have to be cleared eventually under large urban renewal projects.

Urban renewal has not been overlooked in the new law. Some \$2,000 million has been authorized for grants to cities conducting such slum clearance projects—an amount that equals the total provided previously for this programme in all the years it has operated.

Up to now, federal urban renewal money has been used in nearly 500 cities and towns for projects in various stages of completion and advance planning is under way in more than 250 other areas. Officials believe that the new law will not only help expedite completion of all these, but will make funds available shortly or initial planning grants to at least 70 more localities.

The bill also authorizes construction of an additional 100,000 units of federally subsidized low-rent public housing. Under this programme, the federal government pays rental subsidies over 40 years.

With these various provisions, and all the other features contained in this comprehensive, or "omnibus," measure, the new four-year housing law is expected to cost an estimated \$5,600 million. Some estimates place its eventual cost at closer to \$9,000 million.

But the amount of money involved may in the long run be identical to the significant gains he measure promises to bring to the American people. It has been estimated, for instance, that about 40 per cent of American families already own their own homes, including those in the process of paying off mortgages. This legislation obviously would bring home ownership within the financial reach of millions of other Americans.

Beyond that, as President Kennedy pointed out in signing the new housing legislation, it "provides an opportunity for a giant step toward better cities and improved housing."

A New Study on Money and Credit

Back in the summer of 1958, a 25-man group of leading American citizens began a comprehensive study of national fiscal and monetary policies, and how they can best serve the cause of economic growth and stability. Now, after three years of intensive effort, this group—the Commission on Money

and Credit—has published its findings in a 300-page report which is being hailed as a landmark in its field.

The report, titled, "Money and Credit: Their Influence on Jobs, Prices and Growth," represents the first full scale review of this subject since the Aldrich Monetary Commission made a report in 1911 which is credited with laying the basis for the creation a few years later (in 1913) of the US Federal Reserve System—in effect, the nation's central banking system.

The latest report proposes no such ambitious undertaking as a complete overhaul of the US financial structure. Its problem has been to study ways in which the Government's basically sound financial mechanisms can be improved and made more responsive to socio-economic requirements of the modern day.

With this in mind, the Commission has set as its goals three principal elements: an adequate rate of economic growth, high levels of employment and reasonable price stability. These goals, it believes, are compatible and mutually reinforcing, and can be materially influenced by government action in the field of fiscal and monetary management.

With this established, the Commission has gone on to recommend improvements in existing governmental machinery, in statistical economic indicators, and in policy-making coordination to help bring about the desired ends more efficiently. Throughout, there is evidence of a strong belief that federal authority and regulatory power should be increased. At the same time, the need is recognized for greater private participation, if only on the advisory level, in government economic decisions.

In all, the Commission has offered more than 80 recommendations. Many of them are routine or technical, involving such matters as relations between federal and state bodies and the make-up or regulatory agencies. Several of the proposals, however, stand out as somewhat more controversial or as offering significant opportunities for further progress in this vital area of public activity.

The report proposes, for instance, shifts in personal income tax rates as the quickest way to stimulate demand during a recession or to control it during a boom. These shifts would not be subject to the normal, and usually time-consuming legislative action, but would be made by the President, subject to veto by the Congress.

Government spending on socially useful projects to help cushion recessions, the report says, should be planned well in advance of such events.

Organizationally, the report urges a greater degree of centralization and coordination in economic policy-making. Along these lines, it would have the Employment Act of 1946 provide clearer guide lines on national aims. That Act makes it the formal responsibility of government to help create conditions conducive to high levels of employment, production and incomes.

On national growth, the Commission has declined to set any specific targets, although stressing that economic growth rates can be accelerated and employment opportunities expanded. It notes that in addition to government action, high levels of private capital formation and research and development efforts are important to these endeavours.

In a wide-ranging section on international policy, the report offers suggestions for reducing short-term capital shifts and for widening the sphere of activities of the International Monetary Fund. At the same time, it maintains that the price of gold should be held at \$35 an ounce.

This report is not official, having been drawn up by a private group chosen by the private committee for economic development. Also, there was wide latitude for dissent among Commission members, who were drawn from many different fields—finance, industry, labour, government and education.

Nevertheless, the report as published appears to represent in many of its proposals a reasonable consensus of American economic judgment today. It is likely to be studied, and perhaps become the basis for future action, in both governmental and private quarters. President Kennedy himself has commended the Commission for its work, and has urged all Americans to study its recommendations carefully, whether they agree with them or not.

Already, the Joint Economic Committee of Congress is talking of holding hearings on the Commission's findings in the near future. As time goes by, it is possible that public discussion of the report may become rather lively and debate rather sharp—all of which could help throw additional light on the entire subject of monetary and fiscal policy.

MANGANESE Sorry Predicament

The sharp decline in manganese exports from India in recent years is unfortunate especially when one of the country's urgent needs now is foreign exchange. From Rs 32 crores in 1957, foreign exchange earning from manganese exports have fallen to as low as Rs 14 crores in 1960. This combined with the fact that quantitatively also there has been a steep fall from 1,715,000 tons in 1957 to 1,262,000 tons in 1960 indicates that foreign consumers' interest in Indian manganese is diminishing. During the period 1957-60 the trend has been quite irregular as exports fell to 960,000 tons in 1958 and then improved to 1,239,000 tons only to decline again in the next year to 1,162,000 tons.

A close examination of the working of the manganese ore industry will show that the present stagnant conditions are by no means common to its counterparts in other countries. A fairly detailed analysis of the problems and

prospects of the Indian manganese industry is to be found in a pamphlet issued this week by the World Trade Department of the Indian Chamber of Commerce, Calcutta. It is perhaps to be conceded that the fall in export of manganese may have been caused in some measure by factors such as that the rise in world production of manganese has been at a relatively faster rate than steel output, development of mining areas in regions close to consuming centres as in Brazil, increasing competition from Russia which is the world's largest producer and the declining dependence of steel production on manganese ore on account of technological advances. But, even all these factors put together will not be able to account for the steep decline in Indian manganese exports. For with almost all these adverse factors in operation, other producing countries have in the same period been able to increase both their production and exports. World production of manganese ore in 1953 stood at 4,800,000 tonnes and but for a decline in the next year the trend has been upward, the figure standing at 4,900,000 tonnes in 1958. During this period important producers like Russia, South Africa and Brazil have progressively stepped up their output. India is conspicuous by its poor performance, output showing a steep decline in 1954 from 892,200 tonnes in the previous year to 668,600 tonnes. The next three years show some improvement but in 1958 output has declined again sharply to 545,100 tonnes.

How is it that India, which is the second largest producer of manganese, and which has been able to carry on a flourishing overseas trade in this commodity has come to lose ground in world markets? The Indian Chamber pamphlet suggests that much of the blame for the present sorry predicament of Indian manganese industry is to be apportioned to the State Trading Corporation, with whose advent in the manganese trade, the depression in exports has coincided. For various reasons, and mainly because of its unbusinesslike ways, many a foreign buyer is unwilling to deal with the STC. Though things have improved greatly, it still remains a valid objection in many cases that foreign buyers would prefer not to deal with it.

From the trend of world production and consumption of manganese, it would appear that despite adverse factors, world demand for manganese will continue to show progressive improvement at least for considerable time to come. In this view, provided we take concerted steps, Indian manganese can once again be quite popular in world markets. Some steps have been initiated by Government recently toward this end but in view of the severe competition that Indian manganese is meeting from other producers, the

whole question of manganese industry and trade will bear a thorough examination. Two of the suggestions made by the pamphlet in this regard are the giving of free scope for the private sector in exports and the rendering of Indian manganese competitive in world markets. Both are worth serious consideration for the stakes involved are large.

ANGOLA A Crack in Tyranny

The American attitude to Portuguese colonialism may account for the detailed explanation given about Portuguese policy in Africa. Repression is now termed reprisal, and it is, even argued that protection of peaceful citizens is the main object of the authorities at home. The increase in taxation may alter the economic prospect, but the situation in Portugal was described as not very discouraging and English capital perhaps feels reasonably confident about Portugal's economic future, because Mr Alister Roger at the Anglo-Portuguese Telephone meeting in May reviewed the situation in trade and industry and mentioned the historic connection between London and Lisbon. That, of course, was due to the views of British politicians, as made known in recent weeks and it is fairly clear at present that the crack in the Empire is inevitable because of the many changes felt all over Africa.

The plantations and mines in Angola have been run for long by a system of indentured labour, hardly different from slavery. In 1912 Lord Cromer describing Portuguese colonialism in a celebrated essay mentioned the evidence of British Consuls about the conditions in the islands off Angola and made it clear that a modern slavery existed. The revolution that put Dr Salazar in power has made no difference to the colonies and it is noteworthy that in London the attack on the methods of dictatorship are led by British missionaries with experience of West Africa. Self-determination may be difficult in view of recent happenings in the Congo, but the more far-sighted will probably agree that some form of association with the Congo Republic might be expedient in the future.

While British capital in Portuguese East Africa is known to be considerable, the outside investment in Angola does not appear to be great. Portuguese East Africa is more dependent on export of men than materials, but there has been some kind of trouble on account of the prevailing unrest in Rhodesia, and it is clear that before long the remnants of empire will be discarded by Portugal although the pre-requisite is the end of the Salazar regime which, after 30 years, has shown no signs of willingness to renounce power. Mr Nehru's remarks about terrorism show that apart from adding the enclaves in Gujarat to Indian territory, the Indian Government is not willing to adopt diplomatic re-

straint in discussing the methods and results of repression.

INDO-PAK RELATIONS Accord on Banks

The decision of the Pakistan Government to issue a notification declaring Indian banks in West Pakistan as non- evacuee property bids fair to end one of the more important disputes between the two countries. Attempts to recover movable assets left behind by Indian Banks had been made as early 1949. An agreement in this regard was signed in that year but it has remained dormant for over 11 years due to lack of agreement on details. Renewed attempts during this period to work the agreement met with no success and to the repeated plea of the Government of India for the convening of the Implementation Committee of the Banking Agreement. The Pakistan Government replied in 1958 by apply-

ing the Pakistani Evacuee Property Administration Act to the movable assets left behind by Indian Banks. The effect of this is to nullify practically the 1949 agreement as one of the essential prerequisites for the repatriation of assets is that they should have non-evacuee status.

The new agreement will enable Indian banks to transfer bank accounts and funds from en-bloc areas—Punjab (India) and PEPSU in India and Punjab (Pakistan) and Bahawalpur in Pakistan—along with the funds as decided under the Banking Agreement. Joint accounts of individuals and accounts of sole proprietary concerns will be treated like individual accounts. The mode of the repatriation of the surplus assets of Indian banks which do not wish to function in Pakistan or are not permitted by the Pakistan Government to operate in that country is to be decided by the Finance Ministers of the two countries. What makes last week's agree-

ment a hopeful development is the fact that a time limit has been specified for transfer of some categories of movable assets. The date of exchange of lockers, safe deposits, bank accounts and funds will be 30 September this year. Full details of the agreement is given in a joint communiqué issued at the end of the meeting of the Implementation Committee held in Calcutta last week. It is to be hoped that when Mr Morarji Desai and his counterpart in Pakistan meet to tackle the question of the repatriation of surplus assets of Indian Banks they will be able to conclude their labours as satisfactorily and as quickly as the Implementation Committee did in Calcutta last week. The fact that a date has been fixed for implementing the Calcutta agreement on the exchange of lockers etc., seems to indicate that the Pakistan Government has at long last decided to end the long impasse in implementing the Banking Agreement.

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POWER New Thermal Stations

The Madras Government has given further evidence of its complete freedom from doctrinaire affiliation to socialist slogans. Some time ago, it came to realistic terms with the power shortage in the State by agreeing in principle to the establishment of thermal stations by private entrepreneurs to augment their supply. What was even more remarkable was its offer to buy any surplus power thus generated for being used for general consumption. The first fruits of the idea have now been announced. A new thermal power station is to be set up in North Madras with a capacity of 60,000 KW to meet the needs of the new industrial complex that is developing in that area. Associated with this venture is a British firm. The capital expected to be of the order of Rs 5 crores is to come mainly from firms like Ashok Leyland, Carborandum Universal and Tube Investments etc. The project is to be completed in two years, and power will be made available from about the middle of 1963.

RESEARCH New Instruments

The current issue, June 1961, of the Journal of Scientific and Industrial Research contains descriptions of seven new scientific instruments developed in Indian laboratories.

Three of the instruments are useful for research in meteorological and allied fields. The first, an electronic salinity meter, developed at the Geophysics Department of the Andhra University helps in the quick determination of the saline content of rainwater. The data obtained are of value in fundamental studies on the mechanism of precipitation in clouds leading to rainfall. A special feature of this instrument is that it enables the simultaneous recording of variation in salinity and the approximate intensity of rainfall.

A simple and highly-sensitive lightweight electrical thermometer, useful in oceanographic studies, also developed in the same Department of Andhra University, measures differences of the order of 0.03°F. in the temperatures of turbulent layers in the ocean up to the depth of 300 metres. Data on these minute temperature differences are of value to the biologist in determining the plankton population at different levels and to the oceanographer in evaluating the characteristics of the water masses. The instruments currently in use cannot detect temperature differences below 0.5°F.

A low-cost instrument for accu-

rate determination of the concentration of air under conditions of high turbulent flow is reported from the Department of Civil and Hydraulic Engineering, Indian Institute of Science, Bangalore. The working of the instrument is based on the measurement of variations in electrical conductivity as a result of varying the ratio of air to water in the atmosphere. With slight modifications the instrument can be used for quick measurement of the air content in different sections in a flow.

An improved design of a scintillation detector useful in the detection of nuclear radiation is reported from the Atomic Energy Establishment, Bombay. Two interesting instruments have been developed as a result of research sponsored by the Hyderabad Science Society. One is used for measuring bullet velocities and the other for measuring short intervals of time of the order of 1/100000th of a second.

The Technological Research Laboratories of the Indian Central Jute Committee, Calcutta, have designed and fabricated an instrument for use in the textile industry which enables the measurement of the hardness modulus of individual filaments of textile materials.

NEW HORIZONS Prestressed Concrete Factory

Prestressed concrete, the latest and most economic structural material, is to be produced in a factory opened a few days ago in Bhandup, Bombay. It will also produce bituminous waterproofing products for use in connection with prestressed concrete structures and waterproofing generally. This factory which belongs to Shalimar Tar Products (1935) Limited of Calcutta, has been set up in record time. The plant was entirely designed and fabricated in India. In the past, waterproofing materials have had to be transported across India. This new factory will therefore, satisfy a very real need in Maharashtra and Western India for materials essential to the development of new projects and the expansion and maintenance of existing establishments. Ample scope has been allowed for expansion of production capacity as demand in Western India increases.

PRICE INDEX Slight Decline

The official wholesale price index (with the year ended March 1953=100) receded by 0.3 per cent to 124.5 during the week ended 10 June, 1961 when compared with 124.9 for the earlier week. The index was lower by 1.0 per cent when compared with the corresponding week of the previous month, but was higher by 1.3

per cent than that of a year ago. (See Table on page 142)

CORRESPONDENCE IAC Fares

Dear Sir,

Comments have recently appeared in the press on the proposed increase of fares on IAC. Most of these have bracketed the proposal with the increased wage-bill since IAC's pay-scales were revised. What seems to have been generally ignored is the fact that the cost of operations and maintenance has been rising as well.

For years now the Corporation has been doing its best within the limitations of extraordinarily high fuel costs (possibly the highest paid by any airline) and a fare structure that is about the lowest in the world. Normal increases in expenditure can be, and are, offset by increasing revenues due to increased traffic, but even here IAC is faced by the limiting factor of the near-maximum capacity already offered. IAC's revenue-earning potential is now levelling off while unavoidable expenditure continues to rise.

Since 1957, the price of Aviation Turbine Fuel used by Viscounts and Friendships has gone up by about 4.5 per cent, and that of High Octane Gasoline consumed by piston-engined aircraft by nearly 17 per cent. The impact of the latter increase is very considerable as the IAC fleet is made up largely of piston-engined aircraft. Fuel alone accounts for nearly one-third of our total expenditure.

Aircraft and engine spares have also been going up in price. Items:

- (1) Dakotas. The main source of supply for Dakota spares has been the war surplus market in USA. The pool of unused spares manufactured years ago has almost dried up, and whatever is available sells at a higher price. In the last five years alone, Dakota spares have gone up by over 150 per cent on an average, with some regularly replaceable parts costing five times as much. As the spares position becomes more difficult we are forced to buy newly manufactured parts, which cost a lot more.
- (2) Viscounts: Modern though the Viscount is, the prices of its engine and aircraft spares have gone up by varying degrees in the last four years. Aircraft spares now cost at least 18 per cent more, and vendor items (such as radio equipment) between 4 per cent and 50 per cent more. Engine spares which are changed at every overhaul have gone up by nearly 97 per cent.

To these must be added higher duties on some items, increased

cost of freight and the increased incidence of Sales Taxes on local purchases.

Despite all these added costs, the fares and freight rates on IAC have been static since 1958, but for a few minor adjustments. Even with the proposed increases IAC will continue to offer fares that are lower than almost anywhere else in the world.

Yours Etc.,
P. C. LAL
General Manager.

New Delhi
12 July 1961

Pattern of Ownership

Sir,

It is intriguing to note that the New York Stock Exchange should be anxious for information about the distribution of shares in India among the community of investors. Your leading article is interesting and you have therein suggested several ways of collecting the information e.g., company registers, income tax records, shareholders' Association.

The most reliable way of getting the information and in a way the simplest is, as you have observed, to require all companies to furnish this in their Annual Reports as some of big companies are already doing. But not many of them are furnishing the information, nor on a uniform basis nor from year to year so as to enable comparisons to be made.

The above is a burden which the Government may as well lay on the companies like so many others. It has already laid down meticulous rules on the manner in which applications for shares in new companies should be dealt with. It also ensures that its orders are complied with. If the information now under discussion is also obtained and set side by side, it should be possible incidentally to test the practical advantages of the Government orders on allotment of shares. The information may be required of companies with a subscribed capital of Rs 50 lakhs or Rs 1 crore and over and under certain categories say Rs 100 and less of subscribed capital, over Rs 100 to Rs 500 and less and so on.

In the absence of sufficient data argument can be carried on inconclusively. It might be argued that the orders of the Government bring about an effective dispersal of shares among the public: equally can it be urged that the applicants who apply for shares in a new floatation and receive a meagre 5 or 10 or even 25 shares of the face value of Rs 10/- are a floating crowd who sell their allotments forthwith and clear out with what small profit they can make.

Yours Etc.,
K. V. IYER.

Madras

Clive Street Gossip

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

PRESIDENT Ayub Khan is once again on the rampage. His psychology is rather like that of the elder wife in the Arabian Nights who finds herself displaced by a younger favourite in the affections of her husband. I believe the standard behaviour on such occasions is to whine and bluster, conspire with the servants and spread slander about the rival and claw her eyes if possible. First the whine: India, the ostentatious neutral, is treated more respectfully than Pakistan who has stuck to the US through thick and thin. Then the bluster: if the US does not change its policies, Pakistan will itself become a neutral. In a TV interview in the US last Monday, President Ayub Khan is reported to have said that "Pakistan will adopt neutralism if it was necessitated by the force of circumstances." And then the slander and the blackmail: India is expansionist and all her neighbours, Pakistan, Nepal, Bhutan, Burma, Malaya and Ceylon are scared of her. In a television interview recorded in London for the American Broadcasting Company, he is reported to have said, "You say these countries and India are friendly. It (Sic) is not. They all have their apprehensions. Just imagine that as a result of this development programme—the creation of military power and so forth—India gets more powerful. Do you mean to say that these are going to feel more secure? In fact they would be looking for protection elsewhere and my belief is they will seek protection under China's system." The hysteria behind this farago of nonsense extenuates its pathetic logic. And if it really came to that, of all the countries listed by Pakistan's President, the only country likely to act on the assumption that it is better to be under China's wings than under India's is Pakistan. And Pakistan will do this not because the choice was a wise one, but because Pakistan will apparently hurt itself to the utmost if by so doing it feels it can cock a snook at India. What besides stirring trouble between India and her neighbours President Ayub Khan hopes to gain, it is difficult to see. Certainly he cannot be so naive as to imagine that by all this he can frighten President Kennedy into abandoning his policy towards India. But then the compulsions of hysteria are wholly irrational.

neutrality quoted earlier provided an occasion for an oblique illumination of the controlled democracy now in operation in Pakistan. The Pakistani Law Minister asked to comment on the President's statement is reported to have said, "If the President said so, his views reflect the views of the entire cabinet." A queer mirror this that provides the object it reflects: The qualification, "if the President said so" is altogether delicious. If the President had said that his cabinet was a pack of servile yes-men, no doubt the Pakistani Law Minister would promptly have said, "if the President said so, it reflects the view of the cabinet."

Incidentally, the remark about Pakistan's possible conversion to

For as far back as I can remember, Stuart Chase has been debunking the modern habit of literally not knowing what one is talking about. What is perhaps more important, he has been exposing, in his unemphatic, sweetly reasonable way, the dishonest tricks of those who deliberately use highly emotive words to extort the response they want. Crusading is an inappropriate word for anything so suave and civilised as Chase's writings, but there is some justification for using it to describe an activity that has such single-minded intensity behind it. His demand is so simple and reasonable that it comes as a shock that our practice should be so much at variance with it. All he asks is that the "language we use should correspond to the objective reality around us" and as reasonable men and women, we must understand words in the same way if we are to derive any benefit from discussion. His is a plea for greater awareness of the meanings of words and for greater care in avoiding confusion by unintended and unsuspected overtones in the words one uses. In a brilliant article he wrote recently, he has quoted the finding of a sample survey of opinion that revealed that 30 per cent of the persons questioned could not give a passable definition of "Free enterprise." Quite a few thought that it referred to something given away at sales! And yet the expression probably crops up within seconds of our starting to discuss the American economy and is used either approvingly or pejoratively a dozen times in a page in magazine articles on the subject. (The fact, by the way, that so many people were so wildly wrong about the expression is hopeful, paradoxically. For it is a measure of the

ineffectiveness of all the patter that the newspapers serve up!) If you check, he says, the expression with "the operating reality of the Main Street"—the protective tariffs, fair trade laws, price fixing (often collusive) by manufacturers, and government regulations and price subsidies,—you will see how far removed from Say's model of competition modern American economy is. Examples nearer home are easy enough to find. Mr Nehru who never tires of holding up to ridicule the obsolescence of the thinking of the right and the left extremists, himself clings illogically to "the socialist pattern of society." Surely, it would make for clarity if we could discard it, for in Mr Nehru's mouth it is hardly definitive. It is what Chase calls a "purr word" making one feel rather pleased with oneself exactly as it is a "slur word" in the mouths of his opponents who imply a whole world of regimented terror by it. Democracy is another word that is bandied about, with or without the redundant qualification "free" or "people's." Their use can be justified only by the fact that they stand, quite fortuitously, for well understood entities. There is thus no incongruity in talking about liberating free democracies of the world! "The free world" is another portmanteau word that describes an area that contains some of the most shamelessly tyrannical regimes. At lesser levels too, words are used in a variety of dubious ways. But their illegitimacy is shrugged off as when the tooth paste manufacturer markets it only in two sizes—large and giant-sized. Governments of the world have long been wrapping up their indecision in language that is comfortably woolly. A recent example is the masterly performance of Mr Edward Heath, Lord Privy Seal in the British House of Commons during a debate on Foreign Affairs. Britain's joining the European Common Market was an "urgent matter". It was also "bound to take time". "Exploratory talks" were going on. But "Negotiations cannot even start unless we can see the prospect of successful outcome". He could not enlighten the House further because the situation was what he called "evolving", whatever that may mean. Doubtless the House of Commons will wait for the day when the situation will come to a biological dead-end, so to speak, when it will know the worst.

Examinees are in the news once again—this time in France. The announcement of the results of the baccalaureat—roughly corresponding to our matriculation or the British eleven plus in its crucial importance—occasioned a

minor riot in Paris, for about 500 candidates were found to have been ploughed wrongly. Further inquiry has revealed shocking incompetence. Some candidates received 87 marks out of 60 in History and Geography and Latin papers had been sent for marking to examiners in Spanish. (It is not known whether the examiners noticed the difference.) Excuses are being made for them. Among other things, it is said that they had to examine over a million answer books in three weeks besides doing their normal amount of teaching. But considering how candidates in India sometimes kill themselves—the papers reported the other day the case of a girl who killed herself, needlessly as it turned out, since she had passed—for failing in the examination, it is difficult to be very charitable. Of course, if every boy followed the example of the Bombay lad who became a stowaway until his parents traced him to Australia and begged him to come back, such mistakes may not do much harm. Nearer home, enterprising girls have other remedies. One who was caught out in what is euphemistically described as "malpractice" and was hauled up before an inquiry committee promptly offered her gold earrings and bangles to a University employee if he would help her out of her predicament. The same man had earlier been approached by another girl who had failed, for similar assistance in consideration for her earrings. She also threatened to kill herself by throwing herself from a thirteen-storeyed building if he refused to help. The papers are tantalisingly silent on the question whether the good man obliged in both cases. If what one hears about the affairs of the University is at all anywhere near the truth, it shouldn't have been too difficult. Advocates of reform of the examination system will find additional grist to their mill in all these unsavoury events. There is perhaps something to be said for mitigating the ordeals of the rat race that begins at fifteen. But let us not get issues mixed. Efficiency and honesty have a place even in a society that has not abolished examinations.

Floods have been more than usually destructive this year and normally well-behaved rivers have caused anxious days and widespread misery. The Cauvery, which I have known to be the kindest and gentlest of rivers, almost destroyed a thousand year old monument to Chola engineering skill, the Grand Anicut. Kerala, Mysore, Orissa and Maharashtra have also suffered. It has been suggested that vast dams that have no suitable safety valves, so to speak, may be responsible for these floods. It is necessary that timely expert action is taken. It would be tragic if dams built for increasing prosperity merely spread misery.

EAVERSDROPPER

Olympus

CO-OP. PROCESSING

Perils of Targetmanship

THE Third Plan targets for Co-operative Processing draw attention to the important contribution expected of this sector both for the growth of the co-operative movement as well as for the economic development of the country in general. Standing between the primary agricultural credit societies on the one hand and marketing societies on the other, processing societies are strategically situated to render assistance to either sector. Processing is an indispensable preliminary of successful marketing, and marketing societies generally find themselves handicapped when they have to get their processing done by private parties. Processing units can help credit institutions even more effectively, in the recovery of the loans advanced by the latter to their members. The significance of co-operative processing in the scheme of planned development is clearly brought out by the agricultural production programme of the Third Plan which leans heavily on the success of co-operative credit and marketing.

While underlining the strategic role of co-operative processing, the Committee set up by the National Co-operative Development & Warehousing Board has clearly indicated the drawbacks under which they labour at present as well as the conditions for establishment and proper functioning of co-operative processing units. Up to the end of the Second Plan, co-operative units had made significant progress in the processing of sugarcane and of cotton. Progress in respect of other commodities has been less even. Two co-operative sugar factories were already in existence at the beginning of the First Five Year Plan. Licenses for 39 additional units were granted during the First and Second Plan periods, of which 29 had gone into production before the end of the Second Plan. The co-operative sector is expected to contribute four lakh tons of sugar, or 15 per cent of the total production of the industry, during the current year. The Third Plan target for sugar is to be achieved mainly by the thirty additional co-operative sugar factories which are expected to be set up during the current year.

In respect of the other processing units, reliable and complete data are not available for the whole of the Second Plan period. Against target of 106 processing units (48 cotton gins and 118 others) 97 had been organised during the first three years of the Second Plan. The annual plans of the States for the remaining two years provided for the establishment of 281 additional units, including 42 cotton ginning and pressing units. The Third Plan has set up the following targets for co-operative processing other than sugar.

Cotton Processing ..	48
Rice Mills ..	36
Rice Hullers ..	411
Jute Baling Units ..	29
Oil Crushing Units ..	33
Decorticators ..	63
Fruit Canning Units ..	3
(i) Large ..	3
(ii) Small ..	74
Other Units ..	86
Total ..	783

While the co-operative sugar factories have, except in one instance, been established by separate, specially organised processing societies, a large number of other processing units have been set up by marketing societies as adjuncts to their normal operations. Conceding the need for elasticity in the matter of organisation, the Committee has pointed out that separate processing units will be advisable where large investment in fixed assets is called for, as an independent processing society may find it easier to raise block capital from credit institutions.

The programme of co-operative development envisages that the processing societies will be owned, largely by member producers. But in a number of cases the number of non-producer members is fairly large. It is emphasised that processing societies should consist essentially of producer members. In addition, primary village credit societies located in the area of its operations, it is suggested, may also be admitted as members to establish a link between co-operative credit and co-operative processing. Strict observance of this condition will be necessary to justify the exemption from sales tax on sales of produce by members to the processing society, which is one of the recommendations made by the Committee. The membership of sugar co-operatives as on 30 June 1960 consisted of

Producer members ..	109,016
Individual non-producer members ..	6,913
Co-operative institutions ..	9,337
Total ..	125,265

Where heavy investment is required, as in the case of sugar factories, the bulk of the funds is provided by loan capital. Loans given by the Industrial Finance Corporation amount to more than 65 per cent of the block in the case of sugar factories. Up to end of June 1960, IFC loans amounted to Rs 18.88 crores against the total capital of Rs 12.72 crores. The contribution of different categories of members to the share capital is as follows:

	(Rs in lakhs)
Producer members ..	562
Non-producer members ..	24
Co-operative institutions ..	132
State Governments ..	552

The Committee's report affords an indirect indication of the rather haphazard manner in which processing societies have been set up in the past without adequate investigation of their economic viability. Even in the case of sugar factories, where the requirements of the Industries (Regulation & Development) Act ensure preliminary scrutiny of plans before grant of licence, the Committee has noted several cases of inadequate planning. In such cases co-operative sugar factories have come up in places which were not able to provide enough sugarcane, so that full installed capacity of the plant could not be utilised in the initial years.

In regard to other processing units, the position is even less satisfactory. The requisite planning and investigation, the Committee says, "has been conspicuous by its absence," and that some of the units were established "in circumstances under which their subsequent failure was almost inherent." In others the economics of operation were not carefully worked out, with the result that right from the beginning the units have been incurring losses every year. The Committee has, therefore, recommended that detailed investigation into the following aspects should be made, before setting up new processing units in the co-operative sector:

- (1) Extent of availability of agricultural produce to be processed within the area of operation of the proposed society.
- (2) Extent to which the need for the proposed processing units is felt by the growers and the prospect of attracting their loyalty.
- (3) Examination of the estimates of recurring income and expenditure (including interest and depreciation charges) so as to consider the overall economics of the proposed unit.

- (4) Facilities for transport of raw materials and disposal of finished products.

That the Committee should have found it necessary to stress these points shows how elementary economic considerations have been ignored in the past in the enthusiasm to set up co-operative units. To curb this tendency, the Committee has recommended a check-up of plans before releasing Central assistance.

The Committee has warned that the programme of Processing Cooperatives should not proceed on the basis of attainment of certain targets. It has observed that in some cases, processing units have been established for no reason except that a District Assistant Registrar was allotted a certain target, and even though his area was not suitable for establishment of the processing units, he was obliged to organise them for sake of reaching the target. The perils of targetmanship will be aggravated by the expanded programme for the development of cooperative processing under the Third Five Year Plan.

Prospects of growing trade with South American States and the progress of mechanisation of Soviet farms were the strongest impressions brought back by Mr S. K. Patil from his 54 days Odyssey of 14 countries, which included four in Eastern Europe and four in South America. But his main business, as he told pressmen in New Delhi, last week, was in the United States, where he had gone for the annual review of the working of the PL 480 agreement, as well as to create the background for the sale of Indian sugar. India's sugar surplus, Mr Patil explained, was not a temporary phenomenon. For many years to come we will have to reckon with a surplus ranging from half a million to one million tons which will have to be sold at a loss in a buyers' market. The loss will be less if we are able to sell to the United States. For this year, the US has granted an ad hoc quota of 225,000 short tons valued at about \$25 millions, the largest quota allotted to any country. We can do with a larger quota this year and India's case has been put to the US Administration. But, as Mr Patil explained, the prospect of getting an additional quota this year depends on the rather unlikely event of any of the other countries that have been allotted quotas being unable to utilise them. His main concern was to secure a place for India on the permanent list for export of sugar to the USA, which has to wait on legislation due to be enacted towards the end of this year. An astute politician, Mr Patil appears to have done some timely lobbying to swing the powerful farmers' lobby in Congress in India's favour. His discussions in Washington were not confined to the Administration. He also met Congressmen, special members of the congressional committees, including Mr Cooley whose name is well known in India.

Markets

JUTE

Prices Continue Firm

The firm trend noticeable in the jute and gunny markets during the week ended Wednesday is the result of the cumulative effect of a fall in stocks as at the end of June, continued rumour about a third closure of mills during August and indications of raw jute shortage continuing for another six or eight weeks. It has been noted in this column that a bumper crop this season need not necessarily mean a sharp decline in prices of raw jute and consequently of jute goods, on account of a number of factors such as the need for having a comfortable carry-over for next year, the general anxiety to ensure that the cultivators get a reasonable price even during seasons of bumper crops with a view to obviating a contraction in jute acreage etc. The latest Jute Bulletin of the Indian Central Jute Committee points out that the latest assessment "does not dispute the generally accepted view that both India and Pakistan are going to produce their biggest crops since Independence. At the same time it firmly rules out any possibility of a fibre glut of the type that played havoc with jute prices in 1958-59." The tendency for mills after last year's famine will be to take somewhat more than their requirements and whatever surplus that will be left over will go into the proposed buffer stock. The recognition of the need for ensuring an equitable return for the jute grower indicates that it is idle to look for any sharp decline in raw jute prices. Anyway, from the look of things, it does not seem that there will be an early downward break in raw jute prices.

The effect of the first block closure of mills during the last week of June is reflected both in produc-

tion and month-end stocks. Output of jute goods during June has naturally sharply declined to 66,206 tons from 78,300 tons showing a decline of 12,100 tons. Production of hessian has declined by 4,200 tons to 24,300 tons, that of sacking by 7,500 tons to 30,700 tons and other varieties by 400 tons to 11,200 tons. The fall in output is of course due to the decline in the number of hours worked to 144.5 in June from 178.5 in May.

Stocks of jute goods at the end of June show a fall of 15,300 tons to 78,700 tons as compared with the previous month. The stocks of hessian have declined by 5,700 tons to stand at 28,800 tons while sacking stocks have fallen by 7,700 tons to 36,500 tons. Other varieties are lower by 1,900 tons at 11,400 tons.

The sharp fall in stocks, though not entirely unexpected, imparted firmness to the market from early in the week. Since a second block closure is to come off at the end of the current month, the availability of jute goods will be considerably reduced. There are also indications that the foreign buyer may consider it prudent to enter the primary market for his requirements as prospects for a fall in prices are not rated very encouraging in view of the continued shortage of raw jute. It is also now generally believed that a third closure as proposed by the IJMA may become inevitable. Another cut in production in August will mean reduced goods on offer and perhaps foreign buyers may not be able to wait for another two or three months to replenish their dwindling stocks. Moreover it is not certain that even when raw jute supplies become plentiful price will fall to such an extent as to make jute goods prices much cheaper than what they are at the present juncture. The jute goods market on Wednesday recorded rather wide fluctuations following the rumour that a third closure of mills would be approved.

PRICE TRENDS

	As on 6 July	Highest	As on 12 July
Hessian:			
45" x 11 ozs ...	56.75	59.00	59.00
40" x 10 ozs Ready ...	50.40	54.00	53.40
40" x 10 ozs July/Sept ...	47.75	49.15	48.65
40" x 8 ozs ...	42.75	45.25	45.25
40" x 7 1/2 ozs ...	39.75	41.40	41.40
Sackings:			
B. Twills Ready ...	159.00	166.50	163.50
B. Twills July/Sept. ...	139.00	143.25	142.75
Hy. Ceas (Green) ...	159.00	164.00	162.00
Cornsacks ...	163.50	169.50	169.50
Cubans ...	201.00	203.00	202.00
A. Twills ...	190.00	195.00	194.00
L. Twills ...	181.50	187.00	185.00
W. Flours ...	177.50	181.00	179.50
Sugar Twills ...	182.00	86.00	185.00
Raw Jute:			
Assam Bottoms ...	50.00	55.00	55.00
Northern Bottoms ...	49.50	54.50	54.50
Daisee Bottoms ...	52.00	56.50	56.50
Futures:			
Hessian—November ...	46.50	49.20	48.34
B. Twills—November ...	136.90	144.00	141.00
Assam Bottom—Decr. ...	35.52	37.76	36.70

The selling pressure noticeable especially in the forward market presumably stemmed from the fact that Government have issued licences for the import of one lakh bales of jute cuttings from Pakistan.

STOCK OF JUTE GOODS AT THE END OF JUNE, 1961.

	(000/Tons/Metric Tons)	30 June 1961	31 May 1961	30 June 1960
Hessian Cloth and Bag ...	28.8 (29.3)	34.5 (35.1)	35.2 (35.8)	
Sacking Cloth and Bag ...	36.5 (37.0)	44.2 (44.9)	36.5 (37.1)	
Others ...	11.4 (11.6)	13.3 (13.5)	10.3 (10.5)	
Grand Total ...	76.7 (77.9)	92.0 (93.5)	82.0 (83.4)	

PRODUCTION OF JUTE GOODS: JUNE, 1961.

	(000/Tons/Metric Tons)	June 1961	May 1961	June 1960
Hessian ...	24.3 (24.7)	28.5 (28.9)	37.4 (38.0)	
Sacking ...	30.7 (31.2)	38.2 (38.8)	42.1 (42.8)	
Others ...	11.2 (11.4)	11.6 (11.9)	9.6 (9.2)	
Grand Total ...	66.2 (67.3)	78.3 (79.6)	89.1 (90.6)	
Hours worked ...	144.5	178.5	200.0	

TEA

Rise in Output

THE Tea crop in Northern India has made good progress. Production has again risen by 4.4 million pounds to 68.2 million pounds in June as compared to the corresponding figure of the previous year. Total crop is, therefore, 16.7 million pounds higher at 118.1 million pounds up to the end of June 1961 as compared with the corresponding period of 1960.

A further increase in the crop outturn is not considered to be unusual, especially when production was seriously hampered last year by drought, although the possibility of excessive supplies developing in the coming months cannot be ruled out. It is generally expected that, in the light of the prevailing good weather, the output in the current month will be still higher, not to speak of the fact that August and September are heavy-producing months.

Meanwhile, there has been increased support at the export auctions during the past few weeks. This is mainly due to the fact that apart from increased interest by the local buyers, foreign countries including the UK and Russia have been buying fairly good quantities. Of course, internal buyers are showing interest only in cheaper grades and they are likely to remain active until their stocks are replenished adequately.

There is a general feeling that the present firmness in prices will continue during the next few months and the market may develop a slightly easier tendency as soon as the weight of heavier crops is felt later in the season. World markets expect to have sufficient supplies this year as the output in other producing countries has also been on the increase. As a bigger produc-

tion of the output will consist of Common grades, the prices of these types are expected to decline in future.

In the Export Sale held in Calcutta this week, offerings were 29,665 packages. There was a strong and general demand. Orthodox descriptions came in for a strong enquiry and prices, particularly for the better liquoring kinds, were generally dearer. Better liquoring CTC types were sold readily, but were irregular and generally tended easier. Medium and poorer descriptions were, however, strong and generally sold at dearer rates.

Darjeeling teas met with a good enquiry. There was a better demand for those from medium and lower elevations where quality showed an improving tendency. The best types were again sold well at rates according to quality. Whole Leaf grades met with good support and tended dearer. There was a good enquiry for the increased quantity of Tippy teas. Following rates (per kilo) were quoted:—Clean Pekoe Rs 5.25 to Rs 5.35; Plain Broken Pekoe Rs 4.85 to Rs 4.95; Plain Fannings Rs 4.70 to Rs 4.80; Medium Assam CTC BP Rs 6.40 to Rs 6.80; Medium Assam CTC Fannings Rs 6.50 to Rs 7.00 and Best Assam CTC BP Rs 7.50 to Rs 7.80 and Best Assam CTC Fannings Rs 7.70 to Rs 8.50.

In the Cochin market, offerings were 564,000 kilogrammes of Leaf tea for export. Against strong and active demand, Plain and Low Medium teas were 10 nP to 15 nP per kilo dearer, while Good Medium teas were quoted at 5 nP to 10 nP a kilo higher. Nilgiri ports were fully firm and dearer where quality showed improvement.

Exports of tea from Cochin in April and May declined by over 676,000 kilogrammes as compared to the figures of exports for these two months last year. Against 6,249,989 kilogrammes of tea shipped from Cochin during April-May, 1960, only 5,573,878 kilogrammes had been shipped during April-May this year. While exports to the UK declined by over 484,000 kilogrammes, offtake by the USA increased by over 472,000 kilogrammes during this period.

The United Arab Republic, which had imported only 127 kilogrammes during April/May last year, had improved over 170,000 kilogrammes during these months this year. Iraq was the other Middle East country to increase imports of Indian tea from Cochin from just over 11,000 kilogrammes to over 45,000 kilogrammes in April/May this year. Slight increases had been recorded in respect of exports to Canada and Holland this year.

According to the administration report of the Tea Controller, Colombo, Ceylon's production of tea in 1960 was a new record and the figures for the year represent an average yield of 147 lbs per acre as compared with 713 lbs per acre in 1959. The average price for all varieties of tea sold at the Colombo tea auctions during 1960 was Rs 1.88 per lb as compared with Rs 1.85 in 1959. The export duty remained unchanged at 33 cents per lb throughout the year.

COTTON

Moderate Recovery in Futures

Trading in the Bombay cotton futures market during the past week was confined to two days only, the market being closed for the remaining days on account of the demise of Mr Purshottamdas Thakurdas, who was President of the East India Cotton Association from 1922 to 1956. The cotton trade paid its tribute to the meritorious services rendered by him when trading was resumed after the three day/s closure.

With the market remaining closed for three days there was not much transaction in the cotton futures during the week under review. During the opening days of the week Jarilla August contract slipped down to Rs 575.50. However, when trading resumed after the closure the tendency steadied up and the price shot up to Rs 582.25.

The spot market at Sewri also remained closed for three days following the death of Mr Purshottamdas Thakurdas. Trading was not quite encouraging due to the withdrawal of mills from active buying who are expecting a much larger crop in the new season consequent to the favourable monsoon in the cotton growing areas and the sluggish conditions prevailed in the piecegoods market. Prices fell down by about Rs 5 per candy. Spinners were reported to have accounted for a sizable quantum to cover the 20 per cent additional quota issued to them by the Textile Commissioner. Mills evinced keen interest in Vijay, Digvijay, Laxmi, L-147 and CO2 and the prices of these varieties ruled steady.

No special activity was visible in the import section. Mill interest was confined to American staple of 1" and below, Sudan and African growths.

The export front remained once again featureless. The prospects of an export quota for Bengal Deshi cotton do not appear to be quite encouraging as the Government's attitude to the repeated representations of the trade do not provide room for optimism.

The reports from the cotton cultivating areas indicate that the acreage under the 1961-62 season will show a further decline. The acreage according to latest estimates will approximate to 18.2 million acres as against 18.8 million acres in the previous season. It is feared that the acreage will decline further due to the recent shift to other cash crops like groundnuts, tobacco and sugar canes.

A development of interest to the trade interests was the announcement of the Forward Markets Commission of the permission for trading in the new crop contract. It has been generally agreed that the amendments that have been incorporated in the new contract should make it a more realistic than its predecessor. The concessions agreed to by the

Commission will be purely on an experimental stage. For the Commission has already warned the trade that it would not hesitate to reimpose the margins should the behaviour of the market provide an occasion for it.

NEW YORK

No development was noticeable in the New York cotton futures market during the past week. On account of the small demand from domestic mills the market depicted listless conditions. Export sales during the week showed a downtrend.

ALEXANDRIA

Trading in the Alexandria market was restricted due to the reluctance of the overseas traders to enter the market who are inclined to await further elucidation of the new official programme. Exports during the current season upto 21 June totalled only 806,104 bales as against 999,953 bales in the previous season.

PIECEGOODS

Conditions in the Bombay piecegoods market continued to be sluggish. The turnover in the market slipped down to a mere trickle.

The transactions were restricted mostly to seasonal goods like flannels, drills and coatings. Saris met with some enquiries. Longclothes, prints, voiles and dhoties also attracted some interest. The prominent consuming centres were Kerala and Madras. Traders from Delhi and Punjab were not much in activity in the market.

Despite the listless conditions in the market, the prices of all varieties ruled steady. The upcountry buyers were reluctant to enter the market anticipating a decline in prices. However, the wholesale dealers are not perturbed by this for they are expecting a revival of demand in the coming weeks.

The only relieving feature was the slight improvement seen on the export front. Pakistan accounted for a small quantum of mulls. Stray business in longcloth and lenos was transacted with Aden. African countries focussed their attention in the usual qualities, while the UK was satisfied with a small quantity of grey drills and sheets. Holland's attention hovered around printed goods and traditional Indian designs and Canada's fancy turned to all kinds of cotton textiles.

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Hedge Trading in Oils and Oilseeds

THE Bombay Oilseeds and Oils Exchange has decided to permit hedge trading in Groundnut January and April 1962 deliveries; Castorseed March and June 1962; Linseed March and June 1962; Cottonseed January and April 1962 and Groundnut Oil January and April 1962 deliveries from 7 July.

The Forward Markets Commission, in an order issued in this connection to the Exchange, has directed that trading in hedge contracts shall be prohibited in the manner stated below:—

(1) When the closing price of the April 1962 delivery in hedge contract in groundnut exceeds Rs 225 per

250 kgs., trading shall be prohibited during any day in the said delivery at a price which is higher than the closing price of the said delivery on the previous business day by more than Rs 4 per 250 kgs.;

(2) When the closing price of the April 1962 delivery in hedge contract in groundnut exceeds Rs 250 per 250 kgs., trading shall be prohibited during any day in the said delivery at a price which is higher than the closing price of the said delivery on the previous business day by more than Rs 3 per 250 kgs.;

(3) When the closing price of the April 1962 delivery in hedge contract in groundnut oil exceeds Rs 20.80 per 10 kgs., trading shall be prohibited during any day in the said delivery at a price which is higher than the closing price of the said delivery on the previous business day by more than Rs 0.35 per 10 kgs.; and

(4) When the closing price of the April 1962 delivery in hedge contract in groundnut oil exceeds Rs 23.15 per 10 kgs., trading shall be prohibited during any day in the said delivery at a price which is higher than the closing price of the said delivery on the previous business day by more than Re 0.25 per 10 kgs.

Business commenced in the new contracts on Friday last. Besides dealings in current contracts in castor, linseed and cottonseed, operators appeared to be active only in Groundnut January, Castor March, cottonseed January and Groundnut Oil January contracts. Trading in all the new contracts was, however, a quiet affair in view of the fact that the seeds crop, as a whole during 1962, would be satisfactory.

Exports of oils and cakes, during the half-year just ended, have not been encouraging. Exports of oils like groundnut, linseed and castor have been much lower during the period as compared to the same period in the previous year. Even exports of groundnut oilcake, groundnut meal and Linseed oilcake showed considerable decline.

The new crop contracts, therefore started lower than the current ones and registered a further decline. The new crop contract in groundnut, which was placed in unofficial deals at about Rs 217.50 towards the end of the previous week, began officially at Rs 221 and moved up to Rs 225 on bull support, induced by fears that excessive rains might affect sowings adversely in some producing areas. A brisk foreign demand for groundnut extractions also aided sentiment. The contract closed at Rs 221.75 on Tuesday.

Activity in the spot section was moderately good. The market appeared to be recovering from the initial bearish impact of the commencement of monsoon. Crushers and vanaspathi manufacturers were in the market for their immediate requirements. Groundnut Bold ready was quoted at Rs 55.50 and Groundnut oil at Rs 22.75.

Groundnut meal was once again in limelight with shippers reporting brisk demand from East Germany and the UK. Prices in the UK rose by about £1 to £30 per ton for July shipment and the August position gained 10sh at £30 per ton.

Trading in Castor futures was devoid of fresh interest. Some shippers reported Czech enquiries for castor oil; but traditional buyers, such as the UK and USA, continued to keep out of the market. In the circumstances, trading was mostly of a local nature. The September contract began at Rs 179.25 and eased off gradually to Rs 176.50 on Tuesday. In the ready section, castor was quoted at Rs 35.50 and Castor Oil, commercial quality, at Rs 14.85.

Linseed was steadier on trade support, inspired by firmness in groundnut. Paint manufacturers lent periodical support to linseed oil. The September contract started at Rs 39.44 and shot up to Rs 40.37 on speculative support before closing on Tuesday at Rs 40.12. In the ready section, Linseed was quoted at Rs 39.25 and Linseed Oil at Rs 16.90.

Cottonseed futures moved within a narrow range in stray transactions. The September contract commenced at Rs 94.75 and, after touching a high of Rs 96, finished at Rs 95.

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SUGAR

Thanks to the release of 200,000 tons for free sale, conditions in the Sugar market remained quiet. In the Hapur market, the rate for the commodity was quoted at Rs 107 per bag.

It is learnt that the State Trading Corporation has been entrusted with the export of about 150,000 tons of sugar to countries other than the USA, such as Pakistan, Malaya, Iran and Afghanistan during the current year. The losses, that will be incurred in exporting Indian sugar due to its high price as compared to world prices, will be made up by the Corporation by marking up prices of certain commodities which it will be specially importing. The nature of the commodities to be imported by the STC is now under the consideration of Government.

In regard to the export of 225,000 tons of sugar to the United States, this will be done by the Indian Sugar Manufacturers' Association. Details of the mechanism of these exports and the manner in which part of the losses of the industry will be met are being worked out by the Central Government in consultation with the ISMA.

The Government of India has also decided that licences for the export of sugar of 203,210 metric tonnes, released on 26 June this year, will be issued to the STC. The Government had earlier issued licences to the Indian Sugar Mills' Association.

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FOODGRAINS

Divergent trends in prices were witnessed in the Hapur Foodgrains market. While wheat advanced on good demand in the face of poor arrivals, Coarse grains drifted lower. The market for Gram was depressed, as arrivals from the Punjab still averaged 440 maunds a day. In the Pulses section, Peas remained steady. Although loading was not available for the Madras side, the week's off-take was eight wagons to East Uttar Pradesh and Bihar.

Rice prices continued to be steady due to good demand in the face of

poor stocks. Prices in world rice markets continue to rule firm despite the virtual certainty that production from the 1960-61 season outside the Communist countries will top the previous record total of 134 million tons. The continued firmness of prices indicates that demand continues despite the higher availabilities.

On the production front, the final estimate of Rice for India's 1960-61 harvest puts it at nearly 50 million tons (paddy equivalent)—about 9 per cent above the previous year. Reports from Latin America indicate expansions in Chile and Paraguay, while the new season crop in the USA — which should start becoming available around August — also shows a slight increase.

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CHEMICALS & DYES

Fairly active conditions prevailed in the Bombay market for Chemicals. On the other hand, Dyes continued to be subdued. Most of the popular items among Chemicals received fair support, especially from upcountry centres in view of the uncomfortable supply position. In Dyes, demand was at a low ebb, especially after the heavy floods in the South where stockists were reported to be anxious to liquidate their holdings.

In the Chemicals section, shortage of stocks and the revival of demand accounted for a rise in the prices of Caustic Soda, bleaching powder and Rongalite. There were buying enquiries from Ahmedabad and other centres in view of the higher prices of the chemical in Madras and Delhi. It was also stated that there would be some delay in the import of the material through the STC. Camphor and Menthol were, however, easy on lack of support at higher levels.

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RUBBER

Reports from Cochin indicate that the unofficial premium for indigenous raw Rubber has shot up to Rs 7 per 400 pounds due to the acute shortage of rubber at the terminal markets. The main factor contributing to this upsurge in prices are the reports of heavy floods in Kerala and the consequent damage caused to the rubber plantations. This has caused some concern to the tyre industry. It is feared that the scarcity of rubber may affect the production programmes of tyre companies and other rubber goods manufacturers.

Assuming that the production of rubber in the country will be maintained at 25,000 tons, tyre companies point out that the gap between production and demand for raw rubber will go up from 17,000 tons to 35,000 tons this year. Suggestions have, therefore, been made to the Government to liberalise imports. The Rubber Board is also reported to have made suitable representations to the Centre.

CASHEW

The West Coast of India-Pakistan-US Conference has allowed member lines to quota "open" freight rates for shipments of cashewnuts from India to the USA. The "open rate" system will continue till the end of this month. Cashewnut is the third item to be placed on the "open rate" basis of freight, the other two items being cotton and cotton waste. The "open rate" policy in respect of

cotton and cotton waste will be valid till the end of September.

The Conference is stated to have been obliged to modify its freight policy in respect of the above items to meet the increasing competition from non-member lines. Meanwhile, the sharp fall in freight rates for cashewnut has accentuated the downward trend in the export prices of the commodity, the current US quotation being placed at about 50 cents per lb as against 53 cents quoted a fortnight ago. The business put through, during the past one month at prices ranging from 50 to 53 cents, is estimated at about one lakh cases.

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YARN

A spurt in Rayon Yarn was the main feature of trading in the Bombay Yarn market. The spurt was attributed to the official policy of distributing indigenous production of rayon yarn among all users, including hosiery manufacturers and upcountry handloom weavers. Silk mills in the City rushed to buy ready stocks of rayon yarn on fears that their normal quotas of yarn would be drastically cut in the revised distribution system. Among imported varieties, 120/D Japan gained 16 nP and 120/D Italy 19 nP per pound.

The Committee of the Indian Cotton Mills' Federation has fixed the following prices for various counts of staple-fibre yarn:

Counts	Ex-mill price of hank yarn per bundle of 10 lbs	Rs nP
20s ...	...	28.55
21s ...	...	28.80
22s ...	...	29.05
24s ...	...	29.55
26s ...	...	30.05
28s ...	...	30.55
30s ...	...	31.05
32s ...	...	31.65
36s ...	...	32.85
40s ...	...	34.05
42s ...	...	34.65
44s ...	...	35.25

Differentials for yarn on cones:	Count Group	Differentials
20s to 26s ...	...	2.85
27s to 36s ...	...	3.20
37s to 44s ...	...	3.50

These are net ex-mill prices. These ex-mill prices should be stamped on bundles. The above schedule of prices would take effect from 7th July, 1961.

Conditions in the Cotton yarn section remained, however, dull. Reports from the upcountry centres have suggested that some powerloom weavers are trying to switch over from fine and superfine cloth to coarse and medium varieties. The demand for 60 and 80 counts are, therefore, limited.

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BANGALORE SILK

During the week under report, prices for all qualities of raw silk remained steady. Filature raw silk of 20/22 Dr. was quoted between Rs 80.43 and Rs 83.23 per kgm. Cottage basin silk as well as charka

raw silk ruled between Rs 73.85 and Rs 78.26 per kgm, and Rs 55.12 and Rs 73.85 per kgm respectively. There was moderate demand for charka and cottage basin silk, while the demand for filature silk was understood to be dull.

Reeling cocoons declined due to unfavourable weather conditions. While Mugur cocoons were quoted between Rs 3.00 and Rs 4.50 per kgm., Sidlaghatta cocoons ranged between Rs 4.25 and Rs 5.62 per kgm. Rates of Channapatta reeling cocoons ranged between Rs 3.80 and Rs 4.50 per kgm.

Mysore race seed cocoons declined and were quoted between Rs 3.75 and Rs 4.75 per 1000 whereas foreign race seed cocoons ruled between Rs 4.00 to Rs 10.00 per 1000.

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HIDES & SKINS

Tanned cowhides were arriving in larger numbers this week. Prices did not change. No c.i.f. inquiries were also made and it looks as if the offering rates should have to be further lowered in view of the previous large shipments in June. Inquiries were made for shipping on the basis of 71d, 61d and 51d for 5/5 lb. A few deals were confirmed on the basis of 53d, 43d and 42d for 8/8½ lb. A few more were accepted at even lesser quotations.

ORIENT PAPER MILLS LIMITED

Regd. Office: Brajrajnagar (Orissa).

TO ALL SHAREHOLDERS,

NOTICE is hereby given that separate meetings of the holders of 5½% Taxfree C. R. Preference Shares, 5½% Taxable C. R. Preference Shares and Ordinary Shares in the above Company will be held at Brajrajnagar, the Registered Office of the Company, on Friday, the 11th August, 1961 for the purpose of approving with or without modification the variation in the dividend payable to the holders of Preference Shares as follows:—

(a) The rights attached to 5½% Taxfree C. R. Preference Shares aggregating to 1,20,000 Shares will be so modified as to confer on them right to a dividend @ 7.86% per annum, subject to deduction of tax under the Income-tax Act instead of 5½% per annum tax-free and will be deemed to have been so modified with effect from the dividend payable for the year ended 31st March, 1961 and onwards.

(b) The rights attached to the 60,000—5½% Taxable C. R. Preference Shares will be so modified as to entitle them to a dividend @ 5½% per annum without deduction of tax on Company's account but subject to deduction of tax under the Income-tax Act and will be deemed to have been so modified with effect from

Internal absorption of inferior fifths were poor. Prices of these remained unaltered. Both the 8/8½ lb and 10/10½ lb also remained un-inquired at a better price.

As for tanned cow calf better demand was maintained for its inferior qualities. The superior remained unaltered in price. Domestic demand remained small this week for tanned cow calf. In tanned buff calf prices remained unchanged with not much of a demand locally.

For tanned goatskins, shippers were not ready for higher rates. Both the middle and inferior weights did not command much inquiries and they were neglected.

For tanned sheepskins, there was much demand. Sizeable business was reported in all qualities, except in the heavier sections.

The following were the prices of tanned skins and hides per lb. Tanned cow prime: 5/5 lb Rs 3 to Rs 3.12; 6/8½ lb Rs 2.75 to Rs 2.85; 10/12 lb Rs 2.12 to Rs 2.25; Inferior fifths 4/4½ lb Rs 2.44 to Rs 2.53; 5/5½ lb Rs 2.37; buffalo 12/13 lb Rs 2 to Rs 2.06; cow calf 1½/2 lb Rs 4.12 to Rs 4.37; buff calf 1½/2 lb Rs 3 to Rs 3.25; goat prime 8/9 lb Rs 10 to Rs 10.50; sheep ordy. 6/7 lb Rs 7 to Rs 7.25; 5/6 lb Rs 9 to Rs 10.50; sheep prime 6/7 lb Rs 11.50 to Rs 13.

the dividend payable for the year ended 31st March, 1961 and onwards.

The meetings will be held at the times mentioned hereunder:—

- Meeting of the said holders of 5½% Tax-free C. R. Preference Shares at 4-00 P.M.
- Meeting of the said holders of 5½% Taxable C. R. Preference Shares at 4-15 P.M. or immediately after the conclusion of the meeting of the said holders of 5½% Tax-free C. R. Preference Shares.
- Meeting of the said holders of Ordinary Shares at 4-30 P.M. or immediately after the conclusion of the meeting of the said holders of 5½% Taxable C. R. Preference Shares.

By Order of the Board,
B. K. VYAS,
Secretary.
14, Radha Bazar Lane,
Calcutta, the 4th July, 1961.

- N.B.: 1. A member entitled to attend and vote is entitled to appoint a proxy and the proxy need not be a member.
2. Explanatory Statement as required under Section 173 of the Companies Act, 1956, has been forwarded to the shareholders along with the notice.

Company Reports

TELCO's Excellent Performance

IT had been anticipated for some time past that the working results of the TELCO would make encouraging reading for the year ended 31 March 1961 and there would be an increase in the Ordinary dividend. These expectations have turned out to be correct. The directors have proposed a taxable dividend of 14½ per cent as against 12½ per cent taxable previously. The shareholders will receive relief from income-tax under Section 15C in respect of Rs 31.25 lakhs utilised for payment of dividend for 1960-61. The net dividend will, therefore, be much higher.

The turnover has increased sharply to Rs 37.55 crores from Rs 28.26 crores. This is, to a certain extent, due to the higher taxes collected from purchasers; but there is also an expansion in turnover. The net profit, before providing for Development Rebate and Taxation, amounts to as much as Rs 312.68 lakhs against Rs 221.57 lakhs for the preceding year. The provision for Taxation is Rs 122.23 lakhs against Rs 93.30 lakhs and Development Rebate Reserve Rs 44.88 lakhs against Rs 14.04 lakhs. The transfer to General Reserve No 1 is Rs 20.99 lakhs (nil) and General Reserve No 2 Rs 75,000 (nil). Deferred Taxation Reserve gets Rs 8.40 lakhs against Rs 6.00 lakhs. A sum of Rs 10.55 lakhs being Section 15C tax-free profits, included in earlier Reserves, has been transferred to the Profit and Loss Account for disbursing the dividend.

Even though it was recently announced that Debenture capital for Rs 5 crores would be raised for financing partly the expansion programme, there is speculation over the possibility of issue of new equity shares. The higher dividend perhaps rules out an immediate issue of equity capital.

Indian Copper Profits Go Up

Thanks to the substantial rise in net sales from Rs 23,323,037 to Rs 23,467,418, the Indian Copper Corporation Limited has produced excellent working results for 1960. The net profit, after providing for Depreciation and Taxation, is substantially higher at Rs 632,505 against Rs 587,310 for 1959.

Apart from maintaining Depreciation amount at Rs 175,000, Taxation provision is raised to Rs 500,477 from Rs 439,949 and General Reserve to Rs 200,000 from Rs 125,000. The provision for Development Rebate Reserve is slightly lower at Rs 625,625

against Rs 562,250. The dividend is maintained at 27 per cent, subject to tax.

According to the directors' report, production of refined copper at 8,789 long tons against 7,553 long tons constitutes a record. The output of rolled products is also higher at 10,923 tonnes against 9,419 tonnes. The average price realised for Copper Ingots is shown higher at Rs 266.60 against Rs 250.61 per metric tonne; Rolled Brass at Rs 277.56 against Rs 271.36 and Yellow Metal Circles at Rs 304.30 against Rs 298.00. The price obtained for Rolled Copper is nearly the same, at Rs 356.64.

In the report, no mention is made with regard to the possibility of any bonus issue as has been expected by the market circles so far.

Shaw Wallace Repeats

Shaw Wallace & Company Limited has been expanding its activities, particularly in the fertilizer field. The tea and coal companies under its management have fared better, while a new factory has been started in Madras for the manufacture of agricultural and spraying equipment. The company has acquired a majority holding in the Hooghly Flour Mills, while the entire capital of Rajnagar Tea has been acquired by a subsidiary of Shaw Wallace.

Sales for the year are higher at Rs 7.59 crores against Rs 6.38 crores; but the net profit is slightly lower at Rs 31.82 lakhs as against Rs 34.34 lakhs. The Depreciation amount is raised to Rs 12.36 lakhs from Rs 8.56 lakhs; Taxation to Rs 25.76 lakhs from Rs 22.32 lakhs and Development Reserve to Rs 10.50 lakhs from Rs 10 lakhs. The provision for Development Rebate Reserve is, however, lower at Rs 1.08 lakhs against Rs 5.32 lakhs. The dividend on the Ordinary shares is maintained at 15 per cent, subject to deduction of tax.

Burn Maintains Distribution

Despite a decline in sales from Rs 11.42 crores to Rs 9.47 crores, Burn & Company Limited has reported increased earnings for the year ended 30 April, 1961. The net profit, after providing for Depreciation and Taxation, amounts to Rs 48.54 lakhs as against Rs 33.59 lakhs for the previous year. Apart from providing Rs 16,645 for Capital Profits, the Depreciation amount is raised to Rs 23.73 lakhs from Rs 18.74 lakhs; Development Rebate Statutory Reserve to Rs 2.54 lakhs from Rs 2.46 lakhs; Works Reconstruction and Expansion Reserve to Rs 5 lakhs from Rs 2.75 lakhs and the Salem Project Reserve to Rs

14.54 lakhs from Rs 2.24 lakhs. The dividend on the Ordinary shares is maintained at 28.5 per cent, subject to tax.

The directors state that, although the volume of work booked is large, there is little improvement in the supply position of steel. The reconstruction and modernisation of the various refractory works in Bengal and Bihar continue. Progress is somewhat slow as it is considered essential that the expansion work should not interfere too greatly with production.

The mines at Salem is reported to give a steady output and measures are being taken to produce the increased quantities that will be required when the new magnesite brick-making factory goes into production. Progress on the construction of the new factory is steady, but not as fast as was originally planned.

Bhartia Electric Pays Less

The substantial decline in sales from Rs 2.89 crores to Rs 74.74 lakhs is reflected in the working results of the Bharatia Electric Steel Company Limited for 1960. The directors state that the order position of steel castings was not good and this remained up to the end of October, resulting in low production. They, however, add that the order position for steel castings has much improved now and, at present, the company is fully booked up to the end of 1962.

The net profit works out to only Rs 2.45 lakhs for the year as against as much as Rs 13.23 lakhs for the preceding year. The Depreciation amount is reduced to Rs 3.49 lakhs from Rs 6.00 lakhs and Development Rebate Reserve to Rs 2.05 lakhs from Rs 2.67 lakhs. No provision is made for Taxation against Rs 9.00 lakhs. The directors have been able to recommend a dividend of Re 1 per share, subject to tax, after making a transfer of Rs 1.00 lakh from General Reserve. The dividend paid for the previous year was Rs 1.50 per share.

The manufacture of Centre Buffer Automatic Couplers and Draft Gears has been finalised and the delivery has already commenced although on a restricted scale. The mass production of these items is likely to take a few months more.

Steps have been taken to modernise and replace plant and machinery. Heavy and costly machineries have been installed in the Machine Shop for the machining of Roller Bearing Axle Boxes. The directors state that they are holding large orders for this item and hope that, in future, this will be also a regular item of manufacture. They add further that, when the modernisation programme is completed, the company can look forward with confidence to the future.

National Tobacco Fares Well

The National Tobacco Company of India Limited has reported a increase in sales from Rs 9.35 crores to Rs 9.64 crores for 1960. The company was not able to get its due share of the increase in consumption of cigarettes, as it lost ground in some areas due to stiff competition.

The net profit, after providing for Depreciation and Taxation, is however, higher at Rs 34.32 lakhs as against Rs 33.98 lakhs. Except for a higher provision of Rs 3.00 lakhs against Rs 1.56 lakhs for Development Rebate Reserve, all other allocations have been reduced: Depreciation from Rs 6.10 lakhs to Rs 5.91 lakhs; Taxation from Rs 26.27 lakhs from Rs 25.38 lakhs; General Reserve from Rs 5.00 lakhs to Rs 2.83 lakhs and Reserve for Capital Expenditure from Rs 15 lakhs to Rs 10 lakhs. The dividend on the Ordinary shares is, however, maintained at 16 per cent, subject to deduction of tax.

Additional equipment is now being installed, which will enable the factory to work on a double-shift basis instead of 24 hours presently. An additional vacuum leaf-conditioning plant and a second-cleaning classifying line, both of higher capacity than the existing units, have also been installed. The prospects for the current year are, however, not considered to be satisfactory, because it has not been possible for the company to pass on the incidence of the increase in taxes in the last budget to the consumer.

Bengal Potteries Raise Dividend

Despite a small decline in the net profit from Rs 13.46 lakhs to Rs 12.44 lakhs, the Bengal Potteries Limited has been able to raise the dividend from 14 to 15 per cent, subject to tax, for 1960. Sales are shown higher at Rs 1.93 crores against Rs 1.86 crores.

In respect of allocations, a sum of Rs 11.22 lakhs (Rs 10.67 lakhs) is provided for Depreciation; Rs 12.03 lakhs (Rs 7.16 lakhs) for Taxation; Rs 3.80 lakhs (Rs 2.00 lakhs) for General Reserve and Rs 48.070 (Rs 3.40 lakhs) for Development Rebate Reserve.

There has been a steady increase in the production of the products at Factory No 1. In factory No 2, production has increased although there was a shortage in the supply of gas to furnaces. Steps are being taken to import a third Gas Generators and the necessary import licence is obtained the delivery of which is expected some time in the beginning of next year. As soon as there is sufficient gas for all the furnaces in the new factory, the fully capacity of production is expected to be achieved. The company has also signed a Technical Collaboration Agreement with a foreign firm for the increased manufacture of High Tension and Low Tension Insulators for a period of ten years, commencing from 1 January, 1961.

Quoted Shares

Preference Shares

CALCUTTA

NAME	Paid-up Share.	Quotation up per Share.	as on 8-7-61 Rs NP
BANKS			
Adanabad 6%	100	96.50	
Bara 5%	50	16.00*	
COAL			
Asso. K'pura 4½%	100	50.50*	
Bharat 5½%	100	34.50	
Borrea 6½%	100	66.55*	
Burrakur 7%	100	102.00	
Burrakur 6%	10	7.65	
Equitable 6%	100	80.00*	
Ghusick & Muslia 5%	100	100.00	
Guarundi 5%	100	40.00*	
Karanpura 5½%	100	55.75	
Khas Kajora 5½%	10	6.95†	
N. Beerbhoom 7%	10	10.50	
N. Churulia 5%	10	5.06	
N. Huntodih 6%	100	45.00*	
Ondal 6½%	100	64.10*	
Parasea 5½%	100	44.50	
United Colliery 5%	100	64.50*	

MININGS			
Asso. Mining 5%	50	27.50	
Ch. Mica 5½%	100	48.00	
Metal Corpn. 5%	100	99.00	
CEMENT			
Dalmia Bharat 6%	10	7.16	
Jaipur Udyog 3%	100	37.00	
Kalyanpur Lime 7%	100	80.00*	
Kalyanpur Lime 6%	100	100.50*	
K'dhubi Fire 5½%	100	58.20†	
Orissa Cement 4½%	100	35.00*	

COTTON			
Basanti 6½%	10	8.37	
Bengal-Nagpur 7%	100	75.00	
Bharat Commerce 9%	100	100.00	
Bowreah 8%	100	94.60†	
Bowreah 7%	100	70.25†	
Elgin 8%	10	6.97	
Elgin 5%	100	100.00	
Jagatjit 5%	100	73.75†	
Jiyajerao 5½%	100	88.50*	
J. K. Cotton 6%	100	86.60*	
J. K. Rayon 6½%	100	100.00	
Kesoram 7%	100	104.00	
Kesoram 5½%	100	86.00	
Muir 6%	100	73.75	
N. Victoria 3%	5	3.31	
Orissa 5%	100	65.00	

JUTE			
Agarpara 7%	100	89.00	
Alexandra 7%	100	82.00	
Alliance 6%	100	66.00	
Anglo-India 7%	100	93.00	
Auckland 5½%	100	71.25	
Auckland 4½%	100	58.50	
Billy 7%	100	93.25	
Burnagore 5%	100	25.38	
Belvedere 7%	100	90.00	
Bengal 5½%	100	53.00	
Birla 7½%	100	90.00	
Birla 5½%	100	91.00	
Budge-Budge 7%	100	81.93	
Calcutta 6½%	100	50.50	
Caledonia 7%	100	80.00	
Chiviot 7%	100	95.43	
Chitavalsah 7%	100	77.90†	
Clive 6%	100	52.00	
Clive 7%	100	60.00	
Dalhousie 7%	100	86.00	
Delta 5%	100	57.85	
Empire 7%	100	50.50†	
Fort Gloster 7%	100	98.00	
Fort Gloster 5%	100	64.00*	
Fort William 7%	100	92.00	
Ganges Mfg. 8%	100	102.00	
Goupreore 6%	100	80.00	
Hastings 6%	100	82.00	
Hooghly	10	10.12	
Howrah 'A' Pref.	100	90.50	
Howrah 7%	100	93.00	
Hukumchand 7%	100	92.00	
Kamarhatti 6%	100	67.30	
Kankarnah 6%	100	91.00	
Kedarnath 6%	100	68.00	
Kedarnath 7%	100	90.50	
Kelvin 7%	100	92.00	
Khardah 6%	100	79.50	

ELECTRICS			
Calcutta 5%	100	£1 8.94	
Dishergarh 5%	100	69.00	
Dishergarh 4½%	100	69.20	

ENGINEERING			
Arthur Butler 7%	10	10.75*	
Br. Building 6%	100	50.00	
Br. Engineering 7%	100	100.00	
Burn & Co. 7%	100	109.50	
Burn & Co. 6%	100	193.00	
Indian Iron 5%	100	90.00	
India Machinery 7%	100	63.00	
Ind. St. Wagon 7%	100	105.90†	
Jessop & Co. 5%	100	80.85†	
J. K. Steel 7%	100	100.00	
Kumardhubi 5%	100	86.00	
R. Cruddas 5½%	100	54.00*	
Steel Products 5%	10	7.22	
Texmaco 5½%	100	79.15†	
Texmaco 5½%	100	57.50†	
Texmaco 6½%	100	89.00†	

MISCELLANEOUS			
Alum. Corpn. 6%	100	99.50	
Alum. Corpn. 5%	100	70.00	
Amal. Dev. 5%	100	37.00*	
Asso. Hotel 7%	100	53.00	
Bharat Nidhi 6%	100	44.67†	
Birds Investment 5½%	100	56.50	
Br. Biscuits 8%	10	8.86*	
B. I. Corporation 8%	100	109.00	
Cal. Cr. Corpn. 6%	100	34.50*	
Cal. Cr. Corpn. 5½%	100	23.50*	
Calcutta Gas 5½%	100	57.50*	
Calcutta Silk 5%	100	49.12*	
Calcutta Trams 5%	100	£1 7.81	
Duncan Bros. 4%	100	50.55†	
Dunlop 6%	100	109.00†	
Dunlop 6%	100	78.00	
Eastern Inv't. 5%	100	67.44	
Gillanders 5%	100	58.00	
Godfrey Phillip 5½%	100	52.50	
Greaves Cotton 5%	100	32.86*	
Greaves Cotton 6%	100	48.43*	
Hindustan Alum.	25	24.37	
Hindustan Motors 6%	100	222.00	

NAME	Paid-up Share.	Quotation up per Share.	as on 8-7-61 Rs NP
Kinnison 7%	100	90.00	
Lansdowne 7%	100	90.25	
Lawrence 7%	100	93.00	
Lawrence 5½%	100	62.00	
Naihati 7%	100	98.00	
Naihati 4½%	100	80.00	
National 7%	100	93.00*	
Nellimarla 6%	100	78.00	
N. Central 7%	100	85.50	
Northbrook 5½%	100	73.00	
Rameshwara 6%	10	9.81	
Reliance 7%	100	78.50	
S. Ambica 7½%	100	82.00	
Soorah 7%	100	95.00	
Union 7%	100	77.35	
Waverley 5%	50	40.50	

MININGS			
Asso. Mining 5%	50	27.50	
Ch. Mica 5½%	100	48.00	
Metal Corpn. 5%	100	99.00	

CEMENT			
Dalmia Bharat 6%	10	7.16	
Jaipur Udyog 3%	100	37.00	
Kalyanpur Lime 7%	100	80.00*	
Kalyanpur Lime 6%	100	100.50*	
K'dhubi Fire 5½%	100	58.20†	
Orissa Cement 4½%	100	35.00*	

CHEMICALS			
Alkali 5%	100	92.00	
Bathgate 6%	100	19.00	
Bengal Chem. 7½%	10	12.31	
Bengal Chem. 4½%	100	66.00	
Calcutta Chemical 6%	10	7.50	
Frank Ross 4½%	100	51.00	
Smith Stanistreet 10%	50	63.12	

ELECTRICS			
Calcutta 5%	100	£1 8.94	
Dishergarh 5%	100	69.00	
Dishergarh 4½%	100	69.20	

ENGINEERING			
Arthur Butler 7%	10	10.75*	
Br. Building 6%	100	50.00	
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India Machinery 7%	100	63.00	
Ind. St. Wagon 7%	100	105.90†	
Jessop & Co. 5%	100	80.85†	
J. K. Steel 7%	100	100.00	
Kumardhubi 5%	100	86.00	
R. Cruddas 5½%	100	54.00*	
Steel Products 5%	10	7.22	
Texmaco 5½%	100	79.15†	
Texmaco 5½%	100	57.50†	
Texmaco 6½%	100	89.00†	

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Burn & Co. 6%	...	100	193.00
Indian Iron 5%	...	100	90.00
India Machinery 7%	...	100	63.00
Ind. St. Wagon 7%	...	100	105.90
Jessop & Co. 5%	...	100	80.21
J. K. Steel 7%	...	100	100.00
Kumardhubi 5%	...	100	80.00
R. Crudds 5½%	...	100	54.00
Steel Products 5%	...	10	7.22
Texmaco 5½%	...	100	79.15
Texmaco 5½%	...	100	57.50
Texmaco 6½%	...	100	89.00

NAME	Paid-up per Share.	Quotation as on 8-7-61 Rs NP	NAME	Paid-up per Share.	Quotation as on 8-7-61 Rs NP	NAME	Paid-up per Share.	Quotation as on 8-7-61 Rs NP	NAME	Paid-up per Share.	Quotation as on 8-7-61 Rs NP	NAME	Paid-up per Share.	Quotation as on 8-7-61 Rs NP	NAME	Paid-up per Share.	Quotation as on 8-7-61 Rs NP	NAME	Paid-up per Share.	Quotation as on 8-7-61 Rs NP	NAME	Paid-up per Share.	Quotation as on 8-7-61 Rs NP	NAME	Paid-up per Share.	Quotation as on 8-7-61 Rs NP	NAME	Paid-up per Share.	Quotation as on 8-7-61 Rs NP							
COAL																																				
Amalgamated	10	25.00	Auckland	100	158.00	ELECTRICS			Calcutta Silk	10	7.12	Brooke Bond	10	16.44	North-West Cachar	100	200.00	Coffee Lands	5%	100	71.08†															
Asso. Karanpura	10	5.50	Bally	100	227.00				Calcutta Trams	10	11.87	Deejoy Valley	10	50.75	Pathemara	10	7.25	Cons. Coffee	6%	25	20.87†															
Asso. Laikdihi	10	5.50	Barnagore	25	126.00				Cambay Invest Corpn	100	95.00	Dessai and Purbat	100	154.00	Hoopacherra	10	15.69	Coonoor Tea	6%	100	83.14															
Bagdigi Kujama	10	6.50	Belvedere	100	155.00				Cherra Chhatak	5	5.30	Dinelakhat	10	20.56	Kungamattie	50	55.00†	Coorg Tea	7½%	5	4.14															
Bengal	100	388.00	Bengal	10	10.50				Clive Row Inv.	10	8.37	Dhunseri	10	16.44	Sonal River	10	12.12*	Cotandad	7½%	10	10.06															
Bengal Bhatdee	10	3.48*	Bharat	25	6.12*				Darjeeling Rope	10	7.12	Dibrugarh	10	39.62	Tea Producing Co.	10	10.37*	Devon	7½%	100	95.00															
Bengal-Nagpur	10	20.00†	Birla	100	27.31				Duncan Bros.	100	150.00†	Dimakusi	10	26.65†	Tilkah	10	10.00*	Highland	5%	100	72.50†															
Bhalgora	10	5.00	Budge-Budge	100	118.00				Dunlop Rubber	10	50.55†	Dufflaghur	10	33.75	Chittagong Gardens			Highland	6%	10	7.43†															
Bharat	10	3.94	Calcutta	10	10.50				East Anglia Plastics	5	12.28	East India	10	19.50	Kodala	10	9.25	Kadur Coffee	6½%	10	6.50															
Bhowra Kankanee	10	7.94†	Caledonian	100	142.00†				Eastern Invest.	100	137.00	Gallapukuri	10	26.37	Kodala	10	8.06	Karikode	6%	10	6.99†															
Bhulanbararee	10	7.40	Champdany	100	113.00†				Elec. Const.	10	14.37	Gohpur	10	16.94	Kodala	10	8.06	Kil Kotagiri	7%	10	8.37															
Bokaro & Ramgur	10	18.00	Cheviot	10	16.69				French Motor	20	40.00	Grob	5	11.12	Kodala	10	8.00	Kurchmala	6½%	10	5.88															
Borra	10	23.50†	Chitavalsah	10	11.50				Ganges Rope	100	236.00	Hapijan Purbat	10	13.59	Kodaleah	10	8.00	Malabar Agri.	6%	20	14.93†															
Burrakur	10	20.25	Clive	10	9.00				General Tyres	5	6.25	Hoograjuli	10	25.25				Manimala	5%	10	9.00															
Central India	10	13.50	Dalhousie	100	121.00				Gillanders	10	14.25	Hoolungoorie	100	195.00	Baitakhal	10	6.69†	Midlands	6%	10	7.10															
Central Kurkend	10	7.00	Delta	100	160.00				Godfrey Phillips	10	21.75†	Jayshree	10	24.00	Baitakhal	10	6.69†	Milamalai	7½%	25	24.75															
Churulia	4	2.25†	Empire	100	16.00				Greaves Cotton	100	175.00	Jutibari	10	39.00	Dauracherra	10	8.50	Mysore Amal.	6%	10	6.25															
Dhemo Main	10	7.09	Fort Gloster	100	303.00				Gwalior Rayon	10	54.87	Kyang Tea Seed	100	167.00*	Hattikhira	10	10.31	Mysore Plan.	6%	10	7.00															
East Indian	£1	35.62	Fort William	10	25.00				Hindus. Alum.	10	14.50	Kingsley Golaghat	100	105.60*	Kaliti	10	7.37	Neelamalai	5%	10	6.10															
Equitable	10	31.50*	Ganges Mfg.	10	11.82				Hindustan Develop.	10	7.89	Krishnabehari	10	10.56	Lackatooah	10	18.25	Nelliampathy	6%	10	7.28															
Ghusick & Muslia	10	16.00	Gondalpara	10	40.00				Hindusthan Gas	7	16.87	Ledo	10	17.00	Loobah	10	4.50	Nemmeny	7%	10	9.35†															
Gourangdi	10	8.50	Gourepore	100	372.00				Hindusthan Ice	5	1.05*	Maud	10	14.00	New Samanbagh	10	19.25†	Nilambur	6%	10	6.55†															
Guzdar Kajora	10	6.00*	Hastings	100	119.00				Hindusthan Lever	10	47.75	Methoni	10	18.62	Patrakla	100	161.00	Nilgiri Tea	6½%	5	3.80															
Hurriladihi	10	14.37*	Hooghly	10	19.25				Hindus. Motors	10	22.81	Moheema	10	11.50	Rajgarh	10	19.00x	Peermade	6%	100	87.50															
Jaunty Central	24	0.44	Howrah	10	20.75				Hind. Nat. Glass	10	8.33x*	Mothola	100	445.00†	Rajendra	10	21.12†	Pullangode	6%	10	8.00†															
Jogta	10	1.78	Hukumchand	7½	15.75				Hindus. Pilkington	10	27.81	Murphulani	10	25.00	Talayar Tea	6%	10	7.05	Rajagiri	6%	10	6.65														
Karanpura	100	190.00	Indir	12½	15.75				Hindusthan Twyford	5	11.50	Naga Hills	10	19.00	Teakoy	6%	10	6.80	Rajendra	6%	10	6.34														
Katras Jherriah	10	49.00	Kamarahatty	100	127.00				Hindusthan Wire	10	6.62	New Cinnatollah	100	103.00	Sangameswar	7%	10	9.75	Rajendra	6%	10	6.48														
Khas Kajora	10	18.70*	Kamarahatty (B)	100	128.00				Hoare Miller	10	6.56	New Monkchoolah	7½	19.60†	Talayar Tea	6%	10	7.05	Rajendra	6%	10	6.48														
Kuardi	10	8.75	Kamknarrah	100	69.00				Impl. Tobacco	10	11.25	Rajgarh	10	19.00x	Thamarapally	6½%	5	4.05†	Rajendra	6%	10	6.34														
Lakurka	10	14.00	Kanknarrab (B)	100	68.50				Indian Alum.	10	34.37	Sapoli	10	20.87	T. R. & T. Co.	6%	10	9.10†	Rajendra	6%	10	6.34														
Mahabir	10	11.00	Kedarnath	10	6.62				Indian Cable	10	37.87	Seajuli	10	27.12	Udayagiri	7%	10	9.11†	Rajendra	6%	10	6.34														
Mundulpore	10	3.00	Kelvin	100	151.00				Indian Oxygen	10	40.25	Seajuli	10	27.12	Velmalai	7%	10	8.20	Rajendra	6%	10	6.34														
Nazira	10	8.00	Khardah	10	17.19				Indian Plastic	10	8.94	Tengpani	10	38.00	Waterfalls	6%	10	8.40	Rajendra	6%	10	6.34														
New Beerbhoom	10	24.06	Kinnison	100	160.00				Indian Rayon	50	51.00x	Tezpore	10	18.56	Woodcote	6½%	5	2.94†	Rajendra	6%	10	6.34														
New Churulia	10	5.25	Landsdowne	100	117.00				Indian Rubber	10	17.00	Tongani	10	6.44	Woodlands	6½%	10	7.45	Rajendra	6%	10	6.34														
New Huntodhi	10	5.00	Lawrence	100	168.00				Indian Wood	10	31.37†	Tycoon	10	38.00	Woodlands	6½%	10	7.22	Rajendra	6%	10	6.34														
New Manbhoom	10	15.75	Mahabir	100	85.00*				Issac Holdens	10	19.50																									
North-West (F.P.)	10	20.09	Megna	10	12.25				James Jones	2	1.78																									
North-West (P.P.)	7½	17.87	Naihati	100	82.00				James Wright	5	2.75																									
Oriental	10	8.70	Naskarpara	10	9.75				James Wright Defd.	1	0.43																									
Ondal	10	14.40†	National	10	18.75				J. Henderson	100	69.50																									
Parasea	10	18.00	Nellimarla	10	9.56				J. Steel Wire	10	9.50																									
Pench Valley	10	19.87	New Central	10	20.37				J. Steel Wire I.P.	1	13.94																									
Pure Sitalpore	10	9.87	North Brook	10	26.25				Jay Engineering	10	29.00																									
Raneengunge	10	19.44	Nuddea	50	46.00				Jessop & Co.	10	20.62																									
Rewa	10	31.00	Presidency	5	5.04				J. K. Steel	10	35.56																									
Samia	10	8.75†	Rameshwara	10	8.00				Kumardhubi	3	6.50																									
Searsolo	2½	1.72	Reliance	10	6.00				Marshalls	2	4.75																									
Seebpore	7	36.75	Shree Ambica	10	24.12				National Engg.	10	3.00																									
Sendra	10	7.94†	S. Luchminarayan	10	7.00				National Iron	10	6.37																									
Shree Mahakali	10	3.25	Soorah	100	20.06				National Screws	10	9.06																									
South Karanpura	10	9.69	Union	100	160.00				Raymond Eng.	10	5.75																									
Standard	10	14.00	Waverley	1	4.75				Richard Cruddas	10	8.19*																									
United Collieries	10	11.62	MININGS AND MINERALS						Saran	4	7.50																									
Western Bengal	10	12.20†	Assam Silimanite	10	10.58				Steel Products	3½	2.19																									
West Gujuria																																				

NAME	Paid-Quotation up per Share.	as on 7-7-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 7-7-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 7-7-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 7-7-61 Rs nP	
Trav. Chem. 6½%	10	9.10	Manar ...	2	2.63†	Tirupati ...	10	11.25	Central India 5%	100	376.25	
T. Stanes 7%	100	82.65	Manimala ...	10	8.75	Trav. Rayon ...	10	40.45	Century 6%	100	106.50	
United Elec. 5%	10	10.20	Mercara ...	5	8.20	Trichinopoly ...	10	12.50	Elphinstone 7%	100	64.00	
Vanguard Fire 5½%	6	4.73	Midland ...	10	11.75	Vasanta ...	100	250.00	Hindustan 4½%	1000	625.00	
W. I. Plywood 6%	100	92.00	Miamally ...	25	38.25	Venkatesa ...	50	197.00	Hindustan 4½%	250	175.00	
Ordinary Shares			Mysore Amalgam ...	5	5.90	Vijayakumar ...	100	111.00	Indian Mfg. ...	1000	625.00	
MADRAS			Mysore Coffee ...	2	5.45	Vijayalakshmi ...	100	95.73	Indian Mfg. ...	500	315.00	
BANKS			Mys. Plantations ...	2	2.06	Vijayeswari ...	100	127.00	Jiyajeerao 5½%	100	90.00	
Andhra ...	100	100.00	Neelmalai ...	5	3.95	Virudhunagar ...	50	49.00	Jiyajeerao ...	5½%	100	91.50
Andhra ...	85	87.00	Nellampathy ...	2	2.48	MISCELLANEOUS			Khatu 4%	100	74.50	
Canara Bank ...	50	88.50	Nellithanam ...	10	12.05	Alum. Indus. ...	10	23.60	Kothari 'B' 6%	10	10.00	
Canara Banking ...	50	80.00	Nemmeny ...	10	20.85†	Andhra Cement ...	100	9.95	Lakshmi Cotton 5%	250	147.50	
Canara I. & B. 'A' ...	100	175.00	Nilambur ...	10	16.25	Andhra Scientifics ...	10	11.29	Mafatlal 1st 4½%	100	78.30	
Canara I. & B. 'B' ...	10	17.50	Nilgiri ...	10	8.55	Ashok Leyland ...	5	9.35	Mafatlal 2nd 4½%	100	92.00	
Canara I. & B. 'C' ...	1	1.75	Nonsuch ...	10	28.20	Aspinwal ...	10	6.64	Mahendra 6½%	100	99.00	
Indian Bank ...	100	172.00	Ossoor ...	2	2.65	Aspinwal Trv. ...	10	4.30	Morajee 4½%	100	64.00	
Indian Bank ...	80	145.50	Ouchterlony ...	2	3.72	Asso. Indus. and Eng. ...	100	82.10	Mysore 4½%	50	22.75	
Indian Overseas ...	100	188.50	Panchura ...	1	5.80	A. V. Thomas ...	10	20.00	Navsari Cotton 5½%	100	91.00	
Pandyan ...	25	29.00	Parkside ...	10	29.37	A. V. Thomas I. ...	10	4.00	New Great 5½%	200	106.50	
Punjab National ...	10	22.50	Peermaris ...	10	22.60	A. V. Thomas I. ...	10	13.95†	N. Kaiser-I-Hind ...	100	65.00	
ELECTRICS			Peninsular ...	10	21.40†	Baag. Fritz ...	10	13.95†	Podar 4%	100	63.00	
Berhampore ...	10	...	Periakaramalai ...	2	4.02	Binnu ...	100	213.00	Shree Bhawani 8%	100	100.00	
Cochin ...	10	11.00	Pullangode ...	2	1.82	Brunton ...	10	5.25	Shreenivas 4%	100	66.00	
Ellore ...	10	18.00	Puthuthottam ...	2	2.75	Central Scientific ...	10	12.15†	Standard 4% 1st	100	75.50	
Karakkai ...	10	9.05	Rajagiri ...	10	18.00†	Dalmia Cement ...	1	2.43†	Standard 4% 2nd	100	78.00	
Kumbakonam ...	10	10.50	Rajendra ...	5	12.12	Dalmia Cem. (Dadd.) ...	1	2.43†	Swadeshi 5%	100	88.00	
Nagapattinam ...	10	9.00	Sangameshwar ...	2	2.08	Enfield ...	10	10.60†	Swadeshi (Kan.) ...	100	86.00	
Salem-Erode ...	10	12.87	Savamalai ...	2	3.20	FACTS ...	2	2.90	Vishnu 7%	300	410.00	
South Madras ...	10	10.00	Shaveroy ...	2	1.68	Forest Indus. ...	10	10.95	W. India 4½%	1000	625.00	
Tin-Tuticorin ...	10	11.80	Stanes Amalgam ...	10	15.75	Genl. Papers ...	10	10.95	OTHER TEXTILES			
Vellore ...	10	13.35	Swinton ...	2	3.00	Hindustan Ideal ...	25	22.40	Bombay Silk 5%	100	50.00	
West Coast ...	10	14.25	Talayar ...	2	1.85	Hindustan Lever ...	10	47.50	Gwalior Rayon A ...	100	105.00	
SUGAR			Teekoy ...	10	5.00	India Cement ...	5	6.72	Indian Rayon 7%	100	52.30	
Andhra ...	10	26.85	Thamarpally ...	10	19.36cdec	Ind. Steel Rolling ...	10	10.85	National Rayon 5%	100	69.00	
Cauvery ...	100	129.50	Thirumbadi ...	1	1.60	Invt. Trust of I. ...	100	7.66	New Central Jute 7%	100	103.00	
Deccan ...	5	13.85	Trav. Rubber ...	10	10.37	Kirloskar Electric ...	10	13.50	S. H. ree Digvijaya ...	100	68.75	
E. I. Distillery ...	20sh	42.50	T. R. & T. Co. ...	10	9.85†	K.I.C. ...	10	12.87†	ELECTRICS			
India ...	10	12.77	Tropical ...	25	18.95†	Madras Aluminium ...	25	23.87	Amalgamated 5½%	100	69.00	
Jeypore ...	10	16.50	Twyford ...	10	12.50†	Madras Cements ...	100	91.00	Amalgam. 5%	100	63.50	
K. C. P. ...	10	24.25	Udayagiri ...	10	21.25†	Madras Safe ...	80	43.75	Anand 6%	50	50.00	
Kirlampudi ...	100	77.00	Uni. Nilgiris ...	10	26.00	Madras Vanaspathi ...	100	15.00	Andhra Valley 7%	1000	1065.00	
Kothari ...	10	8.90	Valkundam ...	10	31.25	Mandya Nl. Paper ...	10	8.25	Nadiad 6%	50	39.00	
Mysore ...	10	57.75	Vayitri ...	2	1.27	Marikar ...	50	59.00	Andhra 6%	100	81.2	
Travancore ...	10	10.20	Vellimalai ...	5	5.90	McDowell & Co. ...	10	33.20	India Cement 7½%	100	92.00	
United Breweries ...	10	104.00	Wartybully ...	2	2.65	Mettur Chem. ...	10	14.60	Shree Digvijay 5%	100	76.00†	
PLANTATION			Waterfall ...	2	3.00	Mysore Cements ...	10	6.65	CEMENT			
Alagevar ...	2	2.85	Woodcote ...	1	1.65	Mys. Chem. Fert. ...	10	11.55	Andhra 6%	100	100.00	
Amalgamated ...	10	12.50	Woodland ...	10	7.87†	Mys. Chem. Mfg. ...	10	14.75	Dalmia 7%	10	8.12	
Anandam ...	10	14.37†	TEXTILES			Mys. Coffee Curing ...	100	219.00†	India Cement 7½%	100	92.00	
Anapalai ...	2	4.00	Adoni ...	10	12.40	Mys. Electricals ...	100	219.00†	Shree Digvijay 5%	100	76.00†	
Arbala ...	5	4.00	Anglo-French ...	100	144.00†	Mysore I.T.L. ...	5	8.30	PAPER & HARDBOARDS			
Attimattam ...	2	0.90	Asher ...	100	204.05	Mysore Lamp ...	10	28.75	Anil Hardboards 8%	100	102.00	
Attikham ...	2	3.05	Balarama Varma ...	100	87.70	Mysore Match Mfr. ...	10	14.87	Orient Paper 1st	100	86.00	
Bababudin ...	5	8.00	Balarama Varma B ...	10	8.87	Mysore Paper ...	10	21.25	Orient Paper 2nd	100	61.00	
Badra ...	2	3.60	Balasubramania ...	04	83.00	Mysore Stoneware ...	10	15.00	Sirpur Paper 6%	100	87.00	
Balanoor ...	10	16.30	Balasubramania B ...	70	133.00	Mysore Tobacco ...	10	9.85	Star Paper 1st 5%	100	73.00	
Balmadies ...	2	2.48	Bangalore Woollen ...	100	205.00	Natl. Rubber Mfrs. ...	10	12.25	Star Paper 2nd 6½%	100	100.00	
Be Be ...	5	2.78	Buckingham ...	100	227.00	Ogale Glass ...	5	44.00†	Star Paper 3rd 7%	100	92.50	
Blue Mountain ...	2	3.28	Cambodia ...	10	10.12†	Orissa Cement ...	10	14.40	West Coast Paper 6%	100	86.00	
Chandramalai ...	2	2.72	Cannanore ...	100	167.50†	Panyam Cement ...	100	99.00	W. India Plywoods 6%	100	90.00	
Chembra ...	2	4.15	Cauvery ...	10	14.87†	Parry's Confec. ...	1	4.80	STEEL, METALS & ALLOYS			
Cochin Malabar ...	3	8.00	Coim. Cotton ...	100	182.00	Premier Fertilisers ...	10	9.00	Aluminium Corpn. 5%	100	75.00	
Coffee Lands ...	10	18.87	Coim. Kamala ...	50	50.00†	Radio & Elec. ...	5	2.85	Aluminium Corpn. 8%	100	100.00	
Com. Coffee ...	10	21.80	Coim. Kamala ...	100	119.00†	R. E. M. Co. ...	10	20.50	Ferro Alloys 6%	100	100.00	
Coonoor ...	10	28.12	Coim. Pioneer ...	100	348.80c	Ralis ...	100	142.00	Hindustan Alumm. 6%	25	20.00	
Coorg ...	2	5.42†	Coim. Spinning ...	50	51.00	Rane ...	5	6.75	Indian Iron 5%	100	86.00	
Cottanad ...	10	10.50	Dhanalakshmi ...	100	241.00	Ruby Rubber ...	10	6.20	Jaipur Metals 6%	100	57.00	
Cowcoody ...	2	4.71†	Hemalatha ...	10	7.25	Ruby (Madras) ...	10	8.00	Khandelwal Ferro. ...	100	95.00	
Devashola ...	10	30.75†	Janardana ...	50	72.50†	Sen Raleigh ...	10	24.44	Tata Steel 1st 8%	100	141.00	
Devon ...	10	14.50	Kadur ...	100	114.00	Seshasayee Indus. ...	10	11.00	Tata Steel 2nd 7½% A	100	105.25	
Emerald Valley ...	5	6.00	Kadri ...	10	12.15	Seshasayee Paper ...	7½	6.10	Tata Steel 2nd 7½% B	100	106.00	
Gokul ...	2	1.88†	Kannapiran ...	10	10.00	Spencer ...	10	22.50	ENGINEERING			
Halleyburia ...	10	14.85	Kasthuri ...	10	12.55	Standard Motors ...	10	16.90	Brunton Engg. 6%	10	7.00	
Highland ...	10	14.20	Kasthuri ...	10	12.55	Textool ...	100	182.50	Hindustan Elec. 6%	100	80.00	
Kadur ...	2	2.85	Kr. Rajendra ...	50	172.00	Transformer ...	10	6.00	Kamani Engg. 56%	100	57.00	
Kallas ...	2	5.35†	Lakshmi A ...	50	83.00	Trav. Cement ...	10	7.68	Larsen & Toubro 5%	100	93.00	
Kalasa ...	2	4.92	Loyal ...	50	43.00	Trav. Chem. Mfg. ...	10	18.20	Mahindra 6%	100	98.00	
Kalpatta ...	10	12.25	Madura ...	15	38.40	Trav. Ogale ...	10	7.20†	Mahindra 6½%	100	100.50	
Karkode ...	10	8.25†	Mettur ...	100	402.00†	Tube Invest ...	100	265.00	McKenzie 5½% 1st	100	86.00	
Kilkotagiri ...	2	4.75	PREFERENCE SHARES			United Electrical ...	10	9.50	McKenzie 5½% 2nd	100	55.00	
Kumergode ...	2	4.60	BOMBAY			United India Fire ...	7½	7.50†	National Electrical 7%	100	80.00	
Kurchimala ...	10	4.87	COTTON TEXTILES			Vanguard Fire ...	6	3.10	New Stand. Engg. ...	100	100.00	
Lingapur ...	2	5.06†	Adoni 6%	10	10.00	W. I. Plywood ...	100	229.00	Structural Engg. 6½%	100	100.50	
Lucky Valley ...	10	12.00	Adoni 'B' 6%	10	10.00	PREFERENCE SHARES			Structural Engg. 5%	100	105.50	
Malabar Agri. ...	10	7.30	Ab. Adv. 8%	100	70.50	BOMBAY			Structural Engg. 5%	100	105.50	
Malabar Indust. ...	10	11.58	B. R. Cott 1 6%	100	40.00	COTTON TEXTILES			Texmaco 5½% 1st	100	85.00	
Malankara ...	10	18.75	Bradbury 7%	50	53.50	Adoni 6%	10	10.00	Texmaco 5½% 2nd	100	62.00	
						Adoni 'B' 6%	10	10.00	Texmaco 6½%	100	99.30	
						Ab. Adv. 8%	100	70.50				
						B. R. Cott 1 6%	100	40.00				
						Bradbury 7%	50	53.50				

NAME	Paid-Quotation up per Share.	as on 7-7-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 7-7-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 7-7-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 7-7-61 Rs nP
AUTOMOBILES, CYCLES & ACCESSORIES			Ordinary Shares (Non-Cleared)			BOMBAY			DYES, CHEMICALS & PHARMACEUTICALS		
Hind Cycles 5%	100	65.00*	Madhusudan A ...	100	75.00	Adoni ...	10	8.20*	Adarsh Chemicals ...	75	103.00
Hind Cycles 5½%	100	75.00*	Madhusudan B ...	20	14.00	Bradbury ...	50	150.00	Alembic Chemical ...	100	262.50
Hind Cycles 5½%	25	25.00*	Motor & Gen. Finance	10	40.00*	Burnanpur Tapti ...	100	108.00	Amar Dye Chem. old	100	371.25
Hind Cycles 6%	100	78.50				Coorla ...	100	135.00	Amar Dye Chem. new	100	392.50
Hindustan Motors 6%	100	210.00				Davangere ...	100	116.50	Anuh Pharma ...	5	5.00
Sen Raleigh 5%	100	145.00				Dawn ...	50	137.00	Chemo. Pharma ...	25	26.00
Standard Motor 6½%	100	103.00*				Gaekwar ...	100	220.00	Citric India ...	50	52.00
'A' ...	100	103.00*				Gold Mohur ...	100	263.00	Dharwar ...	50	51.00
'B' ...	100	103.00*				Hindustan P.P. ...	1000	4750.00†	Nadiad ...	50	54.00
SHIPPING						Hindustan P.P. ...	250	992.50*	Nasik Deolali ...	100	371.25
Great Eastern 5½%	100	91.00				Hukumchand ...	100	170.00	Dharamgadha Chem. ...	50	280.0

NAME	Paid- up Share.	Quotation as on 7-7-61 Rs pP
Laxmi Starch ...	100	189.25
Madhya Pradesh Ind. ...	10	14.76
N. I. Fisheries ...	100	105.00
New India Indus. ...	100	392.50
Ogale Glass Works ...	5	5.68
Permanent Magnet ...	50	86.00
Phillips Carbon ...	7½	20.36
Rohtas Indus. ...	10	20.00
Selected Satgram Col- lieries ...	100	134.50
Supreme Industries ...	100	153.75
Synthetics & Chemls. ...	100	198.00
Thacker & Co. ...	50	40.00

Ordinary Shares (Cleared) COTTON TEXTILES

Ammed Advance ...	100	190.00
Apollo ...	2	1.82
Azam Jahi ...	100	70.30
B. K. Cotton ...	100	54.50
Bombay Dyeing ...	25	68.90
Central India ...	100	132.00
Century ...	100	695.00
Edward Textile ...	200	308.00
Elphinstone ...	50	84.00
Finlay ...	100	332.00
Jokak ...	100	192.50
India United ...	10	15.28
India United (Defd.) ...	1	1.84
Indore ...	100	158.00
Khataur ...	100	585.00
Kohinoor ...	100	316.00
Minerva ...	100	80.00
Morjee ...	100	448.00
Mysore ...	50	70.00
New Great ...	100	215.00
Jamanshabhi ...	100	84.00
Podar ...	100	150.00
Jhriivas ...	100	271.00
Simplex ...	50	213.00
Standard ...	100	1448.00
Uvadeshi ...	100	278.50
Swan ...	100	615.00
Tata ...	25	69.50

ELECTRICS

Ahmedabad ...	100	85.80
Andhra Valley ...	100	101.25
Bombay Suburban ...	100	95.00
Kata Hydro ...	100	106.50
Kata Power ...	100	1065.00

CEMENT

Andhra 'B' ...	10	11.04
A-C-C ...	100	166.25
Orissa ...	10	14.44
Shree Digvijay ...	100	154.60

STEEL

Indian Iron ...	10	28.15
Mukund ...	10	26.75
Tata ...	75	164.75

ENGINEERING

Alcock ...	100	288.00
Cooper ...	100	180.00
Jensen and Toubro ...	10	41.50
Kata Engg. and Loco- motive ...	100	375.00
Texmaco ...	10	20.04
Tatas ...	100	299.50

HIPPING

Great Eastern ...	10	14.52
Scindia ...	20	14.56

UGAR

Belapur ...	50	263.00
Bhopal ...	10	28.10
Phaltan ...	50	127.00
Shree Changdeo ...	12½	25.25
Waichand ...	100	175.00

MISCELLANEOUS

Bombay Burmah ...	125	618.50
B. Petrol ...	14sh	1.22
Industan Motor ...	100	22.88
Indian Copper ...	2sh	5.76
Ind. Inv. Trust ...	100	75.30
National Rayon ...	100	574.50
Polson ...	100	168.00†
Premier Auto ...	100	169.50
Premier Const. ...	30	197.50
Shivrajpur ...	10	77.00
Sirpur Paper ...	10	15.36
Tata Chemical ...	10	19.68
Tata Oil ...	25	75.50
Wimco ...	100	270.00

For the Investor

INVESTMENT GOSSIP Prospects for the Investor

Prices on the Stock Exchanges have been remarkably steady in the first half of 1961. Partly the new issue boom, which gathered fresh momentum during this period, may be held to have been responsible for the firm behaviour of share prices. Partly it has been the renewed activity of speculators, who in the incipient stages of the new issue boom were left quite out of the picture. So much so, there has this year been a tendency for more discussion than we have had in recent years as to the need for some form and element of control over stock exchange activity. In Bombay margins at times had to be imposed. Does this presage a returning predominance of the speculator?

I don't believe so, and I certainly hope not. It continues to be the day of the investor. But there have been stray attempts by the gambling fraternity to partake of the profits that almost every new issue offers. Hence in some cases the record and unprecedented over-subscriptions. By and large, however, even the two months' wait, which is the interim between application for and receipt of allotment of shares, proves to tax the patience of the speculator. But, heartened by the performance of engineering and "miscellaneous" companies, and encouraged by the spectacular response of investors and shareholders to new offerings and rights issues, jobbers on the Stock Exchanges have increased their activity in the forward scrip. The behaviour of cash shares and cleared shares has thus been such as to confirm a trend of steady prices.

We should not make the mistake of judging the new issue boom to be an index of investors' preparedness to support every worth while enterprise that is started. While undoubtedly opportunities are being opened up by plan disbursements of Government for the manufacture and supply of goods ranging from the most basic of consumption articles to the most specialised sort of components for industry, it is the psychological impact of Government's tax policies, which has served to nurture and emphasise the good health of the new issues market. The investor today cares little for yields, and in this attitude he is at one with his counterparts in England or America. The most important consideration is growth potential, since on yield at current rates of taxation the Exchequer takes a large and almost unconscionable bite. Capital gains is what the investor is after, and more often than not the emerging enterprises vouchsafe such a profit for him. It is only

if particularly spectacular issues, by their trend in earnings after they go into production, fail to meet the expectations (at time of issue) of the investors, that the new issue boom will be allowed some pause.

There was the possibility, early in the year, that Government might feel the premia obtaining on new issues to be so high as to warrant some corrective action. As a result there was the apprehension, at Budget-time, that capital gains might attract a higher rate of taxation. Fortunately for the capital market, though the new levels were not in considerable amount the rate of the gains tax was left at its status quo. However, Government has moved in the matter, and the insistence that rights issues (and some new issues as well) must be offered at a premium is one form of preventing windfall profits being made, especially by a class of investor who was not interested in holding on to his purchases, but was out for a quick profit. It seems to me scarcely possible that the authorities will do anything to curb the new issue market as such, though of course an assumption of control over wide fluctuations or violent movements is inevitable.

What are the prospects for the investor? A study of the first half-year on the Stock Exchanges (published on an earlier page) indicates that he should have emerged with a clear book profit; and recent developments and present conditions in the economy are such as to hold out the hope of a steady appreciation in share values during the rest of the year.

Easiness in the money market, which has made itself manifest in the 1961 slack season, has served to ginger up values of Government securities; and it appears likely that yields will be pushed down. "Sympathetic" appreciation of equities should be automatic. Besides, the freer availability of money should itself ensure a keener interest in the Stock Exchanges and consequently higher prices should be anticipated. The price situation is now better than it has been in many a year, the index for industrial materials having moved down from 153.2 on 20 May 1961 to 148.1 on 17 June. Thus the profitability of industrial units should improve during the current year. However, the crisis on the foreign exchange front may be a bear factor. On the one hand, raw materials which have to be got from abroad may be in short supply, and could affect the working of enterprises so dependent. On the other, licensing of companies which have to import the bulk of plant and machinery is likely to become stricter.

It is quite possible, then, that there should be a slowing down in new company formation, in the sense that foreign exchange will be increasingly hard to obtain for import of equip-

Indian Finance

ment from abroad. But against this has to be set the fact that the greatly improved indigenous availability of basic raw materials, in particular steel, as also the rising demand for goods of all descriptions should encourage the growth of small industry on a larger scale.

There should therefore be an accent on two kinds of new issues and enterprises. Firstly, the large corporations, with foreign collaborators underwriting or arranging the foreign exchange expenditure involved, will continuously be on the market; but the amounts sought may not be large, arrangements possibly being made for loan capital of various descriptions. Secondly, there should be the mushrooming of small industries utilising raw materials available within the country; and amounts sought from investors, for this category, may be in the environs of Rs 25 lakhs each.

There is money enough seeking investment, we believe, for the new issue boom to continue uninterrupted. But the investor would be wise to be selective in the issues he henceforth supports. Industries which rely on imported raw materials are naturally somewhat vulnerable. And caution is again called for, with 1962 an election year and its possibilities of "political" taxation.

McNally-Bird Engineering

THIS is a joint Indo-British-American collaboration. A licence was issued on 11th May, 1961, to Bird & Company (Private) Limited to set up a Company in collaboration with McNally Pittsburg Manufacturing Corporation, Pittsburg, Kansas, USA for the manufacture of Coal Washeries and Coal Handling Plants. McNally-Bird Engineering Company Private Limited will have an authorised Capital of Rs 2 crores and the first call-up of Rs 50 lakhs has already been sanctioned by the Controller of Capital Issues. The major portion of the finance will be provided by the American partners. From the very beginning, it is proposed to manufacture 70% of a Coal Washery in India and, in about five years time, it is expected, depending on the equipment that can be purchased locally, to manufacture Washeries almost entirely in the country. This will save valuable foreign exchange as all the Washeries required in the Third Plan could now be manufactured in India. It is estimated that the saving in foreign exchange could be of the order of Rs 45 crores over the Third Plan period. In addition to this advantage, this new undertaking will provide opportunities for employment and training. The plant will be located at Kumardhubi in Bihar where all the facilities of the existing industrial complex will be available to the new company. With American know-how and engineering skill, the plant will be capable of serving basic industries with a variety of engineering services. The plant is expected to go into production in about a year's time and will have a manufacturing capacity equivalent to producing Coal Washeries aggregating 1,000 tons per hour.

15 July 1961

With the specialised knowledge and experience that is being imported into the country, it will be possible now to cater for the requirements of the Colliery Owners, Steel Mills, Thermal Power Plants and other coal consumers requiring Coal Washeries and Coal Handling equipment ranging from 25 to 1,000 tons per hour.

* NEW ISSUE NOTES Raneegunge Coal

The Raneegunge Coal Association Limited has proposed to raise the paid-up capital by issuing 95,980 shares of Rs 10 each, at par, in the proportion of two shares for every five shares held. Transfer Books of the company will be closed from 29 July to 5 August, 1961. Meanwhile, the company has announced an interim dividend of Rs 1.70 per share, subject to tax, for the year ended 31 March 1961. This will also be the final dividend for the year, payable to those shareholders whose names are registered as on 5 August 1961.

Globe Auto Electricals

A new company, Globe Auto Electricals Limited, has been formed in Maharashtra for the manufacture of auto electrical equipment. The capital outlay on the project will be Rs 30 lakhs. The necessary licence has been received from the Government. The company has entered into technical collaboration agreement with Magneti Marelli of Italy. The company has approached the Industrial Credit and Investment Corporation for a loan of Rs 8 lakhs to meet the foreign exchange cost of machinery and plant. The issued capital of the company will be Rs 17 lakhs divided into 17,000 equity shares of Rs 100 each. Offering to the public will be Rs 10 lakhs. The entire public issue has been underwritten. The factory will be situated in greater Bombay and the necessary land and power have been assured by the Maharashtra Government.

THE INDIAN IRON & STEEL COMPANY LIMITED.

NOTICE

The Ordinary Share Register and Transfer Books of the Company will be closed from Saturday the 5th August, 1961, to Monday the 28th August, 1961, both days inclusive for the purpose of payment in due course of dividend on Ordinary Shares in the Company for the year ended 31st March, 1961. The dividend when declared will be paid to those shareholders whose names appear on the Company's Register of Members for Ordinary Shares on the 28th August, 1961, or to their mandatees.

By Order of the Board,
MARTIN BURN LIMITED,
F. G. LIVERSEDGE,
Managing Director,
Managing Agents.

12, Mission Row,
Calcutta-1.
11th July, 1961.

Chemicoat Limited

Gujarat will have a new metalized packing industry. A new company under the name and style. Chemicoat Limited, has been formed with an authorised capital of Rs 50 lakhs. The issued capital is Rs 20 lakhs. The factory will be situated in Baroda. The company has already obtained an industrial licence from the Government for this production to be undertaken in technical collaboration with a Dutch firm. The ICICI has agreed to provide a foreign exchange loan of Rs 12.75 lakhs to meet the cost of plant and machinery. The promoters hope to enter the market in the near future for raising the necessary capital.

Shree Vallabh Glass

The Rs 37.25 lakhs equity issue of Shree Vallabh Glass Works Limited, the list for which opened on 6 July, has been thrice over-subscribed.

Baroda Rayon

The issue of 1,40,000 right shares of Rs 100 each, offered by the Baroda Rayon Corporation Limited, at a premium of Rs 5 share, has been fully subscribed. The company has received a good number of applications for additional shares.

It is understood that the Baroda Rayon Corporation Limited has plans to manufacture caustic soda. The company has recently approached the Government for the necessary industrial licence. The production capacity of the proposed plant will be 20 tons a day. According to the preliminary estimate, the project will involve a capital expenditure of about Rs 1.50 crores. Meanwhile, the progress in connection with the company's rayon yarn project has been quite satisfactory. It has already received permission to increase the production capacity by another 2½ tons of rayon yarn per day on the basis of 150 deniers.

Indian Oil Company

The Indian Oil Company, which is a Government company, has been granted consent to issue further capital of the value of Rs 150 lakhs in equity shares of Rs 1,000/- each for cash, at par. The proceeds, of the issue will be utilised for marketing and distribution of petroleum products by taking over the entire production of the two public sector refineries which are being set up at Gauhati and Barauni. The IOC has a subscribed and paid up capital of Rs 57,25,000/-. The consent order is valid for 12 months.

Dodge & Seymour

Dodge & Seymour (India) Private Limited, Bombay, has been granted consent to issue shares in lieu of cash dividends after deduction of tax of the total value of Rs 54,000/- in 540 equity shares of Rs 100/- each. The company's business includes the sales and service of certain specialised engineering products, pumping equipment for petrol etc. It has a paid up capital of Rs 1,10,000/- The consent order is valid for 12 months.

INVESTMENT NOTES

IISCO

The Ordinary share register and transfer books of the Indian Iron & Steel Company Limited will be closed from 5 August to 28 August, 1961, both days inclusive, for the purpose of payment of dividend on the Ordinary shares for the year ended 31 March, 1961.

TISCO

The production figures of the Tata Iron & Steel Company Limited for June have not made encouraging reading. The output of Pig Iron was lower at 131,800 tons as against 142,000 tons in May and Steel Ingots at 124,700 tons against 136,800 tons. There was only a small decline in the share of finished steel to 70,600 tons from 70,900 tons. As a result, the production of semis dropped significantly to 30,600 tons from 34,900 tons. On account of a shorter working month, a lower level of output would have been permissible; but the drop in some categories has come about somewhat unexpectedly, especially as IISCO has done well during the same month.

Mukund Iron

Mukund Iron & Steel Works Limited has got under consideration the setting up of a continuous casting plant, which will turn out billets without entering the stage of production of ingots. It is understood that negotiations are being carried on with a British firm for installing the plant. There is also a plant to set up a unit for producing rolling wire rods. In this connection, talks with an Italian firm are in progress.

East Anglia Plastics

East Anglia Plastics (India) Limited, which has received sanction for the manufacture of Cellulose Acetate Moulding Powders and PVC Compounds, has now received an industrial licence to establish a new industrial undertaking in Andhra Pradesh for the manufacture of Cellulose Acetate Flakes, (Di-acetates and Tri-acetates) which are the raw materials for Acetate Moulding Compounds, Acetate Fibres, and raw film. This Licence also includes the manufacture of Organic Chemicals, such as Acetic Acid and Acetic Anhydride required in the manufacture of Acetate Flakes. It is also learnt that a world famous Company has agreed to collaborate and give the technical 'know-how'. The Company's factory at Dum Dum for the manufacture of Acetate Moulding Powders and PVC Compounds is nearing completion. All machineries relating to this project have been imported and are under installation. It is expected that this unit will go into production before the end of this year.

Delhi Cloth

The Delhi Cloth & General Mills Company Limited has proposed to set up a factory for the manufacture of rayon tyre cord yarn and fabrics at Kotah in Rajasthan. The capital outlay on the project is estimated to cost Rs 7 crores. Agree-

ments for the supply of know-how and plant and machinery are proposed to be entered into with two reputed firms of the United States. The company will also negotiate for a loan of about Rs 4 crores from the Development Loan Fund to meet the foreign exchange requirements of the plant. The plant is likely to go into production by the end of 1962 or in early 1963.

Mandya Paper

The factory of Mandya National Paper Mills Limited is under erection and is expected to go into production towards the end of October. The company has now drawn up expansion plans to double the production capacity to 70 tons a day and sanction has been obtained from the Government. Negotiations for the purchase of extra machinery and technical collaboration are under progress. It is likely that an offer will be made to the public some time at the end of this year. There is also a proposal to establish another paper mill, with a production capacity of 100 tons of superior grade paper a day, at Panipat near Delhi with the collaboration of Messrs Parsons and Whitmore. This new concern may go into production two to three years hence.

IN BRIEFS

The Bombay Suburban Electric Supply Company Limited has recommended a final dividend of Rs 5.50 a share, making a total of Rs 8.50 a share, for the year ended 31 March 1961, subject to tax, as against Rs 8.00 a share paid in the previous year.

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Shri JADU NATH ROY, V. G. PAI,
Chairman, General Manager.

The Cochín Malabar Rubber has proposed a final dividend of 11 per cent, making total of 20 per cent, taxable for the year ended 28 February 1961 as against 17½ per cent paid for the previous year.

The Periakaramalai Tea has declared a final dividend of 12½ per cent, making a total of 20 per cent for the year ended 31 March 1961, taxable, as against 13½ per cent paid for 1959-60.

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BALANCE-SHEET BRIEFS

Indian Dyestuff Industries Limited has reported a higher gross profit of Rs 60.75 lakhs for the year ended

ORIENT PAPER MILLS LIMITED.

Regd. Office:

BRAJRAJNAGAR (ORISSA)

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NOTICE is hereby given that an Extra-ordinary General Meeting of the Orient Paper Mills Ltd. will be held on Friday the 11th August, 1961 at 3-30 P.M. at Brajrajnagar, the Registered Office of the Company, to consider and if thought fit, to pass, with or without modification the following resolution is a Special Resolution:—

"RESOLVED that the existing Article 75 of the Articles of Association of the Company be deleted and the following new Article 75 be substituted therefor:—

"75 If at any time the Share Capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a Special Meeting of the holders of the shares of that class and all the provisions contained in these presents as to General Meetings shall, "mutatis mutandis", apply to every such meeting. This Article is not by implication to curtail the power of modification which the Company would have if this Article were omitted!

By Order of the Board,
B. K. VYAS,
Secretary.

14, Radha Bazar Lane,
Calcutta, the 4th July, 1961.

N.B.: 1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
2. Explanatory Statement as required under Section 173 of the Companies Act, 1956, has been forwarded to the shareholders along with the notice.

31 March 1961 as against Rs 54.23 lakhs for the preceding year. The company has maintained the dividend at 6 per cent, subject to tax, on the increased capital.

Kesoram Cotton Mills Limited has earned a profit of Rs 96.64 lakhs for the year ended 31 March 1961 as against Rs 47.11 lakhs. An Ordinary dividend of Rs 1.20 per share, taxable, is recommended against Rs 0.50 nP per share, taxable, previously.

The Cauvery Spinning & Weaving Mills Limited has shown a net profit of Rs 10.94 lakhs for the year ended 31 March 1961 as against Rs 9.51 lakhs. The dividend on the ordinary shares is raised from 13 to 15 per cent, subject to deduction of tax.

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STOCK EXCHANGES

A State of Indecision

Watch-Dog Writes:

STOCK markets have become a little unsettled due to various rumours with regard to the TISCO dividend and the announcement of fresh measures by the Government to check unhealthy speculation. It is also expected that the Government may soon announce its new loans for subscription by the public to mop up the available savings. For obvious reasons, there is a general tendency to bring commitments to within their capacity to hold by realising profits.

[At the time of going to Press, it is announced that the Tata Iron & Steel Company Limited has recommended a dividend of Rs 6.80 per share net and a bonus of 45 nP per share net on the ordinary shares. Last year, the company had paid the dividend of Rs 6.80, free of tax, on the ordinary shares. This increase in dividend seems to have no effect on sentiment, as the operators had been expecting a still higher dividend.]

A mixed pattern of trading was noticed on the Calcutta Stock Exchange. While some shares appreciated due to support from institutional investors, others suffered small losses on stray liquidation.

After opening steady, the Bombay Stock Exchange developed weakness on sustained bull liquidation.

Trading was restricted in all the sections of the Madras Stock Exchange.

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CALCUTTA

Friday Evening.

TRADING on the local stock exchange was a dull affair and, except for a few firm spots here and there, prices generally displayed an easier tendency due to sustained bull liquidation, being influenced by various factors.

First, rumours of further official restrictions on speculative trading acted as a damper; and leading operators thought it prudent to reduce commitments. Secondly, earlier hopes of an enhanced distribution by the TISCO seemed to have receded.

Thirdly, adverse corporate news was also a bearish factor. Although the industrial outlook was encouraging, considerable anxiety was shown over the depleted foreign assets position. Finally, it was expected that the Government of India might soon announce the second instalment of its borrowing programme which, it was feared, would siphon off investible funds.

With the result, the market was in a state of indecision to move either way. The only relieving feature of the week's trading was the sustained support lent to a few selected shares at every setback in prices on hopes of bonus or right issues, or on a long-term view of the growth that was likely to take place under the impact of the Third Five-Year Plan.

Giltedged securities, which had been ruling dull during the past many weeks, developed a steadier tendency, thanks to the suspension of the open market sales by the Reserve Bank. Business was, however, restricted in the absence of declared sellers. Short-dated issues continued to be in request, while the medium and long-dated issues found sellers with hardly any buyers in evidence. 3 per cent 1986 Conversion Loan, after being taken up to Rs 73 from Rs 72.65, finished the week at Rs 72.96.

Bank shares remained very firm following the publication of excellent working results for the half-year just ended. Punjab National were quoted at Rs 22.81 and United Commercial at Rs 91.

Scattered interest was shown in Jute shares. It was assumed that the worst phase of the industry was on the way to being over and, with the prospect of a bumper crop ahead. Investors lent some support to the shares of the reputed concerns.

Alliance, Anglo-India, Champdany, Kamarhaty and Kelvin were well maintained at the previous levels. Ganges had buyers at Rs 11.31 to Rs 11.50; Birlas at Rs 27 to Rs 27.25; New Central at Rs 19.94 to Rs 20.25 and Nuddea at Rs 46 to Rs 47.75. Howrah, however, came in for offer at Rs 20.37 against Rs 20.75 following the announcement of a reduction in the dividend from Rs 1.25 to Rs 1.00 per share, taxable, for the year ended 31 March, 1961.

Coal shares, which had been ruling very firm on prospects of foreign loans for expansion, turned rather quiet on reports of accumulation of stocks at various pit-heads due to shortage of wagons. New Beerbhoom were offered at Rs 24.06 against Rs 24.25; Western Bengal at Rs 9.91 against Rs 10.06 and Central India at Rs 13.50 against Rs 13.81. Burrakur fluctuated irregularly between Rs 20.19 and Rs 20.37 to finish the week at Rs 20.31.

Better prices obtained at this week's auction and the prospects of increased buying by foreign countries in the coming weeks helped maintain interest in select Tea shares. Brooke Bond were taken up to Rs 16.69 from Rs 16.44; Killcott up to Rs 19.85 from Rs 19.62; Tezpur up to Rs 19.31 from Rs 18.62 and New Doars up to Rs 32.8 from Rs 32.5. Dhunseri were a shade quieter at Rs 16.25 against Rs 16.44 and so also

Hasimara at Rs 25.62 against Rs 26.12 due to lack of fresh support.

Sugar shares, however, continued to be a neglected counter due to uncertainties concerning exports. Carew were offered further lower at Rs 13.19 against Rs 13.37, while Belsund and SKG were almost maintained at Rs 11.19 and Rs 11.62 respectively. After a long time, Cawnpore came in for business at Rs 12.44.

In a dull market, Textile shares attracted sustained support on prospects of higher production and reports of good cloth off-take. Higher levels could not, however, be retained till the close due to general profit-taking. J. K. Rayon were at one time pushed up to Rs 21.25 (from Rs 20.12 and Bowreah up to Rs 23.81 from Rs 23.75, to close finally at Rs 20.56 and Rs 23.44 respectively. Kesoram were, however, keenly sought after upto Rs 37.62 from Rs 36.50 on prospects of diversification of its activities. Cawnpore were enquired at Rs 8.59 and Jay Shree at Rs 16.37.

There was cheerful trading in the Engineering section, early in the week. Indian Irons moved forward to make substantial headway on the feeling that the company might raise the dividend by at least 15 nP a share or so. After opening at Rs 28.05, the scrip moved irregularly between Rs 27.62 and Rs 27.98 on alternate buying and selling, before closing finally at Rs 27.80. TEXMACO changed hands at Rs 19.45 to Rs 19.75 (Rs 19.45); Binani Metals at Rs 12.31 to Rs 13 (Rs 12.37); J. K. Steel at Rs 34.50 to Rs 35.56 (Rs 34.75), and Dalmia Iron at Rs 10.25 to Rs 10.31 (Rs 10.31). Marshalls and Kumardhubi were almost steady at Rs 4.75 and Rs 6.50 respectively. Jay Engineering were, however, a firm feature at Rs 29.25 and so also Guest, Keen, Williams at Rs 41.37.

Miscellaneous issues presented a mixed trend. Alkali & Chemicals were wanted up to Rs 39.62 from Rs 38.19 and Indian Oxygen up to Rs 40.25 from Rs 39.12 on prospects of further expansion. The newly-enlisted Goodyear were keenly sought after up to Rs 39.50 from Rs 38.44. General Tyres had buyers at Rs 6.31 to Rs 6.62, while Bengal Paper scored Rs 2 at Rs 88.50 following the publication of encouraging results. Dunlop Rubber were, however, marked back to Rs 52.12 from Rs 53.37, due to receding hopes with regard to a bonus issue. Similarly, Indian Copper were pushed down to Rs 5.59 from the recent high of Rs 5.83 as no mention was made in the directors' report with regard to the long-awaited bonus issue. Following were the price trends of a few other selected shares:—

	Week's High	Week's Low	Week's Closing
	Rs	Rs	Rs
Orient Paper	36.10	35.00	35.90
Shree Gopal	26.00	25.50	25.69
Sirpur	15.37	14.94	15.12
Union Carbide	56.25	55.37	55.37
Asso. Battery	34.62	34.37	34.50
British Paints	27.37	27.00	27.06
Rohtas	19.87	19.56	19.62
H. Motor	22.81	22.28	22.44
Isaac Holden	17.37	16.75	17.19
Aluminium Corp.	37.81	37.31	37.50
I. Cable	34.59	34.19	34.81
I. Aluminium	8.87	8.56	8.62
I. Steamship	7.87	7.69	7.69
BIC			

Facts & Figures

HINDUSTAN STEEL

June Output

The production of Iron & Steel during June, 1961 at the three Steel Plants of the Hindustan Steel Limited was as follows:—

Bhilai Steel Plant produced 78,610 tonnes of Pig Iron and 55,747 tonnes of Steel Ingots during June, 1961 as against 72,564 and 48,832 tonnes respectively during May, '61. Production of Pig Iron for Sale was 31,732 tonnes as against 33,026 tonnes in May, 1961. Salable Steel Production rose from 27,869 tonnes to 43,091 tonnes in June, 1961. This consisted of 21,089 tonnes of finished Steel and 22,002 tonnes of Semi-finished products for Sale as against 16,258 and 11,611 tonnes respectively in May, 1961.

Lurgapur Steel Plant produced 55,750 tonnes of Pig Iron and 23,170 tonnes of Steel Ingots during June, 1961, as against 54,042 tonnes and 24,421 tonnes respectively during May, 1961. The Production of Salable Pig Iron was 32,781 tonnes as against 28,239 tonnes in the previous month. Production of salable Steel amounted to 20,582 tonnes which consisted of 3,106 tonnes of finished Steel and 17,476 tonnes of Salable semis.

Rourkela Steel Plant produced 29,542 tonnes of Pig Iron and 22,808 tonnes of Steel Ingots during June, 1961. Production of Salable Pig Iron stood at 7,433 tonnes. Total Salable Steel produced at the Plant amounted to 10,160 tonnes consisting entirely of finished products.

MACHINE TOOLS

May Output

Description of Machine Tools Manufactured.	Quantity Nos.	Value Rs.
Lathes	207	26,24,685
Radial Drills	20	6,80,000
Drilling Machines	67	1,46,735
Shaping Machines	14	95,872
Eccentric Presses	4	74,180
Hacksaw Machines	8	29,580
Press Brake	1	46,425
Oil Fired Furnace	12	30,000
Hacksaw Machines	8	29,580
Grinding Machines	4	18,476
Milling Machine	1	14,650
"A" Press	2	2,200
Lathe Chucks	463	1,35,792
Drill Chucks	490	20,658
Regulators	746	1,14,945
Blowpipes	792	1,69,460
Total	2,834	42,45,252

US AID TO INDIA

Augmenting Power Capacity

The United States has given assistance totalling \$486.6 million (Rs 231.6 crores) for the development of India's power resources.

The foreign exchange component of US aid is in the form of dollar loans and grants by the US Techni-

cal Co-operation Mission and the US Development Loan Fund. Local currency (rupee) costs of certain projects are met by loans and grants from the sale proceeds of agricultural

commodities supplied to India under Public Law 480 and Section 402 of Public Law 665.

Eight projects with a total installed capacity of 1,197,000 kilowatts are financed in part by US loans and grants. In addition, the US Development Loan Fund has given a credit of \$10 million for the purchase of power generating equipment.

US assistance to India's power development is as follows:

Dollar grants	...	\$ 15.0 million	=	Rs 7.1 crores
Rupee grants	...	\$ 9.9 million	=	Rs 4.7 crores
Total rupee & dollar grants		\$ 24.9 million	=	Rs 11.8 crores
Dollar loans	...	\$ 147.1 million	=	Rs 70.0 crores
Rupee loans	...	\$ 314.6 million	=	Rs 149.8 crores
Total rupee & dollar loans		\$ 461.7 million	=	Rs 219.8 crores
Total of loans and grants		\$ 486.6 million	=	Rs 231.6 crores

A. Projects whose entire anticipated costs (both in foreign exchange and rupees) is met by the United States.

Thermal:	Capacity (Kwts.)	DLF loan to meet foreign exchange costs (Million \$)	Rupee loans from sale proceeds of US agricultural commodities supplied to India to cover local costs. (Crores of Rs)
1. Chandrapura Thermal Power Station (Damodar Valley) ...	250,000	30.0	20.5
2. Durgapur Thermal Power Station Extension (West Bengal State Electricity Board) ...	120,000	20.0	3.4
3. Barauni Thermal Power Station (Bihar) ...	30,000	3.8	1.3
4. Kanpur Thermal Power Station Extension ...	15,000	1.6	1.0
5. Talcher Thermal Power Station ...	250,000	33.0	8.5
6. Amlai (Birsinghpur District) Thermal Power Station ...	60,000	8.4	6.6
Total Thermal ...	725,000	96.8	41.3
Hydro-electric:			
1. Barapani Hydro-electric Power Project (Assam) ...	27,000	2.5	6.2
2. Sharavathi Project Stage II ...	445,000	21.5	17.2
Total Hydro-electric ...	472,000	24.0	23.4
Total Thermal and Hydro-electric ...	1,197,000	120.8	64.7
		(equal to Rs. 57.5 crores)	(equal to \$135.9 million)
Total cost of 8 projects entirely financed by US aid ...		\$256.7 million = Rs 122.2 crores	

B. Projects, the Partial Cost of which is met by the United States.

Name of Project	Capacity (Kilowatts)	Approximate proportion of US aid to total cost of project	TCM Grant (Million \$)	TCM or DLF loan (Million \$)	Loans and grants from the sale proceeds of US agricultural commodities supplied to India (Crores of Rupees)
Thermal:					
1. Delhi Thermal Plant Extension ...	30,000	60%	...	4.0*	...
2. Ahmedabad Electricity Company ...	30,000	...	...	3.9	...
3. Rajasthan Power Facilities ...	7,700	18%	1.0	...	...
Total Thermal ...	67,700	...	1.0	7.9	...
Hydro -electric:					
1. Rihand ...	250,000	40%	6.0	...	15.8
2. Sharavathi Stage I ...	178,000	48%	...	8.4	7.0
3. Chambal ...	92,000				
4. Hirakud ...	232,000				
5. Damodar ...	104,000				
6. Nagarjunasagar ...	187,500	15%	8.0†	...	67.0
7. Bhadra ...	33,200				(of this amount 93% is loan, 7% grants)
8. Tungabhadra ...	45,000				
9. Kundah ...	180,000				
10. Koyna ...	240,000				
Total Hydro-electric ...	1,541,700	...	14.0	8.4	89.8
Both Thermal and Hydro-electric:					
DLF loan for purchase of equipment for power development projects ...	...	...	...	10.0	...
Total Thermal and Hydro-electric ...	1,609,400	...	15.0 (Equal to Rs 7.1 crores)	26.3 (Equal to Rs 12.5 crores)	89.8 (Equal to \$188.6 million)

Total US aid to projects listed on this page

\$229.9 million = Rs 109.4 crores.

* This loan is being granted from funds of the US Technical Co-operation Mission. The other loans in this column were made by the Development Loan Fund.
† Figure includes grants made to the following other river valley development schemes also: Mahi Right Bank Canal, Kakrapar, Kosi and Mahanadi Delta Irrigation Projects which have no power potential at present.

INDEX NUMBERS OF SECURITY PRICES (1952-53=100)

Week ended	25-6-60	17-6-61	24-6-61
Government and semi-Government securities—All-India			
TOTAL	101.1	101.0	101.0
Government of India	100.9	100.9	100.9
State Governments	102.7	102.0	102.0
Municipal, Port Trust, etc.	100.0	99.7	99.7
Debentures of Joint Stock Companies—All-India			
Total	101.1	101.2	101.3
Preference shares—All-India			
Total	88.7	84.1	84.0

Variable dividend industrial securities—All-India

TOTAL	175.4	184.1	183.8
Agriculture and Allied Activities	177.5	173.5	172.6
Tea Plantation	171.9	167.5	166.9
Coffee Plantation	209.5	181.2	182.1
Rubber Plantations	181.1	174.3	174.0
Mining and Quarrying: Total	160.9	156.2	165.0
Coal	122.9	131.2	131.2
Other Mining	186.9	190.3	188.2
Processing and Manufacturing: Total	189.1	195.4	199.3
Processing & Mfg. (Food stuffs, Textiles etc. Total*)	190.5	204.5	204.5
Iron & Steel	194.2	164.6	163.1
Textiles	153.7	171.2	172.8
Other Textiles	92.7	87.2	86.8
Silk & Woollen	1124.0	1253.7	1233.6
Processing & Mfg. (Metals, Chemicals etc. Total*)	198.3	212.2	212.1
Iron & Steel	161.7	179.5	179.0
Transport Equipment	404.2	435.2	431.6
Electrical Machinery	138.8	164.7	166.3
Machinery Other than Transport and Electrical	221.7	218.7	219.4
Basic Industrial Chemicals	205.1	218.6	218.0
Processing and Mfg. (Others): Total*	168.1	160.3	159.6
Cement	146.8	144.9	143.6
Paper	233.8	207.4	207.2
Other Industries: Total*	113.3	110.9	109.9
Electricity Generation and Supply	82.7	82.2	81.8
Trading	121.1	131.9	129.1
Shipping and other Transport	113.9	100.4	99.2
Construction	335.8	290.5	292.8
Financial Total	168.7	195.9	197.4
Banks	183.7	210.0	221.2
Insurance	145.6	154.6	154.2
Investment Trusts	91.8	90.4	90.1

Variable dividend industrial securities—Regional

Bombay	180.7	193.3	192.3
Calcutta	160.8	167.2	167.8
Madras	190.6	196.7	196.6
Delhi	229.7	252.0	250.2

*Including "Miscellaneous."

*Including "Edible and Vegetable oils."

SHORT-TERM MONEY RATES

(Per cent per annum)

	24-6-60	16-6-61	23-6-61
Call Money—			
From Banks	3.50	4.38	4.31
Bombay	3.77	3.86	4.07
Calcutta	3.77	4.09	4.24
Madras	3.11	3.00	3.00
Deposits at notice of 7 days—			
Bombay	3.11	3.00	3.00
Calcutta	3.34	3.00	3.00
Madras	3.37	...	...
Fixed Deposits—			
3 Months—			
Bombay	3.50	...	3.50
Calcutta	3.47	3.47	3.33
Madras	3.50	...	3.50
6 Months—			
Bombay	3.50	3.75	3.75
Calcutta	3.10	3.73	3.70
Madras	3.26	3.00	3.75

*No Transaction.

BULLION PRICES

Week Ended	1-7-60	23-6-61	30-6-61
GOLD—			
Spot—			
Highest	110 01	122 20	122 10
Lowest	107 84	120 80	120 10
Average	109 18	121 18	121 02
1st Settlement—			
Highest	109 69	121 15	120 95
Lowest	108 05	120 10	119 85
Average	109 03	120 42	120 30
SOVEREIGN—			
Average	85 67	94 58	94 50
SILVER—			
Spot—			
Highest	185 78	204 05	203 35
Lowest	183 53	202 75	200 90
Average	184 85	203 24	201 93
1st Settlement—			
Highest	185 99	204 55	203 95
Lowest	183 69	203 25	201 85
Average	185 04	203 74	202 66

GOVERNMENT OF INDIA TREASURY BILLS

Week ended,	24-6-60	16-6-60	23-6-61
Amount offered	2.00	2.00	2.00
Amount tendered	2.02	2.00	2.00
Amount sold by tender	2.00	2.00	2.00
Of which against maturing Treasury Bills	...	...	...
Intermediate Treasury Bills sold	...	1.05	80
Total sales	2.07	3.05	2.80
Average rate of discount for auction sales	2.715	2.750	2.650
Sold in favour of Reserve Bank of India	8.48	116.32	72.40
Total amount outstanding...	1,278.97	1,120.46	1,140.66

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From	To
Belgium	Fcs. to Rs. 100	1035	1037
France	"	1037	1035
Switzerland	"	101.90	102.00
Netherlands	Guilders to Rs. 100	89.70	89.80
W. Germany	Mks. to Rs. 100	74.70	74.80
Italy	Lire to Rs. 100	128.90	128.95
Hongkong	\$ to Rs. 100	120.10	120.40
Japan	Yen to Rs. 100	755.0	754.7
U.S.A.	Ra. to \$ 100	480.00	479.75
Canada	"	479.75	480.00
"	"	470.50	470.50
"	"	468.00	468.00
"	"	468.75	468.75
"	"	468.75	468.25

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	24-6-60	16-6-60	23-6-61
Forward Contracts—			
Purchases	£ ('000)	1,365	600
Sales	Rs ('00,000)	1,82	80
Deliveries—			
Spot Transactions—			
Purchases	£ ('000)	...	...
Sales	Rs ('00,000)	2,013	1,735
Against forward contracts—			
Purchases	£ ('000)	400	525
Sales	Rs ('00,000)	53	71

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	1-7-60	23-6-61	30-6-61
3½% 1961	99 65	99 90	99 90
3½% 1962	99 90	99 95	99 95
3½% N.P.B. 1967	99 55	99 00	99 00
3½% Dev. 1970-75	99 93	91 00	91 05
3½% 1974	99 70	99 73	99 75
3½% (Con.) 1986 or later*	73 70	71 95	71 66
Yielding yield			
3½% 1961	99 65	99 90	99 90
3½% 1962	99 90	99 95	99 95
3½% N.P.B. 1967	99 55	99 00	99 00
3½% Dev. 1970-75	99 93	91 00	91 05
3½% 1974	99 70	99 73	99 75
3½% (Con.) 1986 or later*	73 70	71 95	71 66

INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS (Base: 1952-53=100)

Group and Sub-Group	10-6-60	3-6-61	13-6-61	11-6-61
Food Articles				
Cereals	118.7	118.0	117.6	180.4
Pulses	101.3	101.0	99.5	106.9
Fruits & Vegetables	190.9	90.7	87.1	88.9
Milk & Cheese	125.2	121.4	119.8	121.8
Edible oils	112.9	113.2	116.5	125.0
Fish, Eggs & Meat	163.0	161.2	160.3	138.6
Sugar & Gur	127.7	127.6	127.2	118.2
Others	122.1	119.8	121.1	187.7
Liquor and Tobacco	167.9	167.5	167.0	159.2
Tobacco	100.3	101.9	108.4	109.2
Fuel, Power, Light & Lubricants	96.8	98.5	105.4	107.6
Industrial Raw Materials	122.8	122.8	122.8	119.0
Fibres	147.1	149.1	153.7	138.8
Oilseeds	158.6	155.2	166.3	141.8
Minerals	93.8	95.2	95.2	98.2
Others	125.9	126.7	126.8	129.1
Manufactures	124.3	125.8	126.6	119.7
Intermediate Products	119.3	123.7	126.9	126.5
Finished Products	121.8	123.8	124.9	118.6
Textiles	121.9	126.2	128.2	119.6
Cotton	136.1	126.1	126.6	125.4
Jute	118.9	132.2	139.2	113.4
Woollen	110.1	110.1	110.1	110.1
Silk & Rayon	116.5	116.5	115.6	102.7
Metals	146.9	146.9	146.9	146.9
Chemicals	108.5	108.6	107.1	104.7
Oil cakes	142.8	142.8	142.7	131.0
Mchy. & Transport Equipment	112.7	112.7	112.7	111.3
Others	118.6	118.6	118.9	114.7
All Commodities	124.5	124.9	125.8	122.9

* = Estimated.

† = Revised.

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees).

	7-7-61	30-6-61	8-7-60
LIABILITIES:			
Notes in Banking Dept.	27,45.83	44,81.23	13,82.96
Notes in Circulation...	1949,26.61	1933,40.81	1850,11.27
	1976,72.44	1978,22.04	1863,94.23
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India...	...	...	...
Sterling Securities	93,00.89	103,00.89	143,00.89
Total of A	210,76.92	220,76.92	260,76.92
(B) Rupee Coin	119,02.87	120,52.47	126,77.45
Rupee Securities	1646,92.65	1636,92.65	1476,89.86
	1976,72.44	1978,22.04	1863,94.23

BANKING DEPARTMENT:

	7-7-61	30-6-61	8-7-60
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	50,00.00	40,00.00	40,00.00
National Agricultural Credit (Stabilisation) Fund	6,00.00	6,00.00	5,00.00
Deposits—			
(a) Central Govt.	54,51.08	59,68.33	69,27.13
(b) Other Govt.	8,96.33	15,18.04	14,95.81
(c) Banks	91,68.73	94,72.93	117,56.55
(d) Others	111,13.98	115,27.27	130,70.74
Bills Payable	34,37.24	31,19.31	18,24.62
Other Liabilities	10,80.93	14,23.90	9,35.30
	452,48.29	471,29.68	490,10.15
ASSETS:			
Notes	27,45.83	44,81.23	13,82.96
Rupee Coin	1,86	1,33	1,37
Subsidiary Coin	2,15	1,52	4,45
Bills Discounted:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	38,43.42	35,53.03	4,99.84
Balances held abroad*	16,54.15	10,77.62	26,67.02
Loans & adv. to Govt.	37,16.08	36,39.70	34,92.87
Other Loans & Adv.	123,78.70	130,41.24	133,92.29
Investments	183,56.09	189,49.13	256,61.28
Other Assets	35,50.01	35,94.68	19,07.67
	452,48.29	471,29.68	490,10.15

(1) The item 'Other Loans and Advances' included Rs. 6,54,00,000 advanced to scheduled banks against usance bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees).

	Week Ended		
	1-7-60	23-6-61*	30-6-61*
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	15 84.91	31,62.11	29,73.90
(ii) other demand liabilities	777,37.42	805,90.66	832,74.62
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	24,42.19	18,10.63	20,84.61
(ii) Other time liabilities...	1197,78.58	1104,68.64	1094,37.10
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities ...	9,40.50	5,08.37	4,16.64
(ii) Time Liabilities ...	97.00	5,35.00	5,13.00
Borrowings in India from the R. B. I. ...			
Cash in India ...	42,60.60	11,59.00	15,69.35
Balances with the Reserve Bank of India ...	49,24.40	47,61.92	54,56.32
Balances with other banks in current account in India	106,30.26	73,63.53	87,61.90
Money at call and short notice in India	16,82.74	16,38.61	21,72.00
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	25,19.68	53,44.16	50,85.24
Advances in India	745,00.13	545,38.55	549,01.44
Island Bills: Purchased and Discounted in India ...	980,18.69	1096,49.31	1110,63.52
Foreign Bills Purchased and Discounted in India ...	107,87.12	132,35.37	121,62.11
	41,62.30	45,88.66	43,70.32

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Managing Director.

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THE CENTRAL BANK OF INDIA LIMITED

(Established—December, 1911).

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

Authorized Capital ..	Rs. 6,30,00,000
Subscribed Capital ..	Rs. 5,77,50,000
Paid-up Capital ..	Rs. 3,15,00,000
Reserve Fund & Other Reserves ..	Rs. 4,15,70,722
Deposits as at 31-12-60 ..	Rs. 2,00,07,37,976

DIRECTORS:

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Osbert Hornumji Bhabha, Esq.	H.E. Sir Jivajirao Madhavrao
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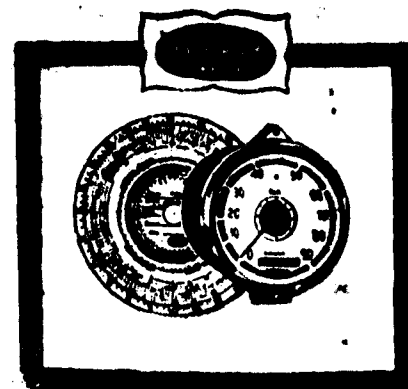
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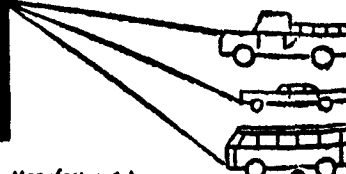
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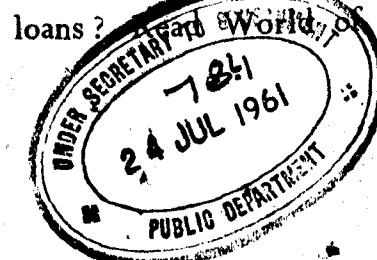
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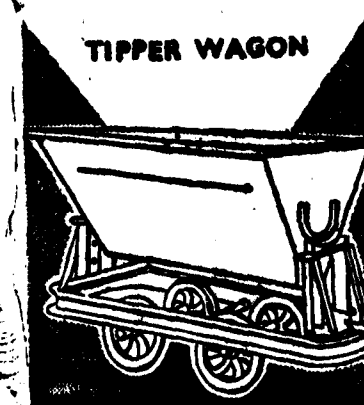
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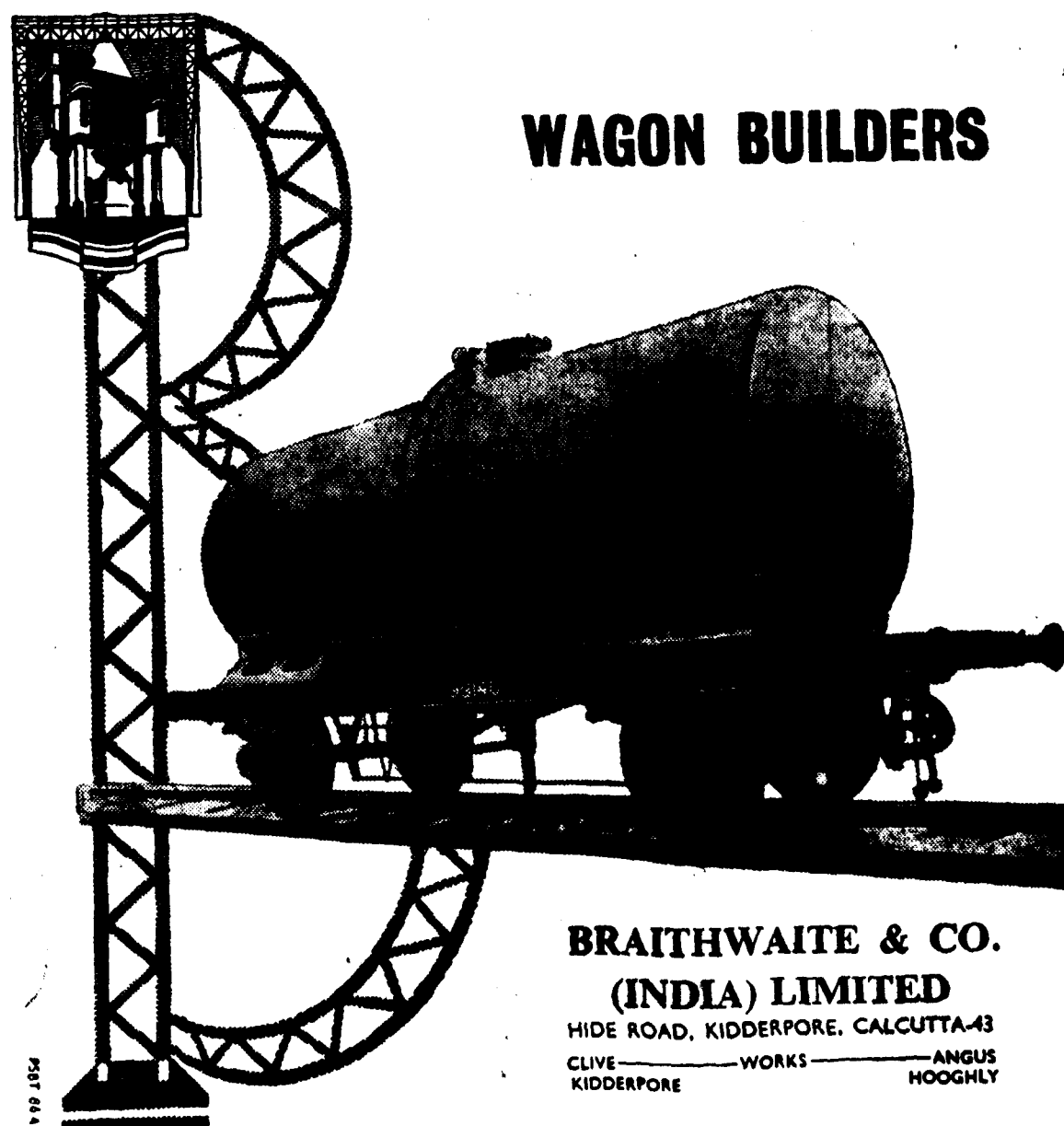
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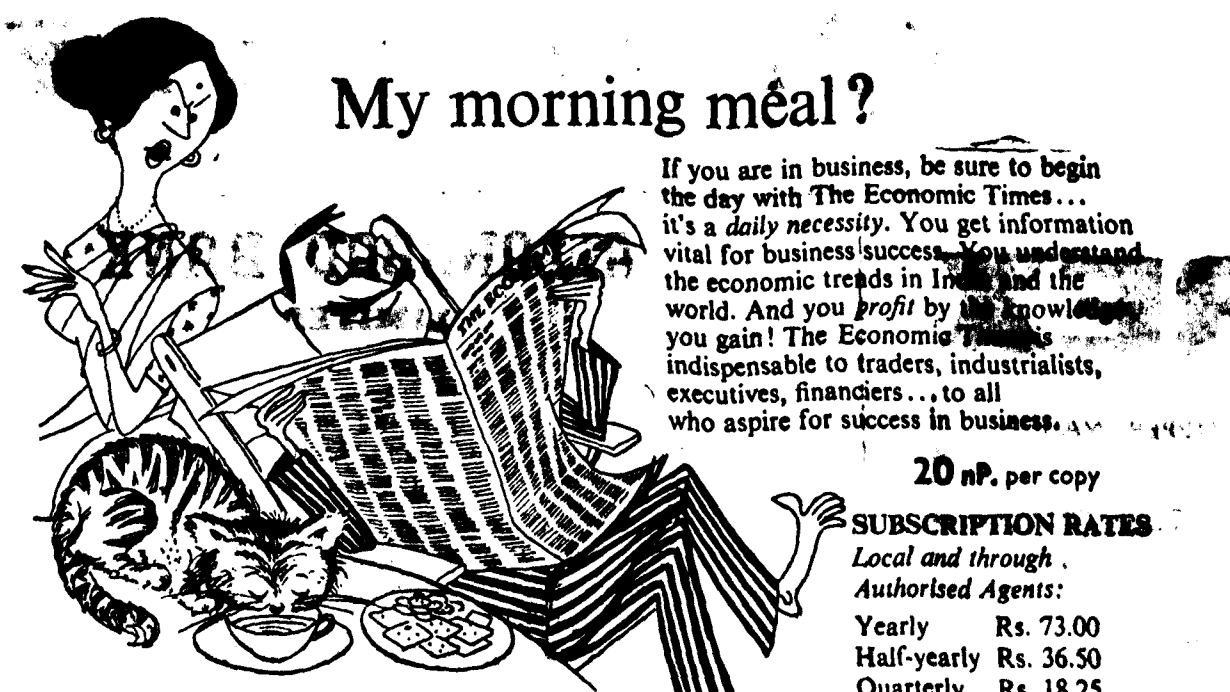
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Foreign Exchange and Export Prospects

AS anticipated by Indian Finance, we have had no alternative to approaching the International Monetary Fund for purchase of currencies in order that we may bolster our dwindling foreign exchange reserves. It was last week officially announced that the IMF had agreed to sell India \$250 million of currencies on 1 August 1961. The foreign assets held by the Reserve Bank, in consequence, may be expected to exceed at that date a level of Rs 200 crores. But quite clearly this is a short-term measure for tiding over our payments problems. The anticipation of course is that we shall soon begin to receive the assistance that we have already been promised for the first two years of the Plan. But it would be wise to recognise that even foreign assistance, such as has been vouchsafed to us, is not really going to solve the payments dilemma.

Our difficulty does not really relate to payments for import of capital and developmental goods. Negotiations over foreign aid have consistently sought to cover the foreign exchange component of plan projects. But maintenance imports, by which are mainly meant industrial raw materials, need to be paid for, and their costs can be met only from trade earnings, since foreign loans generally tend to be "tied" to specific projects. Unfortunately, in the field of exports the progress that has been achieved is niggardly; even the target that has been set is far too low. Hence, of late, in the recognition of the need for finding the resources to pay for maintenance imports, discussion on foreign exchange has taken the form of persuading our foreign friends that "untied" loans are as necessary for putting through planned endeavours. By all accounts, some small success has been achieved in such cajoling.

We cannot reduce the tempo of imports, whether they relate to maintenance or to development; we cannot long depend upon "free" foreign loans that could be diverted to pay for maintenance goods. It follows that more energetically than in the past we have to concentrate on enlarging export earnings.

The prospect of the United Kingdom joining the European Common Market serves as it is to affect Indian exports; it is therefore more than ever before necessary that we pay attention to quality, to standards and to performance, not to speak of propaganda and publicity, in our export programmes. It is not too late to start, if our aim is so to augment exchange earnings as to be in a position from our trade surplus to meet the cost of a higher bill for maintenance imports. The question is, where are we going to start? And what are the commodities or articles whose export we must seek to step up, and considerably as that?

One of India's most important exchange earnings, tea, suffers from inadequate publicity. America, a market in which our tea appeared to get a cup-hold, has practically been lost to us, and Ceylon rules supreme. In the UK, too, there appears to be a perceptible gain in the popularity of Ceylonese teas, at the expense of Indian teas. In the Middle East alone, we appear to have lost little ground. Lack of the right kind of propa-

ganda is perhaps partly responsible, and in the matter of quality, some tea chests are said to leave much to be desired. While, at the moment, we have not quite completely been priced out by East Africa in plain teas, the fact remains that in the long-term we shall mainly be exporters of quality teas; and to sell them at good prices, in increasing quantities, attention has to be paid to packaging, tea chests and publicity.

Secondly, it is surprising that the offtake of jute goods has not kept pace with the rise in world industrial or agricultural production. Hessian or sacking is no longer the tried and true packaging material: but, if competitors are able to get the packaging "rights" for the new manufactures, or if, in agriculture, there is increasing resort to bulk handling, it is because the fluctuations, in recent years, have been so wide in the prices of jute goods. Off and on, we have had schemes for ensuring stability in the jute goods market—but to our knowledge few, if any, have materialised. Here, too, more enterprising research and propaganda as to the uses that jute goods can be put to will pay off—in dollars and marks, pounds sterling and yen.

We concede that, on the whole, our textile manufacturers are export minded—on counts of quality and performance they have fared exceedingly well. We admit that a little windfall may happen our way, if the much-talked about sugar exports to the USA should in fact be effected. We grant that new products, especially small engineering goods, are making appreciable headway. And we allow that, conceivably, we may figure as an exporter of pig iron or steel. But how is it that we have not set about exporting iron ore in a really big way? Japan and some of the east European countries, are presently customers for iron ore. With the world's rapid industrialisation, the demand for iron ore, particularly for the high quality that we have in such rich abundance, is almost incalculable—potentially. With but little expense, and ensuring simultaneously a labour-intensive enterprise, we could meet the full cost of maintenance imports, if only we shook off the inertia that Government apparently suffers from whenever it considers iron ore exports. Although India is a developing country, for some years yet it will have to depend upon primary products for exchange earnings. If this simple lesson is borne in mind, the how of enlarging our exports suggests itself.

Our record thus far with the International Monetary Fund is above reproach; on each occasion when we had purchased currencies, we have effected repurchase of rupees before the stipulated date. Indeed, it would appear that, in the last week of June, we completed repurchase of rupees, relating to a moiety of the currency purchase transaction of 1957; we could scarcely draw on the foreign assets held by the Reserve Bank; therefore, Government's trading balances outside the country have been utilised, in a sum of around Rs 30 crores. It may be noted that the commitment to repurchase rupees for \$250 million (the assistance we are now obtaining from the IMF) would fall before August 1966, or around the beginning of the Fourth Plan period.

Future of Commonwealth

IN the recent discussion in India and elsewhere regarding Britain's proposal to join the European Common Market, the view was expressed that this might ultimately result in the break-up of the Commonwealth. It is of course not possible to form a definite opinion at this stage. But it will be worthwhile to consider to what extent the Commonwealth has been playing a useful role in the economic development of its members.

It may be mentioned at the outset that the Commonwealth is a loose organisation of several countries belonging to different regions and races. It has no written constitution and its affairs are regulated by customs and conventions. The members of the Commonwealth are the UK, Canada, Australia, India, Pakistan, Ceylon, Ghana, British East Africa, Malaya, New Zealand, Nigeria, Rhodesia and Nyasaland, West Indies, Aden, Hong Kong and Borneo. There are also a few minor territories like British Guiana, Mauritius and Sierra Leone.

From the political point of view, the Commonwealth has played an important part in promoting peace and in preserving democratic institutions although in some countries (like Pakistan) democracy for the time being is not much in evidence. Relations between some Commonwealth countries (as for example between India and Pakistan) have been rather strained, and recently one member namely South Africa had to quit for pursuing a policy of racialism. But in spite of its being a loose organisation and the lack of political homogeneity among some member-countries, the Commonwealth has exerted a powerful influence in world policies. The periodical meetings of the Commonwealth Prime Ministers and the practice of mutual consultation on major issues have been of great value to its members. The Queen's recent visit to many Commonwealth countries has also helped to strengthen the organisation.

From the economic angle also membership of the Commonwealth has been of great benefit to the countries concerned. There has been a considerable amount of cooperation among the Commonwealth countries in aiding one another in promoting economic development. Thus India has been receiving capital and technical assistance from the UK, Canada and Australia. Moreover, the preferences that Commonwealth countries enjoy in the British market have been of great value. The importance of the Commonwealth from the trading point of view has been well summed up in the following paragraph from a study issued by the Intelligence Unit of the Economist: "The Commonwealth is the world's largest preferential trading organisation. Its exports including those of the UK are now of the order of £8,000 million annually. Its imports which considerably exceed £10,000 million, approach 80 per cent of world imports. The Commonwealth's share in the trade of primary produce and exports is still larger. If the imports and exports of the true industrial powers—the European twelve, the USA and Japan—are excluded from world trade, Commonwealth countries provide between 40 and 45 per cent of the remainder, both exports and imports."

So far as preferences are concerned, it should be noted that there is a great deal of imbalance. For instance, Ghana, Kenya,

Uganda and Tanganyika, Nigeria and Aden give no preference to Britain but receive preference on over 70 per cent of their exports to the UK. Countries like India, Pakistan and Malaya and Singapore give very limited preference, but receive it in a substantial measure from Britain.

So far as India is concerned, its major exports like tea, textiles, jute goods, vegetable oils, shellac etc., enter the UK duty-free. It is feared that in the absence of adequate and effective safeguards, Indian exports may be affected adversely by the UK joining the Common Market. The tariff of the Common Market is quite high—18 to 23 per cent for tea, 23 per cent for Jute, 17 to 19 per cent for cotton textiles, 23 per cent for coir carpets and matting, 32 per cent for woollen carpets, 30 per cent for tobacco and 8 per cent for castor oil. Most of these are in the category of traditional items, which are the mainstay of our foreign exchange earnings. It is obvious that even a small decline in the export of these items will result in a great fall in earnings.

Most other countries of the Commonwealth like Canada, Australia, Ceylon New Zealand and Ghana have also forcefully expressed themselves against a precipitate decision by the UK, without providing for suitable safeguards, and the UK cannot afford to ignore their points of view. At the same time, the UK also cannot remain aloof from the European Common Market for an indefinite period. It is recognised generally that both from the political and economic angles, the UK's entry into the Common Market will be of considerable advantage to Britain as well as to Europe. But since the UK is the keystone of the Commonwealth, caution is necessary before it takes the final decision. The countries of the Commonwealth do appreciate the delicate position of the UK and with goodwill on all sides it should not be difficult to arrive at a mutually satisfactory solution. Britain has done well in sending its senior ministers to the Commonwealth capitals to explain its point of view. Perhaps, it will now be worth while to follow these talks by a full-fledged Commonwealth Conference. In any case, it is very important to ensure that nothing is done which will result in the break-up of this unique family of nations.

LATIN AMERICA Restoring Confidence

SENDING Mr Adlai Stevenson out to South America was an action dictated by the fiasco in Cuba. The USA had to explain and to even excuse itself. The sympathy shown for Cuba in parts of Latin America was one reason for the mission. The other was to survey the opportunities for aid even while economic unity as envisaged by the treaty of Montevideo signed last year was taking shape. The problem of Latin America is mostly one of foreign exchange shortage. It is not peculiar or temporary and to give food grains on special terms under PL 480 to importing nations is not a complete or final solution. There is not much competition in aid at present, and any observer will conclude that political instability hampers development whether it is in Haiti or Paraguay. The major problem for Chile is to keep the US market for copper and obtain maximum prices possible. For Brazil, it is rapid industrialisation so that dependence on coffee exports can end. There is frustra-

tion over inflation in Venezuela as well as Argentina where the civilian regime has to deal with labour problems. The economic revolution except in Brazil has been arrested and that is the issue facing the USA which desires to exclude the Communist Bloc still in the name of the Monroe doctrine. The doctrine was meant to exclude royalism in the last century. It has been extended and used to alter regimes and acquire bases abroad. The rethinking now in evidence is due to the repudiation of US influence by Cuba as well as the mistrust of Latin American liberals.

Under-population is not a handicap except in Brazil and the USA cannot encourage emigration when Latin Americans like Mexicans enter the USA eagerly as the land of unlimited opportunity. The lack of skill that affords a contrast between Canada and Mexico is one reason for economic difficulties that cannot be cured all at once or quickly. But the ideal of equality is a new force for Latin America and concession-hunting is ruled out for the USA. Latin America has long ceased to be a colony. Its economic independence must be affirmed in positive terms and made known to Europe. The absence of a middle class is an obstacle, so is the lack of domestic saving and capital. The dictatorship endemic for a century has made investment risky. And it is now Latin America's turn to promote confidence. Argentina and Brazil have to secure money from abroad for new major enterprises without mortgaging the future. Underdevelopment can be dealt with only by industrial growth and the USA has not so far been interested except in oil. International agencies are helping to put in roads and improve ports, but there is a lack of communications. A cut-back in defence outlay will help. Cruisers and aircraft are a luxury that the ten republics cannot afford just now. And only recently has it been realised that a keen political life can be the enemy of good, honest administration in Brazil or Peru. A new faith in economic planning, as in Chile, for example, is burgeoning though natural disasters have held up progress. There is an Indian problem in the American republics, and an immigrant problem in Argentina. But there is happily no colour problem, below the Equator and the Church has helped to root out racial prejudice.

It is to be seen if South America will attract capital as South Africa did in the last century. There can be no dream of empire, and the hope of big, sudden profits must be carefully restrained. That is why the US Government, rather than free enterprise, is taken to be the instrument of economic progress in future. There is a load of debt, and imports cannot be paid for by exports on the usual scale. The USA must accept meat, wool or minerals. But there is a tariff wall to be scaled. Latin America's needs underline the need for a liberal economic policy for the USA more than others. The Democrats in Washington believe in an alliance for progress. But Latin America must remodel tax systems and improve education, looking less to Europe and more to the USA hereafter. The readiness to imitate Puerto Rico in its transformation must also come, if Latin America is to achieve its object of economic independence. Remedial measures like land reform are inescapable and even confiscation may not be a catastrophe, if there is a fair distribution of income and property.

For India, there are some lessons from Latin American history apart from keeping the Army out of politics for good. The control of a growing bureaucracy is one. There is also a need to avoid temptation to buy

out foreign enterprise for mere reasons of prestige. There is further the paramount need to maintain essential imports in the face of domestic inflation. And there is again the over-riding need to step up exports, particularly, to the USA. The need for social justice under conditions of economic growth so as to brake the Communist advance is common to India as well as Latin America and it is agreed that a self-supporting continent alone will help to meet the challenges of Mr Khrushchev.

Absorption in current domestic problems marks off Latin America like India. Latin America, unlike India or Burma, is not embarrassed by a powerful and designing neighbour. The USA has no ambitions except to do good, and it has probably had, through the recent Cuban mis-adventure, a lesson about the limits of well-meant intervention. The real need today, as Mr Stevenson has sensed already, is to give aid liberally without strings and to excite no passions. There is no need for military alliances, and the dramatic end of Trujillo has eliminated the odd man out in Latin American politics. There may be other areas for ICA's work but there is little doubt that Latin America comes first for Americans who have to repel Cuban charges about Gringo imperialism. The success in an alien country like Japan may stimulate US policy which must, however, see that military aims are less important than convincing the people of these regions that the USA is not out for power or profit. The Republicans, in spite of Dr Milton Eisenhower's report, missed the opportunity to assist South America quickly and gracefully. Mr Kennedy has to do the work in his own way, accepting the rule that the Latin Americans know their problems best, and it is rash to think of them merely as poor relations who have no views of their own. The contacts with Europe have gradually diminished over a century and neither Spanish nor Portuguese political forms and methods hold any appeal for the South Americans who have accepted both Presidential rule and federation as part of the republican tradition brought from Philadelphia.

PETROLEUM PRODUCTS Import Bill

IMPORTS of crude petroleum and petroleum products will cost over Rs 500 crores in foreign exchange during the Third Plan period, according to the revised estimates made by the Planning Commission. This estimate is based on projections of demand for petroleum products over the next five years, and takes into account additional production from the two State-owned refineries which will draw their entire requirements of crude from Naharkatiya.

The total demand for petroleum products was estimated in the Third Plan Draft Outline at 9,960,000 tons by 1966. The Oil Advisory Committee has estimated, on the basis of figures supplied by Oil Companies, that the demand will be about 9,655,000 tons. In view of the rising trend of consumption, the Planning Commission is of the view that a larger margin should be allowed in the estimates and has arrived at a figure of 10,619,000 for the last year of the Third Plan period.

Between 1948 and 1958, aggregate demand for petroleum products has been growing at an annual average rate of 10.5 per cent. The consumption of High Speed Diesel Oil has increased at a rate of 30 per cent, Kerosine and Fuel Oil at 11 per cent, Motor Spirit at 5 per cent and Bitumen 19 per cent. The

total consumption of petroleum products in 1959 was round about 6.7 million tons of which about half was accounted for by High Speed Diesel Oil and Kerosine. It is not expected that rural electrification will make any appreciable difference to the total consumption of Kerosine, for what is saved in lighting will be balanced by increasing use of Kerosine in the kitchen. Dieselisation of transport, which is responsible for the spurt in the demand for HSD, is assumed to have passed the peak; a slowing down of the rate of increase of consumption has been noted in recent years. The increase in 1959 was about 16 per cent as against 27 per cent in the preceding two years.

The revised estimates of the demand for the different products have been worked out on the basis of increase in consumption of Kerosine at 5 per cent, HSD 15 per cent, Light Diesel Oil 6 per cent, Bitumen 10 per cent and Lubricants 8 per cent. As indigenous production of Motor Spirit is in excess of requirements, it can be left out of the import estimates. The consumption of Motor Spirit is expected to increase by 4 per cent in the first three years of the Plan and by five to six per cent in the remaining two. The switchover to jet plans by international airlines has altered the pattern of demand for aviation fuel. The demand for Aviation Spirit, Air Turbine Fuel and Jet Fuel is estimated at 65,000 tons, 128,000 tons and 130,000 tons respectively.

The aggregate capacity of the refineries in the private sector is 5.3 million tons and their requirements of crude oil are met by import of five million tons together with indigenous production of 0.3 million tons. The Nummati refinery is expected to go on stream in 1961-62 with a throughput of 0.4 million tons which will be raised to 0.75 million tons in the following year. The Barauni Refinery will be commissioned by the end of 1962 with initial capacity of one million tons which will be raised to two million tons by the middle of 1963. The total capacity of all the refineries is expected to rise from 5.3 million tons at the start of the Plan to 8.05 million tons by 1964-65, and the estimated output to 8.02 million tons of which 0.45 million tons of petroleum products from 5.07 million tons of Motor Spirit will be surplus to our requirements. On the basis of the estimates of demand, it will be necessary to provide for import of petroleum products as shown below for each year of the Plan period.

	Quantity	Value*
1961-62	..	2.35 56
1962-63	..	2.59 62
1963-64	..	2.44 59
1964-65	..	2.33 57
1965-66	..	3.02 72
Total		Rs. 306

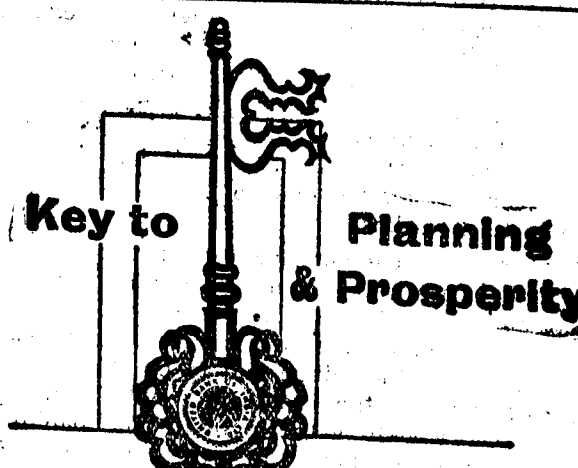
(§=million tons), (*=Rupees crores)

The foreign exchange required for import of crude oil for the five years is estimated at Rs 200 crores. In making these estimates production from additional refineries that may be set up or from reserves other than those at Naharkatiya have not been taken into account. If reserves are proved and it is found possible to start production in other oil fields, the import of crude petroleum may be reduced. But additional refineries are not expected to have any appreciable impact on the supplies of petroleum products during the Third Plan period. Government policy in regard to new refineries is that these should be established in the public sector. But the Government will be prepared to consider schemes of collaboration if the parties are

prepared to accept minority participation in share capital.

The scope for variation in the estimates of requirements given above is limited. Economy in imports depends on the possibility of varying the pattern of production of refineries to bring it more in line with the pattern of consumption and the expediency of adopting fiscal measures to change the pattern of demand to achieve better balance with production.

The estimates of requirements for petroleum products at 9,655,000 tons, may be seen to err on the low side as compared with the estimates made earlier by the Oil Advisory Committee at 14 million tons, excluding the quantum which the oil refineries would require for their internal use. In many of his public utterances regarding oil consumption during the Third Plan, Mr K. D. Malaviya has also given the impression of the Government fashioning its Third Plan oil policy on the assumption of total demand for petroleum products rising to 14 million tons. How there has happened a pruning of estimates of requirements is not known. It is also to be noted that corresponding to the reduced estimates of requirements, the estimates of installed capacity that would be available by the end of the Third Plan also show a significant shortfall as compared with earlier projections. While originally it was expected that by the end of the Third Plan, the capacity of refineries in the public sector would reach a level of nearly 5.75 million tons, the latest estimates take credit for only 2.75 million tons. Evidently, the projected refinery in Gujarat which was intended to be set up with a capacity of nearly 3 million tons has been left out of reckoning in calculating availability of total capacity in the public sector.



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NEW LOANS

Hint of Dearer Money to Come?

IS it the Reserve Bank or the Government which is in favour of dear money? For, the terms of the two new loans, comprising the second tranche of the Centre's borrowing programme during the current fiscal year, are so markedly out of line with prevailing gilt-edged prices, that in their framing can be discerned an overt attempt to set a pattern of higher gilt-edged yields. Does this presage a decision by Government (or the Reserve Bank) to increase bank Rate at some time in the future?

We cannot for our part hide our disappointment at the evidence of borrowing from inordinate weakness. The 4 per cent 1980 has been quoting remarkably steady at Rs 99.90; and now a 4 per cent 1981 is issued—with the issue price a full Rs 1.40 lower at Rs 98.50. Again, the 3½ per cent 1969 is quoting at Rs 98.65, but the re-issue of the loan is to be at Rs 98.40. With the amount sought at Rs 100 crores (Government reserves the right to hold on to 10 per cent more if there are excess subscriptions), and on the assumption that subscriptions to each of the two loans are more or less the same, at Rs 55 crores, the loss to Central coffers is quite considerable: 25 nP per cent on Rs 55 crores and Rs 1.40 per cent on another Rs 55 crores add up to over Rs 90 lakhs.

Surely, the current slackness in the money market, with call money declining even in Bombay to 2½-2¼ per cent, does not suggest that, in order for the new loan to be a success, the terms to the public had to be made more attractive: on the contrary, with surplus resources weekly gathering with the banking system, we now have the process (rather, we had the process) of a hardening of gilt-edged prices. Precisely at such a juncture, the new loans are announced, and whether so intended or not, the result is going to be a general marking down of values.

Depreciation in gilt-edged prices costs doubly dear: banks may be compelled to draw on inner reserves, in order that their portfolios may be shown at or below market value; and the seepage in confidence resulting therefrom reduces the appetite for gilt-edged.

We wonder whether the issue prices, originally planned to be higher, were not on the eve of the announcement revised downward. For, for some weeks prior to the new loan announcement, the Reserve Bank was active in the market, and it was consistently putting up tap rates. It is inconceivable that the central banking institution, with full foreknowledge of issue prices lower than quoted rates, would nevertheless have persisted with sales of gilt-edged at steadily higher prices; that would have been breach of faith. It is just possible that, when we approached the International Monetary Fund for purchase of currencies for \$250 million, we were advised that money rates within the country were too low, and therefore it could have been a

political, and not economic, reason for the issue prices being pitched so low.

Hence the possibility that the terms of the two new loans were framed by Reserve Bank but revised by Government: and the intention was not so much to make the new loans thereby more attractive to institutional investors but to persuade our foreign friends that our money rates were being brought to levels that in their view were more desirable.

If there is some substance in our conjecture, the deliberate depressing of gilt-edged values is what we are being called upon to bear in order that we may avoid a de jure increase in bank Rate. Possibly, not great harm will ensue. There is always the possibility that institutional investors, laying greater store by the current and prospective easiness in the money market, will gobble up the new loans, pocket the profit—and then proceed to wait gleefully for further windfalls. For, except with a de jure raising of bank Rate, it is unlikely that any steps to put up the general structure of interest rates will succeed.

While on the subject of success, will the new loans be one? The amount sought is a maximum of Rs 110 crores. The Hyderabad loan and the 2½ per cent 1961 are both eligible for conversion. It may be recalled that conversion facilities in advance were offered for these two loans on the occasion of the first tranche of Government's borrowing programme. At the time, total outstandings of three loans, eligible for conversion into 3½ per cent 1957, were placed at around Rs 139 crores; and total subscriptions were of the order of Rs 93 crores. We have no knowledge of cash payments made to holders of 3½ per cent 1961 who did not opt to convert; but obviously the maximum of conversion applications for the 3½ per cent 1969 and the 4 per cent 1981 is around Rs 46 crores. Conjecture alone is now possible, and we would place conversion of the two maturing loans into the two new loans offered at, say, Rs 30 crores. It follows that Government hopes to secure not less than Rs 70 crores, and may be as much as Rs 80 crores, in the form of cash applications.

Can the gilt-edged market, in present conditions, support a cash loan to the tune of Rs 80 crores? The State Bank can be expected to put in anything between Rs 10 crores and Rs 25 crores—its portfolio of Other Assets, at Rs 37 crores or so, could spare Rs 15-20 crores, and Rs 5-10 crores could be drawn from cash balances. Hearsay is that the Life Insurance Corporation has earmarked another Rs 25 crores for the 4 per cent 1981. Remnant institutional investors are thus called upon to extend support for around Rs 30 crores—a by no means impossible undertaking.

The limiting factor is that it is an eight-year loan and a twenty-year loan that are being offered. Banks can get what they want of 3½ per cent 1967 from the Reserve Bank tap, so why should they bother about the medium-dated now being made available as a re-issue? Provident Funds, the LIC and other investors may be attracted by the 4 per cent 1981; but, save for the LIC, why should they bother about a twenty-year loan with a four per cent coupon, when they can now confidently expect the States to make an even more attractive offer?

MONEY MARKET

Snippets

THAT the peak of the 1960-61 busy season was touched in March is suggested by data relating to cheque clearances. Cheques passing through clearing houses managed by the Reserve Bank amounted to Rs 1,011 crores, and at other centres (managed by State Bank of India, State Bank of Hyderabad and Sangli Bank) to Rs 201 crores. The relative figures declined to Rs 944 crores and appreciated to Rs 212 crores respectively.

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Outstandings of Small Savings rose in March 1961 by nearly Rs 23 crores to Rs 770.80 crores; net collections in the fiscal year 1960-61 have amounted to Rs 97.31 crores as against Rs 82.91 crores in 1959-60. This total excludes Prize Bonds, outstandings of which at the end of February 1961 were placed at Rs 13.81 crores.

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The yield (tax-free) on the 3 per cent 1986 was placed at 2.85 per cent in April; the average tax-free yield on 3½ per cent 1962, 3½ per cent 1967, 3 per cent 1970-75 and 4 per cent 1979 worked out to 2.67 per cent. The tax-free yield on debentures declined fractionally to 4.15 per cent, while the return on Preference shares went up slightly from 5.32 per cent to 5.40 per cent. The tax-free yield on variable dividend industrials also fell fractionally from 4.71 per cent to 4.70 per cent, which level is still somewhat higher than the 4.62 per cent registered in August 1960.

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In the week ended 8 July, the index number of security prices (base year: 1952-53) was unchanged at 101.0 for Government and semi-Government securities; at 101.3 Debentures were also unchanged; the index declined slightly from 83.6 to 83.2 for Preference shares; and rose from 183.2 to 183.8 for variable dividend industrial securities.

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The index number of wholesale prices for all commodities (base year: 1952-53) moved up to 126.9 in the week ended 24 June from 126.0.

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As a consequence of the Canadian dollar devaluation decision, the exchange rate fell from Rs 472.50 per \$100 Canadian on 26 June, and further on the next day to Rs 468 before recovering partially on 29 June to Rs 468.25. Subsequently the rate declined to Rs 466.50 on 8 July, but recovered to Rs 467.00 on 14 July.

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The last paragraph in the Review of Financial and Economic Conditions, as contained in the Reserve Bank of India Bulletin, analyses trends in industrial production. The June issue of the Bulletin, just to hand, remarks herein that production was more or less unchanged in January; but the relevant table of the index of Industrial Production published in the statistics section of the Bulletin, contains full data for February and reveals a sharp drop.

22 July 1961

Therefore, it appears as though, as in previous years, the Reserve Bank will have to take up the bulk of the new loans—though in due course it may hope to pass on holdings to the banking system. But, so long as the Reserve Bank succeeds, in the rest of the current slack season, in substantial sales of 3½ per cent 1967 through the tap, Government's borrowing programme need not be termed a failure technically.

So, as usual, the borrowing programme is going to be a success, thanks to the Reserve Bank; institutional investors are being given a windfall which in the aggregate will exceed Rs 90 lakhs; States' new loans will perforce have terms and conditions which favour the investor even more; and by the show of attempting to usher in an element of dear money, our foreign friends will have been satisfied. All entities will have little cause to complain—except the investors who have recently bought 3½ per cent 1969 and 4 per cent 1979 or 1980 from the Reserve Bank tap.

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BANK RETURNS

Sharp Impress of Slack Season

The latest banking statements bear the sharp impress of the 1961 slack season, notwithstanding the fact that the return of Scheduled Banks relates to the first week of a month.

According to the returns of the Reserve Bank for 14 July, Active Note Circulation has fallen by Rs 11.28 crores to Rs 1,937.98 crores, and there has been inflow of Rupee Coin for Rs 1.06 crores. Foreign Securities are unchanged at Rs 93.01 crores, and currency has been contracted against Rupee Securities for Rs 20 crores by transfer to the Banking Department; Rupee Securities are now placed at Rs 1,626.98 crores. In the result, the Reserve Bank's cash in the till has dropped from Rs 27.46 crores to Rs 19.85 crores.

Reserve Balances of member banks have improved by Rs 4.39 crores, only part of which being ascribable to the State Bank, to a level of Rs 96.08 crores. Moreover, it would appear that borrowings of Scheduled Banks from the Reserve Bank have fallen to a nominal figure, the latter's portfolio of Other Loans and Advances dropping by Rs 6.27 crores to Rs 117.52 crores. Outstandings against usance bills are shown substantially lower at Rs 3.42 crores as compared with Rs 6.54 crores in the previous week's returns.

There has, however, been recourse to deficit financing by the Centre. Investments are higher by Rs 30 crores (in round figures) at Rs 213.45 crores, whereas the transfer from the Issue Department was for Rs 20 crores. But the deficit financing is seen to be a countervailing operation, in that, during the week, Rs 10 crores of Treasury Bills purchased and discounted by the Reserve Bank have apparently matured. Nevertheless, the Centre's cash position is somewhat strained, its balances declining by Rs 4.68 crores to Rs 49.83 crores. On the other hand, the States report a rise in Deposits by Rs 4.41 crores to Rs 13.37 crores, but this is balanced by the rise of Rs 4.57 crores to Rs 41.73 crores in their ways and means borrowings from the Reserve Bank.

Once again there has been a drain on the foreign assets held by the Reserve Bank. Balances Held Abroad have dropped by Rs 6.65 crores to Rs 9.89 crores, and the foreign reserves shown in the Reserve Bank returns,

at Rs 102.90 crores, are barely above the Rs 100 crore mark. Thus, it is not a mite too early that purchase of currencies is being effected (on 1 August) in an amount of \$250 million from the International Monetary Fund.

The State Bank's return for 14 July shows that Deposits are slightly higher by Rs 0.51 crores at Rs 532.35 crores, and that Advances have contracted by Rs 1.82 crores to Rs 259.67 crores. There is a small addition of Rs 2 crores to the gilt-edged portfolio, raising it to Rs 225.54 crores. Perhaps for this purpose Other Assets are lower by Rs 3.48 crores at Rs 37.75 crores—still a high level. It is possible that the State Bank is "saving up" for subscription to the second tranche of Government's borrowing programme for 1961-62. Cash in hand and with Reserve Bank is higher by just under Rs 4 crores at Rs 24.68 crores.

The return of Scheduled Banks shows that the seasonal return of funds has more than offset the rise in the demand for money owing to month-early disbursements. Thus, Deposits have not been drawn on, though there has been a switch from Demand to Time; and the total of Advances has contracted. Net Demand Deposits (exclusive of inter-bank borrowings) are lower by Rs 5.39 crores at Rs 827.36 crores, and net Time Deposits higher by Rs 5.05 crores at Rs 1,099.94 crores. The total of Advances is lower by Rs 3.62 crores at Rs 1,267.94 crores. Borrowings from the Reserve Bank have been repaid to the tune of Rs 6.15 crores and are now placed at Rs 9.44 crores, though indebtedness to the State Bank has somewhat risen from Rs 9.30 crores to Rs 11.78 crores. The fall of Rs 1½ crores in the gilt-edged portfolio is wholly on account of the State Bank.

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Bank Profit

"The net profit of the Indian Overseas Bank Ltd., for the half year ended 30th June 1961, subject to audit, including the sum of Rs 1,92,434.52 brought forward from the last year's account, amounts to Rs 19,97,365.95".

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The Common Market Commonwealth Deadlock

By Paul Einzig

THE outlook for finding a formula that is likely to be acceptable both to the Governments of the Common Market and those of

the Commonwealth as a basis on which Britain would adhere to the Common Market seems to be anything but promising. The negotiations conducted by the three British Cabinet Ministers sent out to visit the Commonwealth countries disclosed in most countries an uncompromising attitude. Evidently Commonwealth Governments are primarily concerned with the immediate adverse effect on their exports of any conceivable arrangement acceptable to the Common Market. They showed little inclination to submit to such disadvantages in return for the vague and distant indirect benefits they may derive through any direct benefits that might be gained by Britain from an increase of its export to the European Continent.

As far as has been possible to ascertain, however, the attitude of Commonwealth countries has been purely negative. While firmly objecting to being victimised, they showed no inclination to do anything to make it worth while for Britain to sacrifice the advantages to be derived from joining the Common Market. During the recent years the system of Commonwealth preference appears to have worked increasingly in a unilateral sense. The relative advantages derived from it by the United Kingdom have been declining. This trend must be reversed in order to make the British public realise that it is to their interest to oppose joining the Common Market on terms unacceptable to the Commonwealth. It is true, even, in the absence of material advantages there is a strong case in favour of preventing at almost any cost a disintegration of the Commonwealth. The psychological appeal of the Commonwealth idea has been very largely supplanted, however, by the psychological appeal of Western European unity. Added to this is the feeling that even though at present British trade with the Commonwealth is several times larger than British trade with the Common Market the latter is capable of a spectacular expansion that would considerably more than compensate for a decline of the former.

It is up to the Commonwealth countries to counteract this impression which, if it should gain popularity, give rise to irresistible pressure to force the Government in favour of joining the Common Market. There is a great deal each Commonwealth country could do to make British opinion realise that the maintenance of existing relationship with the Commonwealth is worth sacrifices. In recent years other countries have been gaining ground in Commonwealth trade to a much larger extent than Britain. To some extent this was inevitable because of competitive prices and delivery dates. It is to the interest of Commonwealth countries, however, to stretch the point to the utmost limit to ensure that Britain's position in their trade is maintained and expanded.

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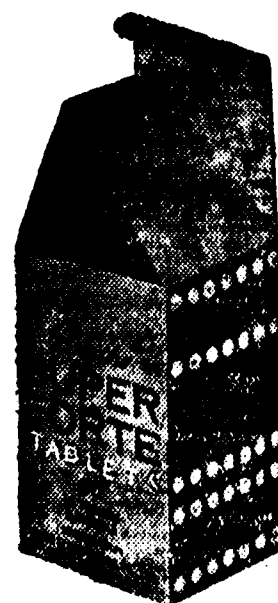
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Notes

RAW MATERIALS

Planned Purchases

Mr C. D. Deshmukh in an address at Bombay on 16 July, referred to the importance of careful and regulated purchases of raw materials in order to keep down prices and limit consumption. Since very large outlays under the Third Plan are contemplated, economy must be the watchword and something like wartime practice, as regards purchase of materials and machinery, must inevitably be adopted. It has been suggested that as much as Rs 4,500 crores in the next five years would be spent on buying various materials and how the sum should be spent wisely is a problem for planners. If savings are effected, the country will gain. It has been pointed out that considerable economies are effected in the USA by bulk purchase of raw materials at home or abroad.

One important requirement may be the elimination of forward trading in India, so that consuming industries like jute or cotton can obtain their essential requirements at reasonable prices. This is demanded also by the nature of export trade, now overshadowed by the fears of Britain putting up import duties by abolishing preferences. Large consumers may have to negotiate long-term contracts through trade organisations, and any reduction in prices will probably help to keep down

export prices for jute manufactures or coal. The practice of big companies like Unilever or Imperial Tobacco will have to be followed by State organisations which have found that price control measures in force are not enough to help them over shortages.

As was to be expected, Mr Deshmukh made a reference to the problem of corruption. He indicated that the right type of people with commercial morality should be entrusted with the work of purchasing raw materials, machinery and accessories from local or foreign sources. This is necessary to avoid the mistake, which produced not only abnormal profits for fortunate enterprises during the war, but to improve the conduct of public servants who would find a place in the State-managed enterprises. The Industrial Commission in 1918 pleaded for a separate service consisting of trained engineers, to staff the State-owned enterprises. Large savings can also be secured through elimination of notices and tenders and negotiating contracts on a cost plus fixed fee in respect of industrial equipment.

As regards textiles for exports, the State Trading Corporation, whose scope is being enlarged, might turn away from mineral ores to items like piecegoods and obtain goods for export at special prices because of the export incentive scheme. Development work will probably entail buying for stock in slack seasons with appropriate adjustments of prices. The Ordinance factories may be brought into use for engineering work if local supplies are made available so that there is no shortage, for example explosives for mining. Financial controls will probably have to be tight because a review of costs at every stage is vital for commercial success. The Government as a big buyer will also have to compare prices for comparable goods in foreign countries, after allowing for export duties like those levied in Burma, Malaya or the Sudan in regard to raw materials.

What is really desirable is the avoidance of feather-bedding which leads to inefficiency and high prices. Mr. Deshmukh's hint to purchasing executives may well suggest that management in the highest grade will have to consider separately the problem of purchases in quantity for specified period, in order to secure the best possible terms. This is as vital for the public sector as for the private sector and while monopoly practices must be discouraged, the encouragement of large, efficient units will become inescapable. The country will have to move gradually towards integrated enterprises that can achieve large turnover, keep down prices, and assist in boosting exports. This may be regarded as an ideal as much for the

public sector as for the private sector.

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PANCHAYAT RAJ Three kinds of Democracy

Started in 1952 as a wholly Government sponsored and directed programme, Community Development has moved on to the stage of Panchayat Raj. The next stage according to Mr S. K. Dey, the originator of the programme in India, is to create the atmosphere in rural areas for establishment of the Socialistic pattern. Speaking to pressmen in Delhi last week, Mr Dey defined the Socialist pattern as the balanced blending of Panchayats, Sahakari Samaj (Cooperatives), the Public and the Private Sectors of Industry. These he equated, in that order, to 'political democracy', 'economic democracy', 'industrial democracy' and 'ethical democracy'. While such schematic arrangements are no doubt intellectually stimulating, the topic of immediate interest is the programme of Panchayat Raj. According to Mr Dey, before the middle of the next year, Panchayats would be working in all the States except perhaps Kerala and West Bengal which have special problems of their own. Though it is too early for a detailed assessment of Panchayats in the States where they have been in operation, Mr Dey spoke with satisfaction of their achievements and with enthusiasm about the future. The happiest feature of the programme was the growth of self-reliance among the people. The tendency to blame the Government for everything was disappearing. The people were coming to realise that the responsibility for development as well as the power were in their own hands. Fears that political, communal and caste pressures would influence elections, and scorch democracy at the grass roots, have been shown to be greatly exaggerated. The actual results, said Mr Dey, were much better than his hopes. By and large, candidates have come up on merits, irrespective of political or caste affiliations. Answering a question on the impact of Panchayat Raj on the law and order situation, Mr Dey said that, though there was some fighting here and there on the whole the position had improved. The progress of the Panchayat Raj programme and the problems calling for urgent attention will be reviewed at the conference of Development Commissioners of States in Hyderabad. While the main item on the agenda is improvement of agricultural production—Mr Dey said that the Third Plan had set a "spine-breaking target" for those responsible for administering the agricultural programme.

ly important item concerns development of village industries. This is a field in which the CD programme so far has not been able to make perceptible progress. It will be the task of the Hyderabad Conference to identify and suggest measures overcoming the obstacle to the agro-industrial programme.

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EXPORTS

Gains and Losses

A rise of half a per cent in the value of India's exports in 1960 may be due mainly to larger exports of manufactured goods. The fall in tea exports was offset by rises noted under castor oil and tobacco. The continued rise in shipments stands out as a feature so also the increase under cashew and pepper owing to higher prices realised by exports to Rs 4 crores from Rs 3.3 crores in 1959-60. India is again exporting iron and exports in 1960-61 were valued at Rs 2.4 crores. The improved performance of minor items like coir, footwear, silk and domestic utensils in the export field will suggest that trade missions have been able to interest foreign buyers in Indian products. The analysis of export trade indicates that the volume of exports and sacking shipped in 1960-61 was lower. The fall in textile exports may be due to the shortage of cotton and the rise in prices in India. But handloom goods also suffered a fall of 21 per cent as compared with 1959-60.

High prices affected the export of linseed oil as well as groundnut oil. The direction of trade also showed some changes. Exports to the USA went up 16 per cent year by 6 per cent. The total ex-

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rts to the UK fell by 0.5 per cent because the textile shipments 1 away along with hides and ins. Increased exports to Cuba y cause surprise, but the rise der exports to Italy and Egypt y prove that new outlets are ailable. The political dispute 'ected India's export trade with ina and North Korea. Encour-ement will be derived from e recovery in exports of ica and lac. India is now ex-orting soap as well as paints. rther increases under electric ns and sewing machines point

to a general acceptance of Indian manufactures. Bicycle exports went down because the Indian-made cycle is dearer than its rivals in neutral markets. The fall noted under cement or hardware will cause less anxiety than the decrease of 32 per cent shown under coal with shipments valued only at Rs 3.13 crores. One may presume that rail transport difficulties hit the traditional export to adjacent countries. And it is possible that Natal coal will soon take the place of Indian coal in Burma or Singapore.

Venomous?

What is quaintly described as the export of potential Haffkine Institute is mentioned in the last issue of the Journal of Industry and Trade. It is pointed out that the research institute in Bombay can supply for export some of its preparations including vitamin and sulphur tablets. It is evident that the pharmaceutical industry in India faces competition from an unexpected quarter and its development prospects are threa-

tened by sales for export from an institution that is not commercial in character. (While private exporters are expected to buy from the Institute and ship goods the prices quoted appear rather low. Of course, specialities like snake venom would find a market easily and the private shipper might be ready to take off the surplus venom. But in the case of quinine or other tablets, the prices quoted by the Indian manufacturers will have to be taken into account before exporters in India would be prepared to accept what is offered.

That the Institute is offering for sale glucose solution and even distilled water will probably provoke complaints from private manufacturers who will, however, rejoice that the Institute is not trying to place its surplus production in the home market. There used to be complaints in the past from the trade about competition from Medical Stores Depots which tried to sell tinctures and mixtures to wholesalers and even estate dispensaries, thereby preventing the independent chemist and druggist from approaching regular local customers. The Haffkine Institute's example may even be copied by other research institutes. This should probably lead to a complaint from the medical profession which will not be disposed to encourage export sales when domestic supplies are not abundant. It is one thing for the Indian subsidiaries of big foreign manufacturers to export their products to countries like Ceylon or Burma. It is quite another for a State-owned establishment to engage in export trade to the disadvantage of indigenous manufacturers, who may be helped presumably by import restrictions but would not approve of competition from a State-owned institute, quite different from a manufacturing enterprise like Hindustan Anti-Biotics. In any case, the manufacturers will not miss the significance of the reference to the export potential of the research institute in Bombay.

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CEMENT In the Doldrums

The Tariff Commission which is presently inquiring into the question of cement prices has actually a much bigger task assigned to it. It has also been asked to make a comprehensive review of the industry in all its aspects such as production, price, distribution and development. A thorough probe into the working of the industry is definitely indicated for the consuming public is fast getting tired of the periodical shortage of cement with the attendant shooting up of prices. Whatever might have been the trend of demand a year

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or so ago, the present position is that in most parts of the country the commodity is not available, and if available, the consumer is obliged to pay very much in excess of the official scheduled price.

The Tariff Commission has estimated that the aggregate rated capacity of the 34 factories now in operation is 8.85 million tons. At the time of the last enquiry the capacity was estimated to increase to 12.03 million tonnes by 1960 on the assumption that 16 of the then existing factories would extend their capacity and 16 new factories would be established. The expectation in regard to increase in capacity has not fully materialised since only 10 of the old factories have increased their capacity and only six new factories have come into existence. Production of cement in 1960 is placed at 7.60 million tonnes whereas demand in that year has been something like 9 million tonnes. According to the Planning Commission the demand may reach 13 million tonnes by 1965-66. As against this potential demand, Government has issued licences for considerable expansion of the industry both by way of expansion of capacities of existing units and by way of establishment of new factories. It is estimated that the number of factories will go up to 44 with the annual capacity aggregating to 11.7 million tonnes by 1964. When all the licensed programme is completed, the number of factories is expected to increase to 49 with the rated capacity aggregating 14.62 million tonnes.

In the course of his speech at last week's public enquiry, Mr K. R. P. Aiyengar, Chairman of the Tariff Commission has pointed out that there is acute shortage of cement at present in wide areas and cement is sold at more than double the controlled price. There can be no doubt that during the Third Plan period the rate of increase in consumption will be much higher than at present as the supply position in steel will considerably improve. No doubt the expansion programme of the cement industry has provided for a capacity of about 15 million tonnes, but the trend of progress of the industry during the past two three years engenders justifiable misgivings as to the requisite rated capacity being achieved.

The industry has represented to the Tariff Commission that the slowing down of expansion since 1958 is due to a multiplicity of causes, the more important of which being the present price and distribution systems. Mr K.R.P. Aiyengar also has referred to the reports about forced stoppages and shut-down of factories for lack of coal and shortage of wagon for movement of raw materials. It is contended on behalf of the producers that the prices they get for their product are too low to enable them to put by anything from

their earnings toward meeting the cost of expansion. The current ex-works prices of cement are based mainly on the recommendation made by the Commission in 1958. The prices which were applicable upto the end of June this year have since been extended pending the fresh recommendation of the Commission. The distribution control has been extended for 3 years from 1 July 1961.

The urgent task that faces Government is to ensure that production of cement catches up with the growing demand. Now that an export market in cement has been laboriously built up in howsoever small a measure, (The export totalled 54,162 tonnes during 1958, 189,305 tonnes during 1959 and 157,043 tonnes during 1960), the aim should also include the attainment of a sizable surplus. It is clear that cement policy as at present pursued has failed to produce the desired result. If production does not pick up soon, we will be having a first class crisis in cement before long; and then Government will have only itself to blame. Though quite willing to undertake expansion, producers are unable to move forward for lack of resources. By themselves they can mobilise little because of the present uneconomic prices at which they are obliged to sell their production. While they are not free to increase their selling price, their cost of production is going up what with the Wage Board award and the like. With their earnings marginal, cement companies are not able to attract fresh investment. So, the primary objective of the cement policy must be to make the industry attractive both to the entrepreneur and the investor. A suitable price increase will certainly go a long way toward ending the present stagnation in the industry. It was time Government realised that its aim of protecting the interest of the consumer is as distant as ever. If the authorities have any reliable way of knowing the views of the consumer they will perhaps be surprised to find that he will gladly pay a little more than the so-called controlled price provided he is assured of regular supplies which can be obtained without undue hardship.

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COTTON TEXTILES Confused Policy

The report that the plea of the mill sector of the cotton textile industry for an upward revision of its target of production in the Third Plan is not likely to find favour with Government does not augur well for an adequate supply of cloth during the next five years as well as for maximising of exports. As at present proposed, the Third Plan target for mill cloth production is 5,800 million yards while that for handloom is

3,500 million yards. The performance of the latter sector during the Second Plan however does not inspire confidence in its ability to reach the substantially increased target that is given to it now. It is no doubt true that both sectors were not able to attain their respective Second Plan targets. But whereas the mill sector attained a production of 5,075 million yards out of its target of 5,200 million yards, the handloom sector accounted for only 2,145 million yards as against its target of 2,650 million yards. It is not clear by what miracle Government hope to make the handloom sector fulfil its onerous responsibility now sought to be thrust upon it.

It would appear that even in regard to devising ways and means of attaining an increase of 800 million yards in mill production Government seems to be influenced by considerations which cannot be said to be quite realistic. Mr Naval H. Tata has recently pointed out that the proposed increase in production of the mill sector can be attained by the existing units in the industry themselves. The other alternative of establishing new units to take care of the additional production is not only time consuming but must be deemed to be too expensive also in the present context of the acute shortage of foreign exchange. The country can ill afford to divert valuable foreign exchange toward building up of redundant capacity, for setting up new units will amount to exactly that. The existing units with suitable adjustments and the addition of some more equipment at a fraction of the cost of new mills can easily take care of the additional production. This is not to say that the setting up of new mills with a view to correcting the imbalance in regional distribution of cotton mills is all wrong. What is to be noted is that at the present juncture the most important consideration is foreign exchange.

Cotton textiles are still one of our important earners of foreign exchange but the trend in cloth exports from this country in recent years is not encouraging. While world exports of cotton piecegoods continued to expand in 1960 (11 per cent over 1959) Indian exports have recorded a decline. Exports of cotton piecegoods (including handlooms) have again declined in 1960 as compared with the previous year. Total exports last year were 721.89 million yards as against 850.16 million yards in 1959. Part of the decline may be attributed to the fact that during 1960 there was a severe shortage of raw cotton which resulted in making Indian piecegoods uncompetitive in world markets. Even so, Indian cloth is not likely to have markets waiting for it. Last year Japan has been able to increase its exports of cloth considerably from 1263.00 million yards in 1959 to 1424.60 million yards. It is poor

consolation that India is still the second largest supplier of cotton piecegoods to the world. Other countries are making strenuous attempts to increase their exports of cotton piecegoods and according to the latest Texprocil Bulletin, France which is India's closest rival with a share of 200 million sq. yards less than that of India, may in due course outstrip India. If Indian piecegoods are not to lose ground in the international markets, it is essential that they are competitive in price and of course in quality. The export incentives now in force no doubt help mills to increase their exports but a lasting solution is to be found in enabling the mill industry to become strong enough to withstand temporary setbacks, and to embark upon a programme of rehabilitation and modernisation of its equipment.

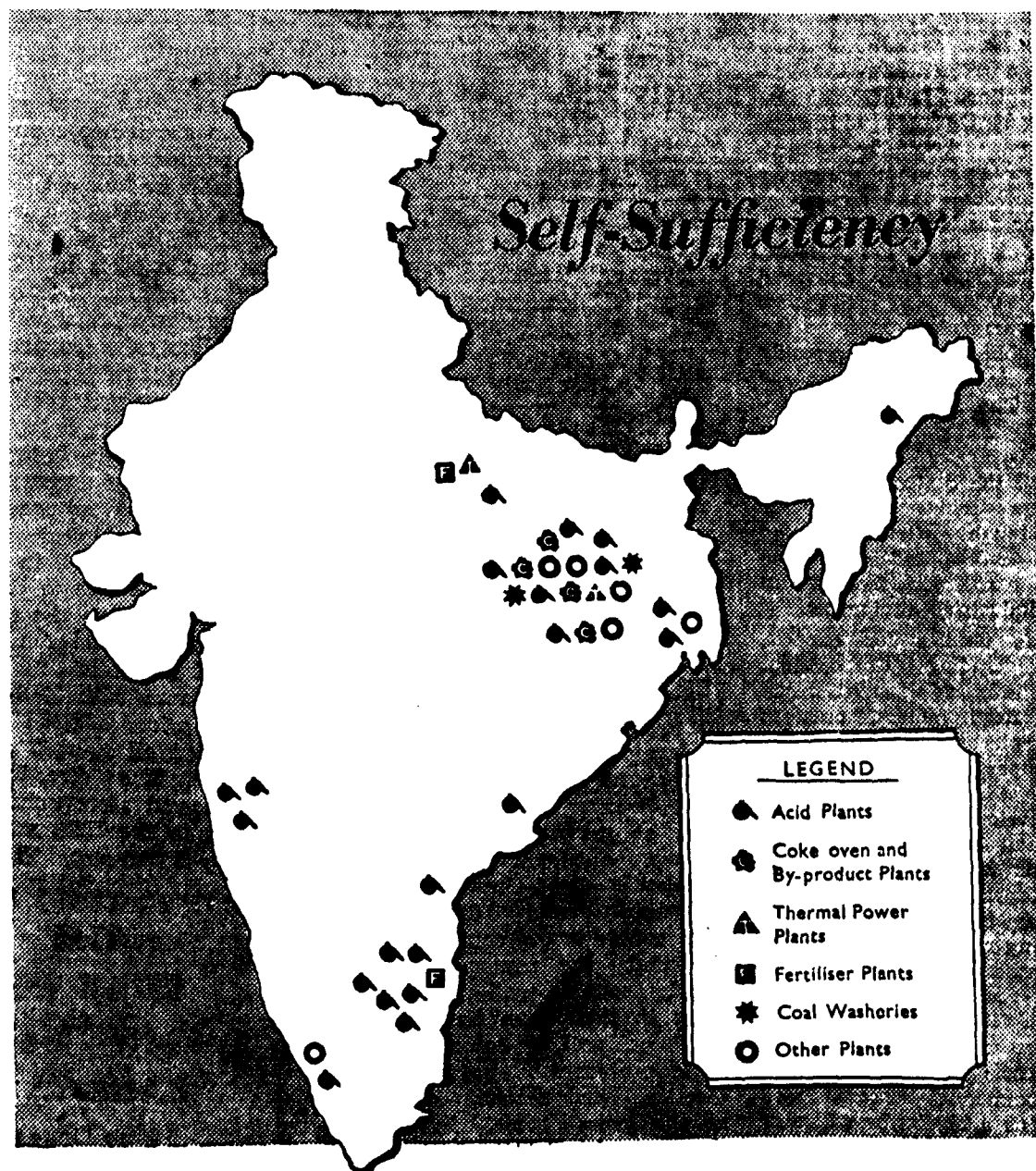
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PLANTATIONS Real Problems Ignored

The organisation of a special corporation to help plantations extend acreage or outturn may seem superfluous when the export outlook for coffee and tea too is not bright at present. Mr Sriman Narayan's scheme for loans ignores the real problems. Companies can raise extra capital if needed from the shareholders or obtain loans from State Financial Corporations. But finance is not so much of a problem as efficient modern transport, adequate supply of fertilisers or the provision of power and fuel. Perhaps the object is to help planters with small holdings, below 50 acres, but these can make little contribution to the enlargement or cheapening of exports.

Since there is a replanting subsidy scheme for rubber and the big estates can replace old areas by high yielding varieties, rubber does not need much help, unless it be in the form of a minimum price related to the higher cost of production. The Reserve Bank has funds for sustaining agriculture but the question is whether it cannot be put to better use than advancing loans to weak or small estates. The desirability of combining small estates into large groups, centrally administered, has seldom been canvassed and it is the arrangement of mergers that seems desirable now in the case of coffee or tea. Probably the UPASI meeting next month will offer comments on the idea put forward by Mr Narayan who should be aware that the large agency houses do not need capital so much as the reinstatement of facilities and the minimum of official interference.

Production in the last decade has gone up steadily, as Mr



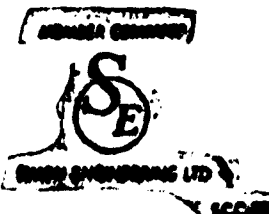
Industrial growth of a country depends on its ability to manufacture products for its requirements. And products require plants to manufacture them. To this end, Simon-Carves' contribution is truly impressive. The above map shows only some of the plants designed and engineered by Simon-Carves. The total capacity of coke oven plants installed by Simon-Carves is approximately two-thirds of the entire carbonisation capacity of the country. Likewise the

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Wilson Mayne mentioned last year, and the peculiar problems of tea in Cachar can be dealt with by the banks that can really judge the potentialities of those asking for credit. The plantation industry's problem is really one of levies like agricultural income tax in South India and the transit duties in Assam. The planters also face the prospect of higher wages after awards are made and the whole issue will be soon one of raising income, not of getting loans. The Commodity Boards have not

helped the industry and coffee exports to Europe are compromised by the policy of pool sales without reference either to quality or familiar outlets.

FLOOD CONTROL Need for Fresh Thinking

Flood control has posed one of the most baffling problems for the Government. The recent floods that submerged large areas of South

India and Orissa have furnished a grim reminder of their unflinching seasonal regularity and have also underlined the need for intensifying measures for more effective flood control. It has been claimed that since 1954, the Government of India has approved 877 flood control schemes at a total cost of Rs 53.38 crores exclusive of an allocation of Rs 12.5 crores for the flood control schemes being part of the Kosi project. The schemes included construction of embankments, town protection works, raising the level of villages,

drainage works etc. However, the magnitude of devastation caused by this year's floods in the South and Orissa has been such as to cast doubts on the effectiveness and adequacy of the flood control programme of the Government. There may be some irony in the fact that the South which has been relatively free of floods for long should have been visited by floods this year. This may also possibly explain for the lack of protective measures and the extent of the damage caused by the recent floods. It may further be said in extenuation that a countrywide programme of flood protection is a doubtful proposition at the present time when we have to take into account the financial and resources limitation to the implementation of a thorough-going programme of flood control.

Notwithstanding all these, it will be agreed that a review of the flood control programme of the Government is urgently called for, especially in the light of the recent floods in various parts of the country. In particular, the Third Plan outlay and schemes for flood control may call for revision. The detailed report to be submitted by the State Governments affected by recent floods regarding the causes for the occurrence of floods and the extent of the damage caused may provide the basis for such revision of the flood control programme as may be necessary for ensuring greater protection. While the Third Plan schemes provide for drainage, anti-sea erosion and anti-water logging measures, an important aspect of flood control programme has been brought to light by the floods caused by the overflowing in the Hirakud river in the Orissa State. While the floods that swept the Orissa State are considered to be of an abnormal type, it is now admitted that the extent of the damage could have been avoided by more rational planning of the schemes connected with the construction of the dams over the Hirakud. The original scheme for flood control over the present dam, construction of another dam across the Mahanadi at Tikkerpara. It is now pointed out that if such a dam had been constructed the problem of flood control for Orissa would have been considerably eased. This is only an instance of a problem that has to be tackled over various other parts of the country.

A rise in Bank rate may not be so conspicuous as stiffer indirect taxation, applied suddenly by raising purchase tax, for instance, on cars or refrigerators. The restraint of consumption to help export trade is not a new idea. But the British Government has to think also of encouraging some imports for the sake of larger exports though tobacco, cotton and wine will not qualify. Great Britain's entry into the Common Market may entail some measures to limit private spending, reinforce saving and to bring down prices. If that is not done, some capital may move out of Britain and that is the real reason for anxiety especially if big enterprises prefer to expand abroad in order to reach the German market and to improve their own competitive capacity. The protection of agriculture at home may call, not only for State subsidies, but higher prices from the domestic consumer.

The Treasury is now authorised to deal with a situation mainly to prevent an autumn crisis. Thinking on the political problem in Europe may also acquire a new dimension in the study of the economic aspects of defence. The immediate problem will not be one of letting German machinery in or French aircraft but one of restoring prosperity for shipbuilding, so that Holland or West Germany does not capture foreign orders. The austerity measures in view may not pull down prices and permit Britain to quote lower rates for ships or electric equipment in future. But it will make money cheap and help to finance trade and industry, as generally desired. The question of labour costs must worry the trade unions. The Labour Party has its own programme but nationalisation is not on the cards. The major industries like coal and transport will require new treatment and the British Coal Board may have to put machinery in and also permit Belgian coal to enter under the Common Market arrangements in future. The retreat from protection will have to be undertaken by reducing the home market and it is Mr Lloyd's job to restore the work of Cripps, first by raising taxes, and then by expanding export credits. The Russian exhibition in London will have shown that formidable trade rivals have already emerged and the UK, if it joins the ECM, will have to rely on Europe in the face of competition from Italy and France.

The advent of US capital may help but much really depends on efficiency. Competition in selling to undeveloped countries may also become keener in view of the US plan for an extended alliance in giving economic aid. The export of UK capital must assuredly increase but that too

implies reduced spending at home in order to invest abroad. The oil companies may welcome the prospect, but the makers of TV sets will not. However, the electrical industry in a lean period has undergone some reorganisation by many mergers already. More can be expected.

CANADA

The End of an Affair

Since Mr Coyne as Governor of the Canadian Central Bank provided what is perhaps a Canadian occasion, the outcome of the dispute will demand notice abroad. The Conservative Government brought in a special bill to remove him from office, as Mr Coyne was unwilling to resign. The bill was passed, and Mr Coyne could not count on the support of the Liberal majority in the Senate to continue in office. The resignation anticipated the Liberals' disapproval of the forcing tactics of Mr Fleming who was blamed by Mr Coyne for devaluing the Canadian dollar against the wishes of the experts. That a pact made with the IMF was broken was the gravamen of Mr Coyne's charge. But it is the IMF which must call the Canadian Government to order, not Mr Coyne, who assumed that the Government had erred in its own measures to check the recession. The devaluation undertaken last month is nominal. And Canada by dealing with China in wheat has shown proper independence.

The clash suggests that the Treasury must be supreme and no banking institution can dictate policy to a Government that knows its own mind and retains a majority in Parliament. The Governor is mainly a civil servant, not quite equal to the Auditor-General. The supervision of banking does not really imply control of economic policy and the position held by the Bank of France which in 1937 sapped the Popular Front cabinet led by M. Leon Blum is merely a matter of history. The Bank of France or the 200 Families could stop Government in its trade or wage measures. That was the pre-war position, but conditions have changed greatly, across the Atlantic Ocean also, as Mr Coyne too has discovered by experience. The episode will only suggest that the Opposition could not exploit Mr. Coyne as a political lever against the Diefenbaker cabinet which has to think of the consequences of ECM after Britain's proposed entry, rather than Mr. Coyne's clashes with Mr. Fleming since April. The forced resignation ends the argument as Quebec or Ontario is not going to back Mr Coyne on the score of provincial rights.

PAKISTAN Increase in Industrial Production

With an increase in industrial production of the order of 12.4 per cent during 1960, Pakistan has got off to a flying start in the implementation of the country's Second Five Year Plan. This result, largely of better utilisation of installed capacity, compares with the increase of 11.6 per cent witnessed during 1959. The increase for the two years 1959 and 1960 at 25.5 per cent marks a considerable improvement over the rise of 13.2 per cent for the preceding two years. Official circles in Pakistan have welcomed the rise in industrial production recorded during 1960 as providing a good augury for the fulfilment of the target of 60 per cent increase in industrial production for the entire Second Plan period.

While the 12.4 per cent rise in industrial production marked a record performance by the Pakistan industries, it is to be noted that there were marked quarterly variations in production. While in the first quarter the index shot up to 202.6 from 186.8 in the quarter ending December 1959, the second quarter of 1960 witnessed a decline of the order of 9.1 points reflecting mainly the seasonal contraction in production in certain industries. In the subsequent two quarters the index moved up again by 3.2 and 20 points respectively and the index at 217.2 in the final quarter of 1960 represented an increase of 30.4 points or 16.3 per cent over the corresponding quarter of last year.

The increase in industrial production is shown to have been shared by both the manufacturing and mining sectors. While the index for manufacturing showed a rise of 12.5 per cent to 204.7 during the year, that for mining moved up by 11.0 per cent to 168.7.

What gave such a pronounced impetus to industrial production during 1960 was mainly the complete reorientation of the Pakistan Government's industrial policy which allowed full scope to the private industrial sector for the expansion of its activities. The import policy was also geared to the requirements of increased industrial production. It is also to be mentioned that the last Budget of the Pakistan Government had provided a number of fiscal incentives intended to stimulate industrial production. Most important of these was the lower basic rate of corporate taxes and customs duties on industrial raw materials.

Industry-wise, textiles are revealed to have recorded all round improvement. While the output of cotton yarn rose from 386.8 million lbs to 408.7 million lbs, the pro-

duction of woollen and worsted yarn is shown to have gone up from 5.5 million lbs to 6.4 million lbs. The production of cotton cloth was higher by 1.4 per cent at 628.8 million yards and of art silk fabrics by 34.7 per cent at 26.0 million square yards. The output of jute manufactures at 264,700 tons represented a rise of 13.8 per cent. Notable increases are also claimed for sea salt, cigarettes and vegetables as also for the mining industry and particularly for limestone. Among the industries, which registered decline in production, tea, sugar, and steel ingots were conspicuous.

ELECTRIC FANS

Exports to Aden

A survey of the market for electric fans in Aden undertaken by the Commission for India has brought to light great potentialities for stepping up sales of Indian electric fans in that colony. The most important factors favouring better prospects for sales of Indian electric fans in that area are the hot and humid climate of the place, the existence of a prosperous trading community and high rates of wages. Presently the UK and Hong Kong are the leading exporters of electric fans to Aden. During 1960, the UK exported 2,373 fans to Aden valued at £24,167 while comparable figures for Hong Kong were 3,795 and £29,822. During the same period Indian exports of electric fans to Aden amounted to 1,312 and were valued at £11,440. Japan is also better placed in the matter of exports to Aden and during 1960 accounted for 2,418 fans valued at £14,713. Among all these countries, it is Hong Kong which has been making steady headway in the export of electric fans to Aden. It is worth noting that Hong Kong was able to step up its exports from 692 in 1959 to 3,795 in 1960 mainly through lower prices, and quick and regular deliveries. Japan has also built up its market on the basis of lower prices for its electric fans, and also by offering a wide range of prices to suit the purchasing capacity of the different income groups in the colony of Aden.

In view of the proximity of India to the market in Aden, there would seem to be greater scope for export of Indian electric fans provided the Indian industry could turn out products comparable in quality and price with those of other countries. In respect of price, it is gratifying that some reductions have been effected in the prices of Indian electric fans in recent time. There are also other factors involved in competition with other countries such as regularity in supplies, the attractiveness of packing for fans etc which should not be overlooked from the point of export promotion.



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CINEMA

The Lost Week-End

A quiet week-end was enjoined on Calcutta by the strike of cinema employees. The loss arising is not merely that of Government or of the film distributors. It is that of employees also who asked only for minimum wages. It is a peculiarity of the film industry and the trade that rewards at the top are enormous, while the vast majority of workers are ground down by low pay and high prices. The Government in asking for minimum wages did not go out of its way to impose burdens. That many theatres have agreed to pay and could remain open during the strike proves only that the others were not unwilling to share rising prosperity with their employees. The contest may seem unequal, but the money power has not proved decisive. The Tribunal's awards in Madras have not led to bonuses but have ensured overtime pay for cinema employees who have to work harder on holidays, in contrast to those who enjoy leisure in the cinema. Strikes have occurred in cinemas before but a large scale shut-down has been rare though it took place after due notice in Calcutta. The cinemas cannot make up for time lost for what is offered as entertainment is ephemeral, shadows perhaps with sound added. And the capitalists too may be aware that polite ushers add to the pleasure of patrons. The simultaneous closure of suburban houses also deprived the employers of

making any money on the side and the obvious lesson may be that Greater Calcutta is an economic entity and the Government is not induced to back the owners who have been told that box-office clerks require a living wage to maintain normal efficiency. The contrast between theatres showing English films and the houses that show Indian films may not be a great point, but it is evident that some theatres saw reason betimes. The takings of taxis, buses and trams too may have suffered through the strike which was an indication that even the weaker sections of the working class can rely today on direct action to ensure essential concessions.

TELCO All Round Progress

The speech of Mr J. R. D. Tata, Chairman of the Tata Engineering and Locomotive Co Ltd, on the occasion of the annual general meeting of the Company this week, provides an insight into the important features of the working of the Telco during last year. The most important point stressed by Mr Tata was the maturity attained by the Telco in the several sectors of its manufacture. In this connection, Mr Tata referred to the leading position occupied by the Tata-Mercedes-Benz in the automobile industry and the expiry of the agreement between the Telco and the Railway Board for the purchase by the latter of the locomotives manufactured by the

Telco. The Governmental protection accorded by the commitment to purchase the Telco locomotives was the sole factor behind the development of locomotive production at the Telco. That the Telco should now be in a position to meet the Railway Board's requirements of steam locomotives at a price cheaper than any the Railways could get elsewhere should be reckoned an achievement justifying the earlier protection granted to locomotive manufacture at the Telco.

The popularity achieved by the Tata-Mercedes-Benz is a point for mention in the working of the Automobile Division of the Telco. Mr Tata has referred to the short-fall in production capacity in relation to demand and the expansion schemes this has entailed. It has been stated that the expansion plans now approved by the Government will double the rate of output and will take nearly 3½ years for completion during which period production and the percentage of indigenous contents would be progressively increased each year.

Mr Tata left no doubt about the all round progress made by the Company during the last year in production, sales and profits. It was revealed that gross profits during the year were Rs 1,10.41 lakhs higher than in the previous year, and after provision for depreciation, development rebate reserve and taxation, the dividend on ordinary shares is 18 per cent higher than in the previous year. While highlighting this performance, Mr Tata also underlined the many benefits that have accrued to the national economy

as a result of the working of the Telco. Among these he included the production of Rs 33 crores worth of transport equipment of the highest quality, the provision of direct employment to 13,000 men and women, the earnings of Rs 4 crores that accrued to them in the form of wages and bonuses and the revenue of Rs 7 crores to the Government by way of taxes and duties. The record of performance and benefits conferred is such as to lend point to Mr Tata's observation regarding Telco being an example of what private enterprise properly organised and financed and provided with the necessary scope for initiative can do for the country in its plans of industrial development.

An important feature of working of the Telco during last year was the increasing extent to which it has been making plants and equipments for its own use. The Telco has developed manufacturing capacity for a number of items including special machine tools, materials handling equipments, presses, furnaces cranes etc. The project for the manufacture of heavy excavators is also reported to have got into its stride.

CORRIGENDUM

In the Balance Sheet of the Punjab National Bank Limited, for the year ending 31st December, 1960 appearing in Indian Finance issue dated 15th April, 1961 on page No 659, under Capital & Liabilities item: No 6 (4) payable in India, the amount should be Rs 12,15,84,291.53 instead of Rs 12,15,24,291.53.

Clive Street Gossip

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

WINSTON Churchill once referred exasperatedly to the Soviet Union as a riddle wrapped in mystery inside an enigma. And yet part at least of the bafflement arises from our morbid absorption in every act of the Soviet Union, however trivial. We are rather like the hypochondriac who takes his temperature every third minute and draws conclusions about the improvement or deterioration in his health. If Mr Khrushchev is rude and unpleasant at a party, people tend to conclude that the cold war is hotting up. If, on the other hand, he is charming and gets himself photographed hugging little girls, everybody relaxes. Even if we are to assume that the Soviet leader has no personal frustrations to work off or personal inadequacies to get compensated, he must, like politicians elsewhere, have problems that have nothing to do with a desire to make Mr Kennedy lose his sleep. A Dutch cartoon reprinted in the New York Times Weekly shows Mr Khrushchev, his foot enchained by Stalinism and his back weighed down with assorted burdens like Mao, Agriculture, Armament, Titoism, and Berlin saying with a grin, "Look at Kennedy perspiring under his burden!" Even as he is getting tough with the West over Berlin, evidence of his quarrels with Mao coming to a boil is piling up. It is possible to read too much into these ideological sparrings. But the friction between the Byzantine version of communism as preached in Peking and the other kind in Moscow that tries to come to terms with the reality around is daily becoming more and more obvious. Isaac Deutscher's recent article in the London Sunday Times has referred to a letter written by Mr Khrushchev to fraternal parties in other countries accusing Mao of "disloyalty, subversive agitation, and incitement to world war." Whether the particular document is genuine or forged, there is no getting away from other evidence of the fact that China regards Khrushchev's theory of co-existence as dangerous heresy. There have been some other recent indications of friction between the two. Russia's ostentatious notice of the fourteenth congress of the Outer Mongolian Communist Party was in marked contrast to the lack of ardour with which the fortieth congress of the Chinese Communist Party was treated in the Soviet Press. (This fact gains edge because of the equivocal historical

status of Outer Mongolia as a separate entity). Again, the Soviet trade ministry has suddenly thought it expedient to inform the public that China owed 300 million dollars to the Soviet Union in consequence of failure to meet export commitments. There are signs of polarisation within the communist world, in which Albania alone is conspicuously on the side of China—a fact underlined by the Soviet Union's recent giving up of a submarine base it had long maintained there. These and other facts do certainly point to a family quarrel of major significance, but they are not of a kind that lend themselves as foundations for hopes of an early disintegration of the communist bloc. For both China and Russia must be knowing that an open break between them will be the end of world communism of either kind. Indeed, it is the hope of this happening that lends an element of wishful thinking to much western speculation of an imminent ideological showdown between the two.

I have not yet seen a copy of the sample survey of reading habits in India made by the National Sample Survey Organisation, but Professor Madhava has recently discussed its findings in an extremely interesting article in the Hindu. The period covered is September 1957 to May 1958 and Professor Madhava, who ought to know, assures that every technical care has been taken to ensure a high degree of reliability for the findings recorded. Sampling was done of 7,417 reading households (i.e. households that contains in each at least one person who generally reads books of general interest other than text books, newspapers etc) comprising 42,102 persons of whom 12,808 were literates (i.e. persons who can read in at least one language.) The proportion of such households in rural areas was 4.4 per cent and in urban areas 11.4 per cent. This finding, depressing in all conscience, is even more saddening when you discover that of the readers thus defined only two-thirds in the villages and three-fourths in the towns are "habitual readers" (i.e. persons who read one book of not less than 100 pages in the course of a month.) I must add that, in strict accuracy, the last set of figures relate to readers in their mother tongues. But I think it is safe to presume that most readers

in India are readers in their mother tongues, though this may not be true of readers in the city. Professor Madhava also draws the interesting conclusion that people whose mother tongue is Bengali, Malayalam and Punjabi—Tamil is curiously absent in this list—"read a good deal in (sic) other languages than in their own mother tongues." The finding that Hindi books are not very popular among non-Hindi speakers does not come as a surprise, though the relative preference between English and Hindi is surprisingly low in favour of English. The report is quoted as saying that in "the urban sector among persons whose mother tongue is not Hindi, there are roughly two readers in English for every reader in Hindi." My own impression is that non-Hindi readers (in the sense defined) of Hindi books (in the sense defined) are much smaller in number and non-Hindi readers of English books (in the same sense) are far larger than implied by the above finding.

Figures of book-buying among the public are also very unflattering. 100 average rural households buy 72 books in their mother tongues, 36 in Hindi (of which 29 are by speakers of Hindi) and 25 books in English in three months. The corresponding figures for the cities are 90, 38 (of which 27 are by speakers of Hindi) and 51 respectively. Books borrowed averaged for all languages 535 for the rural areas and 932 for the urban areas. Besides books bought and borrowed, there is a third interesting category of "books otherwise obtained." In this category is presumably included persons of whom I have some personal experience—those who borrow books and forget to return them. They average two in the rural sector and thirteen in the urban sector. (No doubt, the thirteenth man is my "friend" who borrowed my Shaw's prefaces and forgot to return it.) A rather interesting fact—to which also I can personally testify—revealed by the survey is that the Tamils are inveterate borrowers and obtainers of books otherwise. Preferences among the various genres of books revealed by the survey confirm general impressions. "The Novel or some kind of fiction" is the most common choice and "religion" has as many adherents in the rural sector and about half as many in the urban sector. This would not have been true even twenty years ago, especially the relative importance of religion and fiction. This is a sociological phenomenon of some significance. The consolations of faith are apparently yielding place to those of the candy-floss world of make-believe.

I have always felt there was an element of hypocrisy in the claim of the "po papers" that the jury verdict Regina Vs Penguin Books Ltd established that, when it came literary propriety, the stout British heart was in the right place as sound British commonsense would assert itself. I sometimes wonder what the result would have been if the twelve good men and true (actually there were nine men and three women) were not intimidated by the most massive mobilisation of literary opinion in judicial history. In his book on the trial, Mr C. H. Rolph himself partially concedes this. He says: "they (the jury) may have found themselves outmatched by the thirty-five experts some of whom they had seen on the television... It is rather difficult to see, in the case of a man who knows himself to have no literary judgment, what else he can do; and futile to tell such jurymen, at least, that you alone are the judge, as if the opinion of the experts were a kind of side-show put on to relieve the tedium." Be that as it may, there has been more recent evidence of the level at which the British Public, as represented by the readership of the popular papers, normally weighs these matters. The Sunday Pictorial—The Sunday version of the Daily Mirror, ("largest circulation in the Universe") is currently editing its readers with a new masterpiece: Lady Chatterley's Daughter. The first instalment is such that I simply can't wait for what is to follow. Let me quote Francis Williams, in his column on the Fleet Street in the New Statesman: "This literary sensation... introduces us to the daughter of Lady Chatterley and Mellors in the somewhat inappropriate guise of a 'calf and lovely nurse' who avoids 'the company of any man she discovers has (sex) as his object.' However, when we leave her at the end of the first instalment, after a passionate, if accidental, embrace from a wounded soldier ('pull yourself together, Mellors' she told herself), it seems likely that all those nights in the woodshed will assert themselves before many issues of the Sunday Pictorial are out." I now ask you how a public that apparently laps up this kind of thing could ever have understood what Richard Hoggart meant when he said in his evidence that Lady Chatterley's Lover was puritanical and the opposite of obscene. I don't want to be misunderstood. I consider the eventual jury verdict as entirely sensible. All I question is the claim of a popular imprimatur on the book on literary and rational grounds. Indeed, I cannot see how a country that allows the sort of rubbish like Lady Chatterley's Daughter to be read by all and sundry can dare ban a book that deals with human relationship with such subtlety and imagination as Lady Chatterley's Lover. EAVESDROPPER



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(c) Branches of the State Bank of Mysore in the State of Mysore except those at Bangalore, Mangalore and Gulbarga; and

(d) Branches of the State Bank of India at Mangalore and at other places in India, except at the places specified in (a), (b) and (c) above.

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

Olympus

COMMON MARKET Inconclusive Parleys

NEITHER the formal communications issued from New Delhi, on Mr Thorneycroft's discussions with representatives of Government and Business nor his candid and forthcoming answers at last Friday's press conference provide a firm basis for assessment of the prospects of Britain joining the Common Market or of the consequences for India's exports if the British Government takes a positive decision. The latest indications only add to the uncertainty. Though Mr Thorneycroft did not attempt to disguise his own preferences, he also emphasised that a decision has yet to be taken, and that a decision either way was fraught with serious difficulties. Nevertheless many experienced commentators appear to have drawn the conclusion that an informal decision on principle had already been taken by the British Cabinet before Mr Thorneycroft and his two colleagues set out on their tour of the Commonwealth. If that is correct and if the mission of British Ministers to Commonwealth countries was one of persuasion rather than of consultation, Mr Thorneycroft had an easier task than either Mr Sandys or Mr Hare.

Government of India had already taken the position that a decision on the question was entirely a matter for Britain. This has been reiterated in the communications issued from New Delhi as well as those from Melbourne and Wellington, incidentally disposing of the claim that a Commonwealth Prime Ministers' Conference should have a say in the matter. Government representatives have however discussed with the British Mission the repercussions on India's trade if Britain were to join the Common Market without securing agreement on special measures necessary to safeguard it.

India's case has been presented with greater fervour by the delegations of the FICCI and the ACC who also met Mr Thorneycroft after the conclusion of the official discussions. On this point Mr Thorneycroft had little to offer except the vague assurance that the interests of India would be kept fully in mind in any negotiation for entry into the EEC. At his press conference he also emphasised the

with a Common Market of which Britain will be a member. While Britain could not possibly join the Common Market without accepting its basic principles, he has also made clear that Britain's influence will be exerted towards turning it into an 'outward-looking' body. In fact, prospects of success in that direction would be one of the major considerations determining the British Government's decision in the matter.

The discussions have brought to light a new risk that Indian exports may have to face if there is differentiation as between Commonwealth countries in the application of safeguards, as for instance, treating some countries as 'overseas territories' entitled to tariff-free entry for their goods into the Common Market. Mr Thorneycroft is understood to have assured the FICCI delegation that, while it may be necessary to consider special arrangements to safeguard the vulnerable economies of countries which depended on the export of one or two primary commodities, any safeguards would be applied on a commodity-wise basis, so that the same safeguards would be available to other Commonwealth countries exporting these commodities.

The estimates of the loss that Indian exports may suffer consequent on Britain's entry into the Common Market vary from Rs 30 to Rs 40 crores. However, a firm estimate cannot be made without knowing more about the conditions on which Britain finds it possible to gain admission to the EEC. But, as far as India is concerned, it should not be necessary to wait for that to take the necessary measures for diversifying our exports and export markets. The compulsion to do so exists, irrespective of what action Britain may take in regard to the Common Market.

The aluminium cable manufacturers who had made representations to Government regarding their difficulties are now assured of adequate supplies of raw materials at least in so far as aluminium is concerned. In making allocations of this metal, the Ministry of Commerce and Industry, it is learnt, have been giving the highest priority to the requirements of ACSR and AAC manufacturers. Less than one-fourth of the requirements of conductor grade aluminium is met from indigenous production. Licences for import of the balance are allocated on a half-yearly basis.

Half-yearly allocations in the past have averaged about Rs 1,67

lakhs of which Rs 1,37 lakhs was for import from Canada under the Colombo Plan and Rs 30 lakhs for imports from other sources. The original allocation for the current half year (April-September 1961) was Rs 1,30 lakhs under Colombo Plan and Rs 38 lakhs against DLF credits. This has been subsequently increased by Rs 112 lakhs (Rs 90 lakhs under DLF and Rs 20 lakhs under Colombo Plan). The increased allocation, it is expected, will ensure a supply of 12,000 tons of imported metal for the half-year, which, together with indigenous supplies, should enable the industry to make full use of installed capacity.

The production programme for electrical grade aluminium envisages increase in output from 5,000 tons in 1960 to 8,600 tons in 1962, ten thousand tons in 1963 and fifteen thousand tons in 1964. But the capacity of the conductors industry, according to the estimates of the manufacturers, will be 44,000 tons by that date, so that the necessity for imports will continue throughout the Plan period, and at a far higher level than the Tariff Commission's estimate of 10,000 tons per year.

The Planning Commission is understood to have agreed to an upward revision of the overall target of aluminium production to 88,000 tons for 1966, on the basis of proposals already included in the Plan. In addition, it is learnt that proposals for expansion of the capacity of the Rihand factory and for establishment of a new unit in the Sharavati area by a Bombay industrialist are under scrutiny.

Between the inauguration of an Institution with all the attendant hoopla and the start of actual work, the interval, in this country, is usually long enough to enable the public to forget its existence. Or the public's teeth are set on edge by constant tales of teething troubles. The Indian Investment Centre has however made a welcome break with this dreary tradition. The Centre, it may be recalled, was inaugurated last February and immediately got down to work. The main office in New Delhi which was set up last April is now not only fully equipped for its work, but is also in a position to report on work actually accomplished. This was done by Mr G. L. Mehta at a news conference last week, when he explained the progress made during the first three months of working.

It was encouraging to learn that a large number of Indian and foreign entrepreneurs have already approached the Centre for information as well as for the formulation of terms of technical and financial participation. Among those who have asked for information are some very prominent foreign firms. The Indian industrialists who have approached the Centre include big as well as medium and small-scale firms. The main purpose of the Centre,

Mr Mehta pointed out, is to help the medium and small unit which, unlike big firms, do not command the facilities for establishing direct contact with foreign collaborators.

So far the Centre has received about fifty proposals of which about 25 have been formulated and of these ten have already been sent abroad to the Centre's representatives who will approach the parties on the Centre's panel for technical collaboration or financial participation, as the case may be. The wide range of proposals is matter for satisfaction when viewed against the prospect of offers of development on a broad front. The industries covered by the proposals include Alloy and Tool Steel, Cast Iron Pipes, Steel Tubes, Malleable Castings, Industrial Ceramics, Paper and Pulp, Automobile Tyres and Tubes, Fine Chemicals, Machine Tools, Hand Tools, Scientific Glassware and Plastics. The financial participation involved varies from \$2,00,000 to over two million dollars.

Inquiries from foreign industrialists are at present received by the Centre through representatives of the firms who happen to be visiting this country. But the Centre has plans for establishing branches abroad, and especially in New York and in Tokyo. The only obstacle to their immediate establishment is shortage of foreign exchange. But an institution which is intended to prospect for foreign collaboration to speed up development of the country, should not be hampered in its work for this reason. When the branches are established in the major capital exporting centres, it is reasonable to look forward to rapid growth of the constructive activities of the Centre. Even as it is, the type of enquiries received are very encouraging. Some very prominent industrial companies from the United States are understood to have approached the Centre with interesting long-term plans. These inquiries range over important industries like Basic Chemicals, Construction Equipment, Industrial Ceramics, Steel Tubes, Electrical Equipment, Pharmaceutical and Drug Industries, as well as Processed Foods.

The Centre's activities will not however be limited to securing collaboration from the United States. It will also be extending its activities to Europe and to Japan. Nor is the Centre's interest confined to proposals seeking foreign collaboration. It is also prepared to assist few entrants to business who do not seek foreign collaboration, but need guidance in setting up their business.

Apart from providing information to Indian and foreign investors on Government policies, laws and regulations, the Centre has also to process the applications for technical or financial collaboration. The success of the Centre in its two-fold task obviously depends on the calibre of its technical staff.

Tata Engineering & Locomotive Co., Ltd.

Statement of the Chairman Shri J. R. D. Tata

THE following is the statement of Shri. J. R. D. Tata, Chairman of Tata Engineering & Locomotive Co. Ltd. for the year 1960-61:

The year that has passed has been a good one for this Company. As shareholders will see from the attached Report and Accounts, we made all round progress in production, in sales and in profits.

2. The Company's performance in the past year has brought substantial benefits to many sectors of the economy. The rail and road transport industries were provided with Rs. 33 crores worth of Indian made transport equipment of the highest quality and performance; 13,000 men and women were provided direct employment and earned from us over Rs. 4 crores in wages and bonuses. The Company paid Rs. 7.7 crores in taxes and duties.

3. Ordinary shareholders, assuming they approve of the Directors' recommendation, will have received Rs. 1.16 crores as dividends and added Rs. 3.92 crores to their assets.

4. In addition to the above benefits, which can be expressed in money terms, we made intangible, but not less real, contributions to the nation's economic development: for instance, in the training and additional experience imparted to our staff at various levels, in the continued building up of the managerial and technological skills of our organisation; in the stimulus which our operations will have given to the development of ancillary industries and to road transport.

5. The results we have achieved and the manner in which we have conducted our affairs in the past year demonstrate what private enterprise, properly organised and financed and given the necessary scope for initiative, can do for the country in its plans of industrial development.

6. It should be noted that it took the Company some fifteen years of hard work to achieve its present stage of maturity and efficiency. There is a tendency in our country to believe that the establishment of new industries requires little more than the provision of the necessary buildings, plant and equipment, and to criticise the lack of immediate results. We have ourselves had our share of such criticism. Enterprises such as ours are not, however, made up merely of buildings and machines. These are the mere bones of industry; the flesh, muscles, blood and nerves essential to productive effort, which in industry are represented by materials and money, management and staff, take nearly as long to build

up as it takes for a child to develop into a grown and productive human being. Productivity and efficiency can be achieved only step by step with sustained hard work, relentless attention to details and insistence on the highest standards of quality and performance. I trust that this important aspect of industrial growth will not be ignored in the implementation of the great plans of industrial development on which the country has embarked.

7. Now that the Company has reached maturity, by which I mean not only the ability to pay its way but also the capacity for self sustaining growth, I would like to thank the shareholders for their support and continued confidence during the ten weary years they waited for a dividend. When so much is so often said with so little understanding about the inadequacies of private enterprise and the inequities of the profit motive. I trust the record of this Company will not be overlooked nor the fact that its shareholders and management bore with patience this long period of waiting for some return on their investment of money and effort.

8. I would, on your behalf, also like to thank all those responsible for the Company's progress over these past fifteen years; our workers and staff at Jamshedpur and elsewhere for the skills and productivity they have acquired (I am glad that they are now getting tangible evidence of the value of the training and experience they have been given in the Company's employment and the opportunities available to them for advancement and higher standards of life); the supervisory staff, and particularly the higher echelons of management, for the unremitting and at times thankless work they have put in; our past General Managers who laid the foundations for the present progress of the Company; Mr. da Costa, our present General Manager; Mr. Stoehr, head of our Automobile Division, who has been mainly responsible for building up this Division to its present high state of efficiency and productivity; Mr. Broacha, head of our construction and engineering activities; and finally our technical associates, Messrs. Daimler-Benz, Krauss-Maffei, Henricot, Harnischfeger, and Johnsons for their invaluable assistance in our various projects.

9. Our thanks are also due in no small measure to the Ministry of Commerce & Industry, particularly the Development Wing of the Ministry, for their realistic and constructive policies and sound decisions on the problems of the Automobile Industry.

10. Very much against his own wish, I must also mention my

colleague, Mr. Moolgaokar, Director-in-Charge of the Company, who, through the dedicated application of his outstanding technical and managerial talents and an immense capacity for work, has contributed more than any other single person to the growth, efficiency and success of the Company.

Profits and Appropriations

11. As you will see from the Directors' Report and Accounts, the gross profits accruing from the past year's operations were Rs. 110.44 lakhs higher than in the previous year. After providing an additional Rs. 19.33 lakhs for depreciation, Rs. 30.84 lakhs for development rebate reserve, and Rs. 28.93 lakhs for taxation, the Directors were able to recommend an increase of 16% over the previous year in the rate of distribution on ordinary shares which, if approved by you, will be Rs. 14.50 gross or Rs. 10.15 tax-free per share, subject to tax relief under Section 15C of the Income Tax Act. In order to ensure that the shareholders obtain the full benefit of such relief, a part of the dividends on ordinary shares will be paid out of the undistributed balance of 15C profits earned in previous years and the whole of such 15C profits earned in the year under report. As a result of this treatment of appropriations and dividends, the tax on dividends borne by the shareholders will be reduced from 30% to 21.9%, subject to finalization by the Income Tax authorities.

Automobile Division

12. As in the past year, the operations of the Automobile Division produced the bulk of revenues and profits. Tata-Mercedes-Benz vehicles have maintained and in fact further enhanced their leadership in the industry, and the demand for our vehicles continues greatly to exceed our capacity to produce them even after expanding our output to 1000 units a month. I mentioned to you last year, that in order to meet this unsatisfied demand, we had decided to embark on a further scheme of expansion of our capacity intended to double once again our rate of output. I am glad to report that our proposals have been approved by the Government of India and that the necessary initial steps have already been taken to implement this important project which is estimated to cost about Rs. 18 crores, including its share of the expansion of capacity for castings, forgings and other components. It is planned to complete the programme over a period of about three and a half years during which production and the percentage of indigenous content will be progressively increased each year.

13. In my statement I discussed at some length a project for an economy car regard to which we had put forward to Government proposals for the manufacture of the DKV Junior under licence from Messrs. Auto-Union, an associate company of Messrs. Daimler-Benz. Nothing has come of this scheme nor is it likely to materialise in the future as the Government of India seem to have decided, on grounds which are yet to be justified publicly, to manufacture such a car themselves. It remains to be seen whether the public will in due course get from the Government project a good durable and economical small car at a price anywhere near Rs. 5,000 or Rs. 5,500 as indicated by Government.

Locomotives

14. On the expiry of the sixteen year agreement between the Railway Board and the Company in May, 1961, the Railway Board's obligation to place regular order for locomotives on the Company and the Company's obligation to supply them, have come to an end. Although this agreement caused headaches to both sides and brought us hardly any profit, we may be grateful for the part it played in enabling the Company to come into existence and to create the initial industrial base from which we developed into other more profitable fields making possible our subsequent progress. We are grateful to the Railway Board for the support extended to us during the last sixteen years.

15. Although we are no longer legally obliged to supply locomotives to the Railway Board, we have readily agreed to meet their further requirements on an ad hoc basis and have received orders for the supply of about sixty-five locomotives a year on an average for the next five years, at a price which, while yielding us only a very small profit, will enable the country to secure its requirements of metre-gauge steam locomotives more cheaply than, we believe, the Railways could secure from any other source.

Tata-P&H Excavators

16. Since I reported to you last year, the project for the manufacture of excavators and similar equipment under licence from Messrs. Harnischfeger of Milwaukee, U.S.A., has got into its stride and is being energetically pursued. Subject to the availability of foreign exchange, the shortage of which, incidentally, was responsible for delaying the start of the project, we shall be in regular production of these heavy machines essential to the

struction and other industries. Initial batch of twenty 2 1/2 hp yard power shovels has been put into production. Although, naturally, the number of units manufactured initially will be relatively small, I believe that the Tata-P&H power shovels, cranes and similar machines will establish for themselves the same high reputation for performance and quality as has characterised our Tata-Mercedes-Benz trucks and buses. **Manufacture of Plant & Equipment**

17. An important activity of the Company which has grown considerably in the last year and which is not specifically reflected in the Directors' Report or Accounts, is the increasing extent to which we have been making plant and equipment for our own use. Amongst such items may be mentioned special machine tools, materials handling equipment, presses, furnaces, cranes, etc. This development is of great value, both to ourselves and to the country. It assists development of design talent, enables expansion activities to be better co-ordinated, and not only reduces capital expenditure but also saves a good deal of foreign exchange of which, as you know, there is a critical dearth today.

18. I have little further to add to the Directors' Report and the annexed Accounts which give a clear picture of our operations during the past year. We can, I think, view the future with sober confidence in our ability to surmount such obstacles and difficulties as we may find on our road to further growth and achievement. I can safely assure you that with the equipment, the financial and human resources, the knowledge and experience now at our disposal, and given reasonable freedom of initiative and action, we should do at least as well, if not better than any similarly placed enterprise in the country, and in the process satisfy some of the most vital needs of the country as well as the legitimate aspirations of the shareholders.

19. In closing, I wish on behalf of the Directors and yourselves, to refer to the great loss suffered by the Company, the industrial and business community, and the country as a whole by the death of Sir Purshotamdas Thakurdas on the 4th of July, 1961. A man of outstanding intellect and ability and unrivalled experience of business and industry, Sir Purshotamdas has rendered valuable services to the Company of which he had been a Director since its inception.

20. The Directors have placed on record their sorrow at the passing of Sir Purshotamdas, and I am sure you will wish to join them in conveying our deepest condolences to Lady Thakurdas and other members of the family.

J. R. D. TATA
Chairman

Markets

JUTE

Prices Improve on fresh Buying

Interest in the jute markets is now centred on the prospects for further block closures of jute mills. It is reported that the Indian Jute Mills Association now thinks that it will be necessary to have block closures for a period of a week each in August and September. Indications are that the supply position in raw jute will not show any marked improvement till late in the month of September. Arrivals upto now are meagre and there is a consensus that almost all old crop jute has already reached the markets. New crop jute has no doubt started arriving but the quantities are still small to make any appreciable difference to the total availability of the fibre. It is not doubted that the new crop is going to be a bumper one but many believe that it will take some weeks still for the crop to move into the market in bulk. It is explained that there has not been adequate retting water in some regions and the floods in Assam will further delay the movement of the crop. It is however admitted that the outlook for supplies some two months hence is quite good. While the licences issued for the import of 1 lakh bales of cuttings from Pakistan, if supplies become available from Pakistan very soon, will go some way toward improving the supply position, much larger quantities will be required to fill the gap between supply and demand if the industry is to avert further closures.

	As on 13 July Rs	Highest Rs	As on 19 July Rs
Hessian:			
45"x11 ozs ...	59.00	61.50	61.25
40"x10 ozs Ready ...	53.75	56.50	55.75
40"x10 ozs August ...	53.75	56.50	55.75
40"x10 ozs Oct/Decr ...	48.75	50.00	49.25
40"x8 ozs ...	45.50	49.00	49.00
40"x7 1/2 ozs ...	41.50	44.75	43.75
Sackings:			
B. Twills Ready ...	162.00	167.00	165.50
B. Twills August ...	161.00	166.00	164.00
B. Twills Oct/Decr ...	143.00	145.25	144.00
Hy. Ceers (Green) ...	160.00	165.00	161.00
Cornacks ...	169.00	173.00	171.50
Cubans ...	202.00	207.00	205.00
A. Twills ...	193.00	201.00	199.00
L. Twills ...	184.00	189.00	188.00
W. Flours ...	173.00	182.00	181.00
Sugar Twills ...	185.00	189.00	188.00
Ready Raw Jute:			
Assam Bottoms ...	54.50	55.00	53.50
Northern Bottoms ...	54.00	54.50	53.00
Daloo Bottoms ...	56.50	56.50	55.50
Future:			
November ...	47.06	49.96	48.90
December ...	140.50	143.50	142.45

It is believed that the question of a third closure will come up for discussion at Friday's meeting in New Delhi between the representatives of the IJMA and the officials of the Union Ministry of Commerce and Industry. Indications available in Calcutta however go to show that to get the approval of the State Government for a third closure is going to be very difficult if not impossible. Actually there was a strong rumour in the market on Tuesday that a third closure would not materialise leading to heavy selling pressure in the forward market.

The steadiness of the jute goods market noticeable around mid-week is presumably due to reports of fresh business both in sackings and hessian. It was reported on Monday that there were inquiries from Argentina for early delivery hessian. This coupled with the persistent rumour that the IJMA was asking for two more closures in the course of the next two months imparted a firm trend to the market. The figures pertaining to despatches of jute goods from mills during June 1961 released on Monday also show that in spite of the higher prices ruling during that month despatches have been higher. Despatches for export have recorded a rise to 59,860 tons as compared with 52,900 tons in the previous month. Of this total hessian accounted for 27,500 tons as compared with 19,600 tons in the previous month. Despatches for export of sackings were lower at 22,100 tons compared with 23,800 tons in May 1961 while those of other varieties were slightly higher at 10,200 tons. Despatches for local consumption were lower at 21,900

tons comprising 2,500 tons of hessian, 16,700 tons sackings and 2,700 tons other varieties. Total despatches were thus 81,700 tons as compared with 78,700 tons in the previous month.

Encouraged by the trend of exports in June, improved enquiries during the early part of the week and the prospect for further block closure of mills, operators ignored the bearish influence from the burlap consumption figures for the month of June. Consumption of burlap during June in the US declined further to 55 million yards from 57.4 million yards in the previous month. The fact that during the corresponding month of last year consumption totalled 70.5 million yards gives an idea of the fall in consumption. Stocks showed a slight increase at 220 million yards. These figures clearly show that the US consumer is still not prepared to buy his requirements in full and the obvious reason for his reluctance is the present high price.

DESPATCHES JUNE 1961

(in '000 Tons/Tonnes)

	June 1961	May 1961	June 1960
Hessian ...	27.5	19.6	34.8
	(27.9)	(19.9)	(35.4)
Sackings ...	22.1	23.8	25.5
	(22.5)	(24.2)	(25.9)
Others ...	10.2	9.5	10.2
	(10.4)	(9.6)	(10.4)
Total ...	59.8	52.9	70.5
	(60.8)	(53.7)	(71.7)

For Local Purposes

	June 1961	May 1961	June 1960
Hessian ...	2.5	3.2	2.2
	(2.6)	(3.2)	(2.3)
Sackings ...	16.7	18.2	14.5
	(17.0)	(18.5)	(14.7)
Others ...	2.7	2.4	2.0
	(2.7)	(2.5)	(2.0)
Total ...	21.9	23.8	18.7
	(22.3)	(24.2)	(19.0)

Grand Total

	June 1961	May 1961	June 1960
Hessian ...	30.0	22.8	37.0
	(30.5)	(23.1)	(37.7)
Sackings ...	38.8	42.0	40.0
	(39.5)	(42.7)	(40.6)
Others ...	12.9	11.9	12.2
	(13.1)	(12.1)	(12.4)
Total ...	81.7	76.7	89.2
	(83.1)	(77.9)	(90.7)

TEA

Continued Demand

In the Export Sale held in Calcutta this week, offerings were 29,422 packages. There was again a strong and general demand. Orthodox descriptions met with keen competition and were generally fully firm to dearer with quality. Improved BOPs were a strong feature.

Better liquoring CTCs again found ready buyers at slightly easier rates and this trend was also general for the medium descriptions. The poorer fibrous kinds were, however, fully firm. The few leg-cut teas on offer, were generally sold at above last rates.

Darjeeling teas continued to move with useful support; but prices were

irregular with quality. The few flavoured teas, on offer, were sold at appreciably dearer rates. Stylish whole leaf grades were strong and tended dearer. There was also active support for Tippy types and these were often appreciably dearer. Following rates (per kilo) were quoted:—Clean Plain Pekoe Rs 5.25 to Rs 5.35; Plain BP Rs 4.85 to Rs 4.95; Plain Fannings Rs 4.70 to Rs 4.80; Medium Assam CTC BP Rs 6.40 to Rs 6.80; Medium Assam CTC Fannings Rs 6.50 to Rs 7.00; Best Assam CTC BP Rs 7.50 to Rs 7.80 and Best Assam CTC Fannings Rs 7.50 to Rs 8.20.

In the Internal Sale, offerings were 13,995 packages of Dusts. There was once again a strong and general demand. Medium CTC types opened on an irregular note, but strengthened as the sale progressed and they were often taken up at 30 nP to 40 nP above last rates. The good CTC types were, however, a little irregular although the smaller varieties received useful support.

Orthodox dusts came in for keen competition with the smaller and brighter lines selling well. Legg-cut dusts with improving quality were sold at much dearer rates, while the few thin plain teas were irregular. Following rates were quoted:—Plain Orthodox Dust Rs 4.45 to Rs 4.70; Medium Assam Dust Rs 4.60 to Rs 5.30; Legg-cut Dust Rs 4.80 to Rs 5.50; Medium Assam Dust CTC Dust Rs 6.40 to Rs 6.70 and Good Assam CTC Dust Rs 6.80 to Rs 7.20. Also, 67 packages of Leaf grades were offered and these were sold at irregular rates.

Ceylon has almost lost two big tea markets, which have been fetching a total income of Rs 6.70 crores annually. The United Arab Republic has halted purchase of Ceylon tea, while Iran has banned tea imports from Ceylon. Iran has been buying Rs 4 crores worth of Ceylon tea a year. Today, Ceylon is only selling small quantities of tea to merchants of Syria.

Total exports from Ceylon, in the first four months of the current year, were lower at 130.52 million pounds as against 135.63 million pounds in the corresponding period of last year. The short-fall was due to lower off takes by the UK, the USA, Australia and Africa, the important outlets for Ceylonese tea.

In the Cochín market, offerings were 290,000 kilogrammes of tea dusts for internal consumption. Against strong demand, residuals and low medium sorts were 15 nP to 20 nP per kilo dearer, while mediums and good mediums were 10 nP to 15 nP higher. High-grown teas were irregular, but fully firm. Unorthodox types were slightly dearer.

Among the main features of Pakistan's tea policy for 1960-61 are the earmarking of 45 million pounds of tea for internal consumption out of an expected total production of 57 million pounds with a generous export quota fixed for the balance of 12 million pounds. The new policy continues to maintain quotas for buyers at the tea auction, so that there is no monopolistic tendency in the form of a few buyers cornering the bulk of tea supplies.

Producers have the right to withdraw teas from auction if the price

offered is in their opinion unreasonable although the Government has fixed the prices for various grades and qualities produced. The producers may also sell up to 10 per cent of their production or 10,000 pounds, whichever being less, directly to the purchasers. There has been no change in the excise and export duties, which remain at 62 nP and 37 nP a pound respectively.

In London auction, good general demand was noticed for Ceylon teas with prices showing little change, while a dearer tendency was seen for BOP Fannings and coloury medium BPs. Competition for South Indian growths was only fair and values turned easier. North Indian and other miscellaneous growths found a quieter market. Stocks in London, as on 7 July, were slightly higher at 138.10 million pounds as against 137.90 million pounds in the previous week.

COTTON

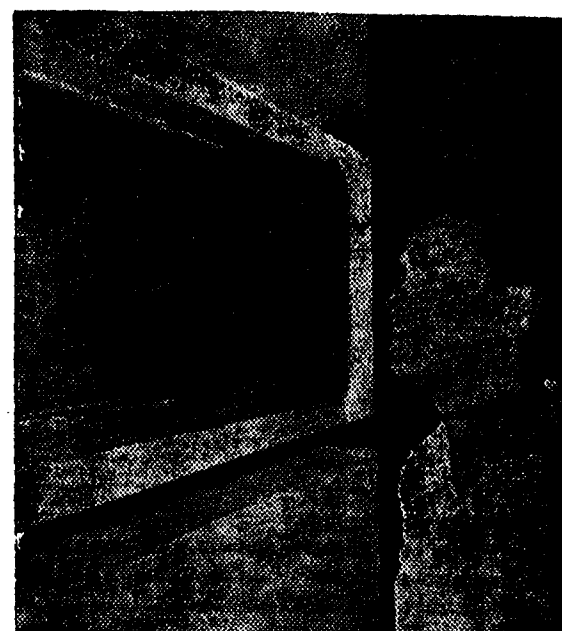
Trading in ICC March Commences

A significant development in the cotton market in Bombay during the past week was the commencement of trading in the new crop contract ICC Jarilla March 1962 on a cheerful note on 13 July. The new contract came on the Board at Rs 604.50 and at one stage its premium increased upto Rs 24 induced by a combinations of factors like the inherent bullish nature of the contract, the possibility of the immediate release of fresh export quota, expectation of improved offtake in the piecegoods market and the bright outlook of new crop in the next season. The premium at the close of the week, however, narrowed down to Rs 17 due mainly to the selling pressure from upcountry centres. This was largely attributed to the congenial weather reports from the cotton cultivating areas and the inordinate delay in issuing additional export quota. The contract receded further and on Tuesday last was quoted at Rs 596.00.

The ICC August, on the contrary, after an early set back staged a gradual recovery due presumably to the proximity of the delivery period. But after some period the contract exhibited a downtrend on account of the reduced activity in the spot market and beneficial rainfall in the cotton growing centres and on Tuesday last was quoted at Rs 580.50.

Activity in spot market at Sewri was considerably restricted. Prices of most of the varieties declined. Spinner interest hovered mainly around good quality cotton available for spinning 28/30s and 18/20s. A moderate quantum of Dig Vijay, Surti, and Kalyan was purchased by the mills during the week under review. Mill consumption remained steady but mills were reluctant to replenish their stocks for the present due to the arrival of US cotton of 1" and below, the reduced offtake in the cloth market and the stringent monetary conditions.

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On the import section only moderate business was transacted. Mills purchased small quantum of Egyptian, Sudan and East African growths at low prices.

No fresh development was visible in the export front. Though the trade circles were optimistic of an immediate release of fresh export quota, no announcement to that effect was made by the authorities. The trade will make another attempt to convince the Government of India of the necessity of issuing more quotas for Bengal Deshi and other varieties

stapling 24/32" and below. According to recent estimates the stock of Bengal Deshi in Bombay and upcountry centres amounts to 56,000 bales. The export trade was very much disappointed in the delay of releasing additional export quota for Bengal Deshi. That variety failed to attract any interest during the past week. Apparently disappointed in their attempts to persuade the Government for export of Bengal Deshi, a section of the trade has found it expedient to form a separate body shortly to press their demands.

The outlook for new cotton crop is rated high. Sowings in many areas have been completed. If nothing untoward happens the output of cotton in India is likely to aggregate 5 million bales in the next season.

NEW YORK

According to the estimates of the Crop Reporting Board of the United States Department of Agriculture, the acreage planted for the 1961-62 season is likely to exceed 1.65 million acres. Exports of US cotton to foreign countries during this season upto 6 July totalled 6,419,712 bales as against 6,622,100 bales in the corresponding period last season.

SUDAN

The Sudan Gezira Board during the past week sold 2,686 bales of various types of Nuba mountain cotton. The stock of 1961 crop lying with the Board amounts to 220,000 bales.

ALEXANDRIA

The Government has announced the selling prices of the new crop on 9 July. Mills from India showed interest in the Egyptian cotton, but the wide disparity between the existing prices and the offers from shippers failed to produce any appreciable result.

UGANDA

The Lint Marketing Board has disposed of 317,680 bales of AR cotton by auction. The stock of AR cotton left with the Lint Marketing Board for sale amounts to 25,445 bales. The Board has also auctioned 20,604 bales of BR quality in this season.

PIECEGOODS

The Bombay piecegoods market depicted quietly steady conditions during the past week. Turnover in the domestic sector was moderate. Demand from upcountry and local centres turned out to be an insignificant affair. The heavy rainfall in recent days and the floods in many parts of the country cast a depressing spell on the market.

The low enquiries from upcountry centres were attributed mainly to the cautious attitude adopted by the dealers. Calcutta, Delhi and Bihar accounted for a small quantum of goods. However, the prices remained more or less unchanged. The wholesale dealers were not at all worried at the low demand in the market. They were not anxious to liquidate their stock at reduced prices for they are anticipating a revival of demand in the coming months.

Export front displayed listless conditions. The possibility of Britain joining the European Common Market weighed heavily with the traders who are serious about the repercussions on textile exports from India to the UK. Business transacted with that destination during the past week was negligible. Sudan made some enquiries for grey sheetings at reduced rates.

Singapore booked a small quantum of bleached long cloth. Ethiopia was satisfied with moderate quantity of grey chaddars and sheetings. East Africa purchased small quantum of sheetings and processed goods.

Other destinations, for all practical purposes, remained inactive.

The downtrend in cloth export has been viewed with grave concern by the Government of India. With a view to stimulating our exports the Government has announced a number of export incentives for textiles. But they have not produced any substantial result among the trade circles.

Sugar Quota and Exports

INDIA'S total Sugar production is estimated, this year, around 3,000,000 tons with an exportable surplus of 950,000 tons. Indian sugar can be sold in the markets other than the US; but the main difficulty is the low price in world markets and the total loss which will have to be incurred by the industry in shipping the surplus. Apart from the small outlets that can be found in the neighbouring countries, a permanent solution depends solely on the US market.

In the above connection, the Union Food Minister has stated that there is little possibility of India securing, this year, a further quota for the export of sugar to the US in addition to the "ad hoc" quota of 225,000 tons already announced. According to the US Department of Agriculture, the world production of centrifugal sugar has reached a new high of 60,937,000 short tons in 1960-61 season, representing a phenomenal increase of 7.3 million tons. Non-centrifugal production has risen slightly over the previous season, principally because of an increase in India's production. The US sugar production itself has increased substantially over 1959-60 in all the major areas except for the Continental cane areas and Puerto Rico, where increases are slight.

For obvious reasons, any hope of getting a bigger quota at this stage is just visionary. The Union Food Minister has stated, in this connection, that he is more interested in securing for India a permanent sugar quota from the US than any additional quota for the current year. He feels confident that ultimately, India's plea for a permanent quota of 600,000 tons a year will be approved by the US Senate and the House of Representatives.

World sugar markets continue to be dominated by reports of this year's record crop in Cuba. But, London market sources are now speculating that the Castro Government will deliberately clear some of its sugar fields next season in an effort to diversify the economy. This added weight to the feeling that the 1961-62 season will see world production lower than the record output of 1960-61.

Whatever the final results from Cuba, the country will have a substantial carryover into next season. This factor has brought sugar prices tumbling and remains the underlying factor depressing world markets. Market sources in London hold out that there is no hope of any significant recovery in the near future, although there is a feeling among certain circles that the statistical

position will not worsen next winter. In India, markets have continued to remain depressed due to comfortable supply position. In the Hapur market, the rate is quoted below Rs 106.50 a bag as against the controlled rate of Rs 107.69. There is abundance of sugar in the country and the position calls for everything to be done to stimulate domestic consumption by relaxing the existing distribution restrictions. The authorities should take a realistic view of the position and liberalise the distribution system in keeping with the changed sugar situation.

GUR

The resumption of railway booking on the Eastern and Western Railways and a shortage of available stocks have been responsible for smart rise in dry Gur prices in the Hapur market. Large quantities of the commodity are reported to have been despatched by road and rail to the regular importing centres. A further rise in prices is expected due to the paucity of stocks at 1,000,000 maunds as against 1,800,000 maunds during the corresponding period of last year. Chakku Kotha dry quality is quoted around Rs 19.75 a maund.

FOODGRAINS

In the Hapur market, steadier conditions were noticed in the Foodgrains market as daily arrivals had dropped due to rains. Wheat recorded modest gains to the quoted at Rs 14.50 to Rs 15 a maund for the average quality and Rs 15.50 to Rs 16.25 for the farm quality. Daily arrivals were reported to be poor, partly due to rains and partly due to the tendency among producers to withhold. The Rice section continued to remain steady for the better quality. Gram prices showed a firmer tendency on the Punjab advices, while arrivals, too, were small. In the Pulses section, Peas continued to rule steady due to good demand in the face of small arrivals at an average of 100 maunds. The entire arrivals were picked up by grinders.

RUBBER

The Chairman of the Mundakayam Planters' Association has stated that the rubber-growing industry has an assured market at its door-step and it need not have any apprehension about over-production. In his address to the annual meeting of the Association, he has said that, in the context of India's integrated economy, the rubber planting industry enjoys a particularly favoured position.

Natural rubber requirements of the manufacturing industry have far outstripped anything the planting industry can produce. Moreover, the Planning Commission's working group for rubber estimates consumption to go up to 54,300 tons in 1965; 107,000 tons in 1970 and 173,000 tons in 1975.

PEPPER

Pepper prices have shown a smart rise of Rs 4 per 50 kg during the past few days, thanks to the bright prospects for exports. In the Cochin market, the rate is quoted at Rs 420.75 per quintal for the ready pos-

ition. In the Singapore market, the price of black pepper has hardened by 5 dollars per picul on reports that the Indonesian Government has decided to export the commodity directly to the USA, Russia and other consuming countries instead of selling via Singapore. This has pushed up Singapore prices to 46 cents per pound, which is about 2 cents lower than the ruling prices in India. It is hoped that the USA may revise her buying ideas in view of the rise in Singapore rates.

According to the Pepper and Spice Trading Association, India's exports of black pepper, up to the end of June this year, totalled about 14,000 tons, while internal consumption had reached 7,000 tons. This leaves a carryover stock of about 3,000 tons out of about 24,000 tons of the 1960-61 season's crop, with four months left for the arrival of the new crop in November.

The IPSTA has added that the new season's pepper crop is not likely to exceed 20,000 tons in view of the large-scale damage to the vines by the recent floods in the State.

CHEMICALS & DYES

In the Bombay Dyes and Chemicals market, prices of some of the items have registered fresh rises in prices. For instance, Rongalite has shot up to Rs 4.50 per pound, while Caustic Soda has been pushed up to Rs 54.50 for ICI manufacture and Rs 51 for indigenous manufactures.

The rise in prices of these items is mainly due to a shortage of supplies in the face of keen demand from the textile units of Ahmedabad. Even at the higher levels, stockists are not anxious to release their stocks in anticipation of a further rise in prices. A section of the trade feels that the STC will import only half of the quantity announced earlier. Under such conditions, consumers have no other alternative than to pay fancy prices quoted by the stockists as well as the selling agents.

YARN

Concern is expressed over the sharp rise in Staple-Fibre yarn prices in the Bombay market. Because of the extreme scarcity of supplies in 2/40 counts, the basis of the newly-started August contract has been changed by the Bombay Yarn Merchants' Association whereby 2/42s and 2/44s have also been made tenderable. In order to circumvent the Textile Commissioner's decision to enforce the squaring up of transactions in 2/40s June delivery at Rs 771, the spinners, who produced 2/40s, have switched over to 2/42s and 2/44s. Since then, this has resulted in an acute shortage in the supply of 2/40 counts the prices of which have shot up to above the officially-fixed prices.

The indigenous production of staple-fibre yarn is about 50 tons, which is distributed in the ratio of 2:1 between the staple-fibre yarn spinning mills and the composite mills respectively. This is considered to be much below the actual need of the country and, as a result, prices of 2/42s and 2/44s have shot up. If the runaway prices has to be

checked, the remedy lies in securing more supplies for the industry.

BANGALORE SILK

The Bangalore Silk market presented a steady trend in respect of prices of filature silk during the week ended 14 July, 1961. Filature silk of 20/22 Dr was quoted between Rs 80.43 and Rs 83.23 per kgm. There was a slight downward trend in the prices of all qualities of charka silk and cottage basin silk by Re 1.10 nP per kgm. Cottage basin silk as well as charka raw silk ruled between Rs 72.75 to Rs 77.16 and Rs 54.01 to Rs 72.75 per kgm respectively. The supply of raw silk was reported to be fairly satisfactory.

The prices of reeling cocoons also showed a downward trend on account of fairly good supplies of reeling cocoons. Mugar cocoons were quoted between Rs 2.50 and Rs 3.50 per kgm, Sidlaghatta cocoons ranged between Rs 4.31 and Rs 4.75 per kgm. Rates of Channapatna reeling cocoons ranged between Rs 2.00 and Rs 3.50 per kgm.

Mysore race seed cocoons declined by 25 nP per thousand and were quoted between Rs 3.50 and Rs 4.75 per thousand. The prices of foreign race seed cocoons ruled between Rs 2.00 and Rs 10.00 per thousand.

TIN

After a prolonged spell, Tin prices, both ready and forward, have suffered a sizable reverse during the past few days. The rate for the July position is presently placed at Rs 169.50 as against Rs 178 quoted in the previous week. Ready prices are quoted at a discount of about Rs 5 per 10 kgs.

The fall in prices is mainly attributed to weaker advices from Singapore where prices are reported to have progressively declined. Against a price of 460 Straits dollars per picul, the rate has fallen now by \$5 per picul. In London, there are buyers around £905 a ton.

According to market circles, stocks of tin in Bombay are placed around 3,500 tons against 2,000 tons estimated some time back. About 50 tons are expected to arrive from Singapore during the current month. Half of this consignment has already arrived in the harbour awaiting clearance, while the rest is expected to arrive by the month-end. A section of the trade feels that the fall in the international price will be temporary.

SHELLAC

Exports of Lac were slightly higher at 730,690 maunds in the financial year ended 31 March, 1961 as against 730,270 maunds in the previous year; but earnings from such exports declined to Rs 6.32 crores from Rs 6.37 crores. The slight improvement in the quantum of exports was due to increased offtake of buttolac and shellac from 379,800 maunds to 419,130 maunds. Shipments of seedlac and other varieties declined from 308,910 maunds to 272,200 tons.

Meanwhile, conditions in the Calcutta shellac market remained quiet with Pure TN quality shellac quoting Rs 124 per package. Shipments during the current month till 7 were 3,746 packages of shellac; 1,500 packages of seedlac; 25 packages of buttolac and 2,111 packages of other varieties.

GOLD & SILVER

Prices on the Bombay Bullion Exchange continued to display an easier tendency in the absence of any buying interest.

Silver bore the brunt of liquidation. The continued pressure of "katcha" silver, offered by the upcountry markets demoralised sentiment. Prices, therefore, reacted and the decline was further accelerated due to continued liquidation by bulls and some short selling. Arrivals were estimated at as much as 127 bars as against an offtake of only 10 bars. Ready rates moved between Rs 119.95 and Rs 200.10.

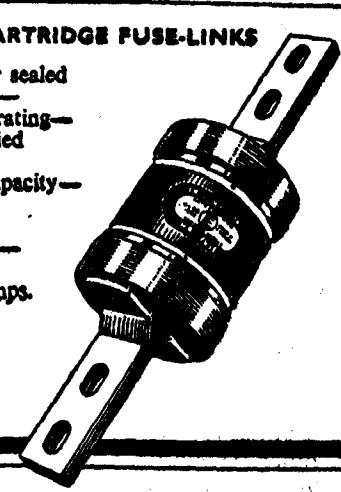
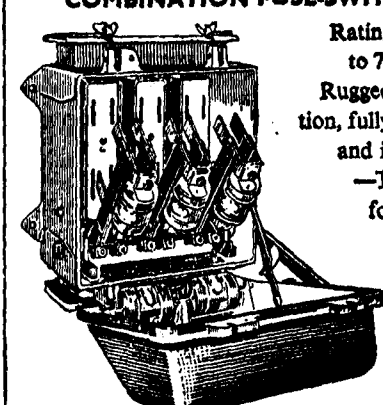
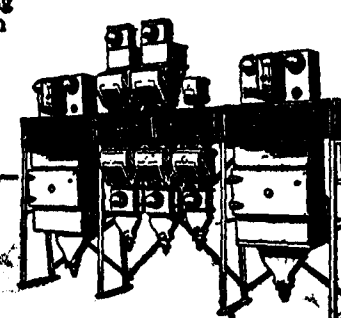
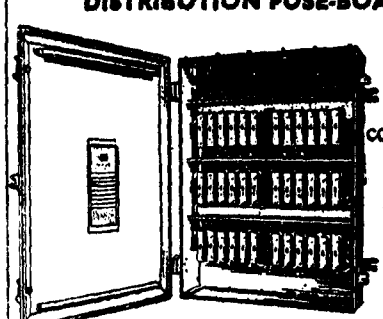
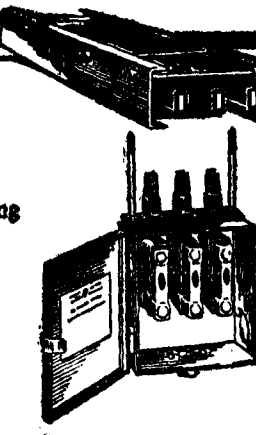
In the absence of any buying support, price movements in the Gold section were confined to narrow limits. The seizure of contraband

gold in the City had little effect on sentiment. Arrivals were 9,500 tolas as against an offtake of 6,000 tolas. Ready rates moved narrowly around Rs 120.55 while Sovereign was quoted at Rs 94.

OILS & OILSEEDS

Trading in the Bombay Oilseeds market was notable for a sharp rise in the export prices of groundnut extraction. About 10,000 tons of groundnut oilcake were reported to have been sold to the UK and the

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prices, as a result, moved up from £20.15sh to £30.12sh for July-August delivery and up to £31 for shipments further ahead. Local prices moved up by Rs 10 to Rs 320 per ton. The prices of other oilcakes remained steady.

Trading in the Groundnut section was dull due to hopes of a better crop. Ready Nizam Bold quality was quoted at Rs 55.25 and Groundnut oil at Rs 22.90.

Although prices in the Castorseed

section opened steady there was heavy selling pressure towards the close, being influenced by the activity of bears who made full use of the proposed entry of Britain into the European Common Market. Castor ready Madras small quality was

quoted at Rs 34.87 and Castor Oil, commercial quality, at Rs 14.50.

In the Linseed section, price movements were narrow in the absence of buying interest. Ready was quoted at Rs 39.25 and Linseed Oil at Rs 16.90.

THE RELIANCE JUTE MILLS COMPANY, LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the One Hundred and Fourth Annual General Meeting of Members will be held at the Registered Office of the Company, 4, Clive Row, Calcutta at 11-30 a.m. on Wednesday, 23rd August, 1961 for the following purposes:

- (1) To receive and consider the Audited Accounts for the year ended 31st March, 1961 and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
- (2) To appoint a Director in place of one retiring and in this connection to consider the following resolution which will be proposed as a special resolution:

"That Mr. John Valentine Jardine Paterson, an Associate of the Managing Agent of the Company, be and is hereby appointed a Director of the Company whose period of office is liable to determination by retirement of directors by rotation."

Special notice of the intention to move this resolution as a special resolution in conformity with the provisions of sections 190 and 261 of the Companies Act, 1956 indicating that Mr J. V. Jardine Paterson is an associate of the Managing Agent by reason of his being a Director of the Managing Agent's Company, has been received by the Company.

- (3) To appoint Auditors and to fix their remuneration.

- (4) As special business) To consider and, if thought fit, to pass with or without modification the following resolution which will be proposed as a special resolution, viz:—

"(a) That the action of the Board in having agreed on 29th May, 1961 to dispose of, under the Working Time Agreement of the Indian Jute Mills Association, 6,417½ current loom hours per week to Kankarrah Co. Ltd. and 1,445 current loom hours per week to The Barnagore Jute Factory Co. Ltd., in each case on payment of 25 naya Paise per current loom hour, for a period

of 17 weeks ending on 30th September, 1961 be and the same is hereby approved and confirmed.

- (b) That the Board be and is hereby authorised to extend the foregoing arrangement for a further period not exceeding 14 weeks from the date of its expiry, viz. 30th September, 1961, provided that the sum of the compensation to be paid by the Company shall not exceed the amount of lay-off compensation estimated to be payable to the Company's work people in respect of that period if the loom hours are not worked.

- (c) That the authority previously conferred on the Board by special resolution adopted by the Company in general meeting on 4th July 1958, whereby the Board was empowered to sell current loom hours to Howrah Mills Company, Limited, Kamarhaty Company, Limited and Kankarrah Company, Limited pursuant to the Working Time Agreement of the Indian Jute Mills Association on the basis set out in the said special resolution be and the same is hereby confirmed and further that the Board be and is hereby authorised similarly to sell current loom hours to The Barnagore Jute Factory Company, Limited on the same terms and conditions."

NOTICE is also given that the Share Transfer Books of the Company will be closed from the 9th August to the 23rd August, 1961, both days inclusive.

A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not also be a member of the Company.

By Order of the Board
JARDINE HENDERSON, LIMITED
D. FORDWOOD
Secretary
Managing Agents.

4, Clive Row,
CALCUTTA-1.
7th July, 1961.

Note:—Explanatory statement pursuant to Section 173 of the Companies Act, 1956, is being sent to all Members.

HOWRAH MILLS COMPANY LIMITED

NOTICE OF ANNUAL GENERAL MEETING.

NOTICE is hereby given that the One Hundred and Thirtysixth Annual General Meeting of Members will be held at the Registered Office of the Company, 4, Clive Row, Calcutta at 12 o'clock noon on Wednesday, 23rd August, 1961 for the following purposes:

- (1) To receive and consider the Audited Accounts for the year ended 31st March, 1961 and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
- (2) To declare dividends.
- (3) To appoint a Director in place of one retiring.
- (4) To appoint Auditors and to fix their remuneration.
- (5) (As special business) To consider and, if thought fit, to pass with or without modification the following resolution which will be proposed as a special resolution, viz:

"That pursuant to the provisions of Section 370 of the Companies Act, 1956 approval be and is hereby given to the making of such contributions which the Company has made or may make towards partnership capital in the firm styled 'Jardines Mills Agencies'; provided always that the net balance of partnership capital as contributed by the Company shall not at any time exceed Rupees thirty lacs."

- (6) (As special business) To consider and, if thought fit, to pass with or without modification the following resolution which will be proposed as a special resolution, viz:—

"(a) That the action of the Board in having undertaken on 29th May, 1961 to work under the Working Time Agreement of the Indian Jute Mills Association 6,417½ current loom hours per week on behalf of The Reliance Jute Mills Co., Ltd., (Managing Agents: Jardine Henderson, Ltd.) in consideration of a payment to be made by the said The Reliance Jute Mills Co. Ltd. on the basis of 25 Naya Paise per current loom hour, payment of which to be received by the Company within one month of the first working day of the week to which the hours worked

relate, for a period of 17 weeks ending on 30th September, 1961 be and the same is hereby approved and confirmed.

- (b) That the Board be and is hereby authorised to extend the foregoing arrangement for a further period not exceeding 14 weeks from the date of its expiry, viz. 30th September, 1961, provided that the rate of compensation to be received by the Company will provide a sum which is not less than any loss or, as the case may be, any additional loss which in the opinion of the Directors is likely to be incurred by the Company as a result of working the additional loom hours which are the subject of the said arrangement.

- (c) That the authority previously conferred on the Board by special resolution adopted by the Company in general meeting on 4th July, 1958, whereby the Board was empowered to purchase current loom hours from The Reliance Jute Mills Company Limited pursuant to the Working Time Agreement of the Indian Jute Mills Association on the basis set out in the said special resolution be and the same is hereby confirmed."

Notice is also given that the Share Transfer Books of the Company will be closed from the 9th August to the 23rd August, 1961 both days inclusive.

A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not also be a member of the Company.

By Order of the Board
JARDINE HENDERSON, LIMITED
D. FORDWOOD
Secretary,
Managing Agents.

4, Clive Row,
Calcutta-1.
7th July, 1961.

Note: Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, being sent to all Members.

In the Calcutta market, however, the price of Linseed firmed up to Rs 30 a maund for ready delivery. Crushers found it difficult to obtain their requirements as sellers were inclined to be reserved in view of short supplies. The price of oil also hardened in sympathy and business was restricted due to shortage of stocks. The price of Oilcake was also firm due to broadening enquiries from domestic and foreign buyers. Only limited business was possible in the absence of declared sellers.

In Madras, the groundnut kernels and the oil markets this week were easier. The firmer tendency shown till almost the middle of last week eased up a little due to arrivals of larger kernel stock in South Arcot centres. But despite liberal arrivals, the sellers of kernels were not prepared to part with their stocks except at their own prices, and therefore groundnut continued still at a higher level. The groundnut stockists continue to enjoy all facilities to resist buying pressure, and are prepared to hold on till they get their own prices. But the oil position was different. Unloading of stocks was sometimes due to lack of finance and they had to sell at lower levels when buyers took the chance to dictate their own terms.

Oil rate continued at the higher levels last week at Rs 508 per candy. But when offerings came forth in quantities more than the expected, the price eased a couple of rupees for candy.

Only one or two Calcutta operators were actively seen in the market. August deliveries were also bought by Calcutta in sizeable quantities, but by July last week deliveries came up also for offerings at the same price.

Groundnut oil was quoted at 222.80 per 100 kgs. from the middle of last week hardened still further to Rs 224 per 100 kgs. But with the opening of this week's rate by a rupee lower due to better offerings the oil position eased to some extent.

But coromandel variety of kernels was at Rs 92 per 80 kgs. at the middle of last week. Due to better arrivals the price came down to Rs 90.75 per 80 kgs. From this rate, the quotation for coromandel did not change due to sellers' resistance.

Also the peanut variety quoting at Rs 88.50 last week, came down only by about 75 nP and the price of this quality was well maintained at Rs 87.50.

Arrivals of summer crop were on the increase in the South Arcot market centres. On an average, 300 to 400 tons are now received, while in the City the receipt is merely 35 tons. There is competition among crushers and so the price of kernels had not come down in this area.

Demand for Indian groundnut extractions from UK and Eastern European countries continues. In groundnut oil Argentine has been selling sizeable quantities to Rotterdam and other areas.

HIDES & SKINS

Prices of tanned cow hides whose inflow were better than last week did not change much this week. Export business was fair with some firm orders but still there was not confidence in view of the still high prices. Buyers were holding back in this section. It was stated in the domestic market that African hides were being offered at a workable rate than Indian. This might also have contributed to the buyers' reluctance.

The medium weights of 8/8½ lbs were quoted at 42d. Fourths in this quality were rated at 46d. In the lower weights of 5/5½ lbs there was no change. In guaranteed marks the price quotation was at 72d, 62d and 52d. Other varieties in the same category were available at 2d less.

Premium marks in tanned cow calf did not change this week. A few deals at 68d for 1½/2 lbs were dealt with.

There was no change in tanned buffalo hides. In tanned buff calf it was reported all the season's stocks had been cleared away and what remained was of poor quality.

In the tanned goatskin section buyers preferred to wait due to high prices still remaining. Inferior fifts could be had in any number due to reported accumulation of this variety. No change was reportable in market quality goatskins.

Prices of tanned sheepskins also did not change this week in all varieties.

The following are the prices of tanned skins per lb:

Cow Prime 5/5½ lb Rs 3 to Rs 3.12: 6/6½ lb Rs 2.75 to Rs 2.81: 8/8½ lb Rs 2.31 to Rs 2.38: 10/12 lb Rs 2.12 to Rs 2.28: Inferior fifts 4/4½ lbs Rs 2.40 to Rs 2.47: 5/5½ lb Rs 2.28 to Rs 2.31: Buffalo 12/13 lb Rs 2 to Rs 2.01: Cor calf 1½/2 lb Rs 4.12 to Rs 4.37: Buff calf 1/1½ lbs Rs 3 to

MEETINGS AND DIVIDENDS PROPOSED

Companies.	Meeting Date	Dividend Proposed (Rs Per Share)	Previous Dividend (Rs Per Share)	Transfer Books Closed
National Jute	July 27	0.75	1.00	7/7/61 to 27/7/61
Gondalpara Mill	July 31	4.00	4.00	17/7/61 to 31/7/61
Bengal Paper	July 31	32%	32%	19/7/61 to 31/7/61
Hoolungoree Tea	Aug. 8	10.00	20.00	2/8/61 to 9/8/61
Indian Copper	Aug. 9	0.36	0.36	12/6/61 to 1/7/61
Kettiewell Bullen	Aug. 10	11.00	8.00	3/8/61 to 10/8/61
Choonabhatti Tea	Aug. 10	32.50	30.00	3/8/61 to 10/8/61
Port Shipping	Aug. 10	nll	nll	1/8/61 to 10/8/61
Birpara Tea	Aug. 11	17.50	22.50	1/8/61 to 11/8/61
Clive Buildings	Aug. 11	10.00	10.00	2/8/61 to 11/8/61
Britannia Biscuit	Aug. 18	3.00	2.50	11/8/61 to 18/8/61
Katras Jherria Coal	July 27	4.00	9.50	15/7/61 to 28/7/61

Rs 3.25: Goat Prime 8/9 lb 10 to Rs 10.50: Sheep ordy: 6/7 lb Rs 7 to Rs 7.25: 5/6 lb Rs 9 to Rs 10: Sheep Prime 66/7 lb Rs 11.50 to Rs 12.50.

COPRA

The hope, that there might be an enlargement of trade in beedis has its origin in Ceylon's difficulty in selling Copra to India. Besides,

Ceylon is reported to experience a shortage of beedis. Market circles feel that, if Ceylon liberalises beedi imports from India, some efforts may be made in this country to enlarge the offtake of copra from Ceylon, the parity whereof is high as compared to world prices.

It is also said that the Ceylon Government will urge the US Administration to go slow in soyabean oil exports which seem to hit Ceylon's exports.

TEZPORE TEA COMPANY, LIMITED

Notice is hereby given that the Forty-third Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Bankshall Street, Calcutta, on Friday, the 18th August, 1961, at 3-30 P.M. for the following purposes:—

- (1) To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1960.
- (2) To declare Dividends.
- (3) To elect a Director.
- (4) To appoint Auditors and to fix their remuneration.
- (5) As Special Business:

To consider and if thought fit to pass with or without modification the following resolutions:—

- (i) (As a Special Resolution). "Resolved that, pursuant to the provisions of Section 360 of the Companies Act, 1956, the Company hereby approves of the contract entered into between the Company and its Managing Agents, Shaw Wallace & Company Limited, in respect of sales of teas made by the Company to the Managing Agents during the financial year ended 31st December, 1960, at market prices amounting in aggregate to Rs 42,849/-."

- (ii) (As a Special Resolution). "Resolved that, pursuant to the provisions of Section 360 of the Companies Act, 1956, the Company hereby approves of a contract (in terms of the draft placed before the meeting and initialled for identification by the Chairman of this meeting) being entered into between the Company and its Managing Agents, Shaw Wallace & Company Limited, for the period of five years therein mentioned in respect of sales by the Company to the Managing Agents of teas required by the Managing Agents not exceeding in price Rs. 1,00,000/- in the aggregate in any one year on terms that the price of each sale shall be

determined on the basis of market rates and shall be payable by the Managing Agents to the Company within one month of each such sale aforesaid."

- (iii) (As a Special Resolution) "Resolved that, pursuant to the provisions of Section 360 of the Companies Act, 1956, and in supersession of the contract dated 15th May 1955, the Company hereby approves of a contract being entered into between the Company and its Managing Agents, Shaw Wallace & Company Limited effective for five years from the date of passing of this resolution, for the purchase by the Company from the Managing Agents at market rates of (1) Fertilisers (2) Hessian Cloth, (3) Fungicide Insecticide and other chemical Preparations, (4) Sprayers and sprayer parts, (5) agricultural implements, (6) machinery spares and accessories, (7) stationery, store, and belting and (8) paint on the terms and conditions set out in the draft agreement placed before the meeting and initialled by the Chairman for identification."

The Transfer Register will be closed from the 10th August 1961 to 18th August 1961 both days inclusive.

By Order of the Board,
SHAW WALLACE & CO. LTD.
Managing Agents.
Calcutta, dated 18th July, 1961.

Note:—(i) A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.

(ii) An explanatory statement under Section 173 of the Companies Act, 1956, is being sent to the members of the Company by post.

Quoted Shares

Preference Shares

CALCUTTA

NAME	Paid- up per Share.	Quotation 15-7-61 as on Rs NP
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BANKS		
Allahabad 6%	100	96.50
Debar 5%	50	18.00

COAL		
Asso K'pura 4 1/2%	100	50.50
Bharat 5 1/2%	100	34.50
Borra 6 1/2%	100	66.55
Burrakur 7%	100	99.00
Burrakur 8%	10	7.25
Equitable 6%	100	80.00
Ghusick & Muslia 5%	100	100.00
Gourangdi 5%	100	40.00
Karanpura 5 1/2%	100	55.75
Khas Kajora 5 1/2%	10	6.95
N. Beerbhoom 7%	10	10.50
N. Churulia 5%	10	5.08
N. Huntodih 6%	100	45.00
Onal 6 1/2%	100	64.10
Parasa 5 1/2%	100	44.50
United Colliery 5%	100	64.50

COTTON		
Basanti 6 1/2%	10	8.37
Bengal-Nagpur 7%	100	75.00
Bharat Commerce 9%	100	100.00
Bowreah 8%	100	94.60
Bowreah 7%	100	70.25
Elgin 5%	100	100.00
Elgin 5%	10	6.97
Jagatjit 5%	100	73.75
Jayajee Rao 5 1/2%	100	88.50
J. K. Cotton 6%	100	88.50
J. K. Rayon 6 1/2%	100	100.00
Kesoram 7%	100	100.00
Kesoram 5 1/2%	100	88.00
Muir 6%	100	73.75
N. Victoria 3%	5	3.25
Orissa 5%	100	65.00
Shree Madhusudan 4 1/2%	100	79.00
Shree Niwas 4%	100	48.80
Shree Bhawan 8%	100	69.00
Swadeshi 6%	100	73.23

JUTE		
Agarpara 7%	100	89.00
Alexandra 7%	100	82.00
Alliance 6%	100	66.00
Anglo-India 7%	100	92.50
Auckland 5 1/2%	100	71.25
Auckland 4 1/2%	100	58.00
Bally 7%	100	93.25
Barnagore 5%	25	39.50
Belvedere 7%	100	90.00
Bengal 5 1/2%	100	53.00
Birla 7 1/2%	100	90.00
Birla 5 1/2%	100	91.00
Budge-Budge 7%	100	81.93
Calcutta 6 1/2%	100	50.50
Caledonian 7%	100	80.00
Chiviot 7%	100	93.40
Chitavalsah 7%	100	77.90
Clive 6%	100	52.00
Clive 7%	100	60.00
Delhousie 7%	100	86.00
Delta 5%	100	69.25
Empire 7%	100	50.50
Fort Gloster 7%	100	98.00
Fort Gloster 5%	100	64.00
Fort William 5%	100	92.00
Ganges Mfg. 6%	100	102.00
Gouppore 6%	100	82.00
Hastings 6%	100	82.00
Hooghly 7%	10	10.12
Howrah 'A' Pref.	100	90.50
Howrah 7%	100	93.00
Hukumchand 7%	100	92.00
Kamarhatti 6%	100	87.30
Kankarrah 6%	100	91.00
Kedarnath 6%	100	68.00
Kedarnath 7%	100	90.50
Kelvin 7%	100	92.00
Khardah 6%	100	79.50

NAME	Paid- up per Share.	Quotation 15-7-61 as on Rs NP
Kinnison 7%	100	90.00
Lansdowne 7%	100	90.25
Lawrence 5 1/2%	100	92.00
Naihati 7%	100	70.50
Naihati 4 1/2%	100	98.00
National 7%	100	80.00
Nellimarla 6%	100	93.00
N. Central 7%	100	78.00
Northbrook 5 1/2%	100	85.50
Rameshwara 6%	100	73.00
Reliance 7%	100	9.50
S. Ambica 7 1/2%	100	78.50
Soorah 7%	100	82.00
Union 7%	100	95.00
Waverley 5%	100	77.35
	50	40.50

MININGS		
Asso. Mining 5%	50	27.50
Ch. Mica 5 1/2%	100	48.00
Metal Corp. 5%	100	99.00

CEMENT		
Dalmia Bharat 6%	10	7.16
Jaipur Udyog 3%	100	37.00
Kalyanpur Lime 7%	100	80.00
Kalyanpur Lime 6%	100	100.50
K'dhubi Fire 5 1/2%	100	58.20
Orissa Cement 4 1/2%	100	35.00

CHEMICALS		
Alkali 5%	100	92.00
Bathgate 6%	100	19.00
Bengal Chem. 7 1/2%	10	12.31
Bengal Chem. 4 1/2%	100	66.00
Calcutta Chemical 6%	10	7.50
Frank Ross 4 1/2%	100	51.00
Smith Stanistreet 10%	50	63.12

ELECTRICS		
Calcutta 5%	21	8.94
Dishergarh 5%	100	68.00
Dishergarh 4 1/2%	100	69.20

ENGINEERING		
Arthur Butler 7%	10	10.75
Br. Building 6%	100	50.00
Br. Engineering 7%	100	100.00
Burn & Co. 7%	100	100.00
Burn & Co. 6%	100	103.00
Indian Iron 5%	100	89.00
India Machinery 7%	100	63.00
Ind. St. Wagon 7%	100	105.90
Jessop & Co. 5%	100	80.25
J. K. Steel 7%	100	100.00
Kumarhubi 5%	100	80.00
R. Cruddas 5 1/2%	100	54.00
Steel Products 5%	10	7.22
Texmaco 5 1/2%	100	79.15
Texmaco 5 1/2%	100	57.50
Texmaco 6 1/2%	100	89.00

MISCELLANEOUS		
Alum. Corp. 6%	100	99.30
Alum. Corp. 5%	100	70.00
Amal. Dev. 5%	100	37.00
Asso. Hotel 7%	100	52.75
Bharat Nidhi 6%	100	44.87
Birds Investment 5 1/2%	100	36.50
B. Biscuits 8%	10	8.60
B. I. Corporation 8%	100	108.50
Cal. Cr. Corp. 6%	100	34.50
Cal. Cr. Corp. 5 1/2%	100	23.50
Calcutta Gas 5 1/2%	100	52.14
Calcutta Silk 5%	100	49.12
Calcutta Trams 5%	21	7.81
Duncan Bros. 4%	100	50.55
Dunlop 6%	100	109.00
Dunlop 6%	100	79.00
Eastern Invt. 5%	100	67.44
Gillanders 5%	100	58.00
Godfrey Phillip 5 1/2%	100	52.50
Greaves Cotton 5 1/2%	100	32.80
Greaves Cotton 6%	100	48.45
Hindustan Alu- minium 6.3%	25	24.37
Hindustan Motors 6%	100	222.00

NAME	Paid- up per Share.	Quotation 15-7-61 as on Rs NP
Hindusthan National		
Glass 8%	100	93.00
Indian Alum. 5%	100	66.20
Indian Cables 6%	10	34.00
Indian Plastics 5 1/2%	100	40.50
Indian Rubber 5%	100	59.75
James Wright 6%	50	19.75
J. Henderson 5 1/2%	100	55.50
K. Bullen 5 1/2%	100	57.50
K. Bullen 4%	100	55.75
Kusum 5 1/2%	100	64.00
Macneill & Barry 5 1/2%	100	51.57
Madhya Pradesh Ind. 6%	100	93.00
McLeod & Co. 5%	100	86.00
Martin Burn 5%	100	50.00
McLeod & Co. 5%	100	60.25
2nd Pref.	100	84.00
Metal Box 6%	100	78.00
National Rubber 6%	100	2.35
National Tannery 5%	100	74.00
National Tobacco 4 1/2%	10	66.23
Nav. Bharat Vanijya	100	75.00
Rallis 6%	100	73.00
Rohtas Indus. 7 1/2%	100	117.00
Rohtas Indus. 4 1/2%	100	57.00
Sen Raleigh 5%	100	150.00
Shaw Wallace 6%	100	68.50
Spencer 6 1/2%	10	8.27
Spencer 6 1/2%	10	9.85
Standard Vacuum 6%	100	90.50
Union Tobacco 5%	100	15.50

OILS		
I. B. Petrol 7%	100	89.50

PAPER		
Ballarpur 5%	100	112.00
Bengal Paper 7%	50	48.50
Bengal Paper 7%	100	102.00
Bengal Paper 6%	100	61.95
Orient 5 1/2%	100	81.00
Orient 3 1/2%	100	63.75
Shree Gopal 8%	100	95.20
Shree Gopal 7%	100	91.90
Sirpur Paper 6%	100	85.00
Star Paper 5%	100	73.50
Star Paper 6 1/2%	100	93.00
Star Paper 7%	100	81.00
Star Paper 7 1/2% Con.	100	89.00
Titagarh 8%	100	99.00
Titagarh 4 1/2%	100	73.00

PRESSING		
Bhagwati 5%	100	28.00

REAL PROPERTY		
Humayun 6%	10	7.00
Regent Estate 4%	100	33.50

SAW MILLS		
Bengal Timber 5%	100	7.75

SHIPPING		
B-A Steam 7%	60	43.87
I.G. Navigation 6%	110	77.00
India Steam 5%	100	76.50

SUGAR		
Carew 6 1/2%	100	80.00
Cawnpore 8%	100	108.00
Jaswant 5 1/2%	100	85.00
Mohini 5%	100	70.00
New India 7 1/2%	100	137.79
Purtapore 10%	10	8.85
Rammugher 6%	100	79.00
Ryam 6%	10	8.40
South Behar 9%	100	20.50
S. Hanuman 5%	100	55.00
S. K. Gyan 6%	100	63.30
S. K. Gyan 5%	100	54.25
Upper Ganges 5%	100	69.00

TEA		
Amluckie 7%	10	31.00
Bornah Jan 6%	100	56.00
Brooke Bond 6%	100	63.50
Dhunsari 10%	10	2.12
Dimakus 5%	10	3.10
Kingsley Gola 6%	100	71.45
Moheema 6%	10	8.00
Tezpore 8%	10	10.00

*Nominal. †Ex-Dividend. ‡Cum-Dividend. §No Rights.

COAL

Amalgamated	10	24.50
Asso. Karanpura	10	5.50
Asso. Laikdih	10	5.50
Bagdigi Kujama	10	6.50
Bengal	100	388.00
Bengal Bhatdee	10	3.48
Bengal-Nagpur	10	20.19
Bhalgora	10	5.00
Bharat	10	3.94
Bhowre Kankanee	10	7.94
Bhulanbararee	10	7.40
Boxaro & Ramgur	10	18.00
Borra	10	23.87
Burrakur	10	20.31
Central India	10	13.50
Central Kurkend	10	7.00
Churulia	4	2.75
Dhemo Main	10	7.09
East Indian	21	35.62
Equitable	10	32.12
Ghusick & Muslia	10	16.00
Gourangdi	10	8.50
Guzzdar Kajora	10	8.00
Hurridiadi	10	14.37
Jainty Central	24	0.44
Jogta	10	1.78
Karanpura	100	190.00
Katras Jherriah	10	49.00
Khas Kajora	10	18.70
Kuadi	10	8.75
Lakurka	10	14.00
Mahabir	10	11.00
Mundulpore	10	3.00
Nazira	10	8.00
New Beerbhoom	10	24.12
New Churulia	10	5.25
New Huntodih	10	5.00
New Marbhoom	10	15.75
North-West (P.P.)	10	20.09
North-West (P.P.)	74	17.87
Oriental	10	8.70
Ondal	10	14.40
Parasa	10	18.00
Pench Valley	10	19.87
Pure Sitalpore	10	9.87
Raneungta	10	19.06
Rewa	10	31.00
Sama	10	8.75
Searsol	24	1.72
Seepore	7	38.00
Sendra	10	8.19
Shree Mahakali	10	3.25
South Karanpura	10	9.19
Standard	10	14.00
Union	10	11.82
United Collieries	10	12.20
Western Bengal	10	10.47
West Ghusick	10	15.12
West Jamuria	10	7.00
West Laikdih	10	5.75

Central India	... 10	13.50
Central Kurkend	... 10	7.00
Churulia	... 4	2.75
Dhemo Main	... 10	7.09
East Indian	... £1	35.62
Equitable	... 10	32.12
Ghusick & Muslia	... 10	16.00
Gourangdi	... 10	8.50
Guzzdar Kajora	... 10	8.00
Hurridiadi	... 10	14.37
Jainty Central	... 24	0.44

NAME	Paid-Quotation	NAME	Paid-Quotation	NAME	Paid-Quotation	NAME	Paid-Quotation				
UP per	as on	UP per	as on	UP per	as on	UP per	as on				
Share.	14-7-61	Share.	14-7-61	Share.	14-7-61	Share.	14-7-61				
Rs nP	Rs nP	Rs nP	Rs nP	Rs nP	Rs nP	Rs nP	Rs nP				
Trav. Chem. 6½% ...	10	9.10†	Manar ...	2	2.63†	Tirupati ...	10	11.25	Central India 5% ...	100	376.25
T. Stanes 7% ...	100	82.65	Manimala ...	10	8.75	Trav. Rayon ...	10	38.00	Century 6% ...	100	106.50
United Elec. 5% ...	10	10.20	Mercara ...	5	8.20	Trichinopoly ...	10	12.50	Elphinstone 7% ...	100	66.50
Vanguard Fire 5½% ...	6	4.73	Midland ...	10	11.75	Vasanta ...	100	255.00	Hindustan 4½% ...	1000	625.00
W. I. Plywood 6% ...	100	92.00	Miamally ...	25	38.25	Venkatesa ...	50	186.50	Hindustan 4½% ...	250	175.00
			Mysore Amalgam. ...	5	5.90	Vijayakumar ...	100	111.00	Indian Mfg. ...	1000	625.00
			Mysore Coffee ...	2	5.45	Vijayalakshmi ...	100	95.00	Indian Mfg. ...	500	315.00
			Mys. Plantations ...	2	2.06	Vijayeswari ...	100	127.00	Jijayee Rao 5½% ...	100	90.00
			Neelmalai ...	5	3.93	Virudhunagar ...	50	49.00	Jijayee Rao 5½% ...	100	91.50
			Nellampathy ...	2	2.48				Khatu 4% ...	100	74.50
			Nellithanam ...	10	12.05				Kothari 6% ...	10	10.00
			Nemmeny ...	10	10.25				Kothari B' 6% ...	10	10.00
			Nilambur ...	10	16.35				Lakshmi Cotton 5% ...	250	147.50
			Nilgiri ...	10	8.25				Mafatlal 1st 4½% ...	100	78.30
									Mafatlal 2nd 4½% ...	100	92.00
			Nonsuch ...	10	28.20				Mahendra 6½% ...	100	99.00
			Ossoor ...	2	2.60				Morarjee 4½% ...	100	64.00
			Ouchterlony ...	2	3.70				Mysore 4½% ...	50	22.75
			Panchura ...	1	5.80				Navsari Cotton 5% ...	100	91.00
			Parkside ...	10	29.37				New Great 5½% ...	200	106.50
			Peermade ...	10	22.60				N. Kaiser-I-Hind ...	100	65.00
			Perinsular ...	10	21.40†				Podar 4% ...	100	63.00
			Periakaramalai ...	2	3.87				Shree Bhawani 8% ...	100	100.00
			Pullangode ...	2	1.83				Shreenivas 4% ...	100	66.00
			Puthuthottam ...	2	2.70				Standard 4% 1st ...	100	75.50
			Rajagiri ...	10	18.00†				Standard 4% 2nd ...	100	76.00
			Rajendra ...	5	12.12				Swadeshi 5% ...	100	88.00
			Sangameshwar ...	2	2.08				Swadeshi (Kan.) ...	100	86.00
			Savamalai ...	2	3.20				Vishnu 7% ...	500	410.00
			Sheveroy ...	2	1.70				W. India 4½% ...	1000	625.00
			Stanes Amalgam. ...	10	15.75						
			Swinton ...	2	3.00						
			Talayar ...	2	1.88						
			Teesook ...	10	19.36†						
			Thamarapally ...	10	1.60						
			Thirumbadi ...	1	10.37						
			Trav. Rubber ...	10	9.60†						
			T. R. & T. Co. ...	10	18.95†						
			Tropical ...	25	12.00†						
			Twyford ...	10	21.25†						
			Udayagiri ...	10	26.00						
			Uni. Nilgiris ...	10	31.25						
			Vaikundam ...	2	1.25						
			Vayitri ...	5	5.85						
			Veilmalai ...	2	2.60						
			Wartyhully ...	2	3.00						
			Waterfall ...	1	1.65						
			Woodcote ...	10	7.90†						
			Woodland ...	10	7.90†						

NAME Paid-Quotation
up per as on
Share. 14-7-61
Rs nP

AUTOMOBILES, CYCLES & ACCESSORIES

Mind Cycles 5%	100	65.00*
Mind Cycles 5 1/2%	100	75.00*
Mind Cycles 6%	25	25.00*
Mind Cycles 6 1/2%	100	78.50
Hindustan Motors 6%	100	215.00
Sen Releigh 5%	100	145.00
Standard Motor 6 1/2%	100	103.00*
'A'	100	103.00*
Standard Motor 6 1/2%	100	103.00*
'B'	100	103.00*

SHIPPING

Great Eastern 5 1/2%	100	91.00
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DYES, CHEMICALS & PHARMACEUTICALS

Alembic Chem. 6 1/2%	100	81.00
Alembic Chem. 5%	100	77.00
Alembic Chem. 6%	100	75.00
Amar Dye 6%	100	100.00
Dhrangadhra 6%	100	78.00
Indian Dyestuff 6%	100	108.25
Poly Chem. 7 1/2%	50	44.00
Tata Chemicals 5%	100	33.50

SUGAR

Bhopal 5%	100	84.50
Cauvery 6%	100	99.50*
Hindustan 5%	100	90.00
Maharashtra 7%	250	240.00*
Ravalgaon 5 1/2%	100	61.00
South Behar 7 to 9%	100	20.00*
Walchand 10%	100	116.00

PLANTATION

Highland	10	8.40*
Midland	10	8.40*
Nelliampathy 6%	10	9.20*
Rajagiri 6%	10	7.24*
Waterfall 6%	10	8.80*

ELECTRICAL GOODS

Bajaj Electricals 5%	100	71.50
Estreta Batteries 5%	50	32.00

FOOD PRODUCTS & VEG. OILS

Polson 6%	100	78.00*
Sathe Biscuits 9%	100	94.20
Sundatta Foods 8 to 11%	50	50.10
Tata Oil 4 1/2%	100	57.00

POTTERIES & TILES

Bombay Pottery 6 1/2%	100	75.00*
Bombay Pottery 4 1/2%	100	60.00
Digvijay Tiles 6%	100	85.00*
Khodiyur Pottery 4 1/2%	100	100.00*
Parashuram Potteries 6%	25	26.00
Parashuram Potteries 4%	25	17.00

RUBBER GOODS & TYRES

Associated Rubber 7%	100	100.00*
National Rubber 6%	100	82.00
Premier Tyres 6 1/2%	75	71.00

MISCELLANEOUS

Aseo. Stone 6%	100	100.00*
B. I. Corporation 6%	100	113.00
Delhi Safe 6%	100	100.00*
East India Hotels 6%	100	100.00*
Hindustan Const. 6 1/2%	100	69.50
Hingir Rampur 4 1/2%	50	92.00*
I. Hume Pipe 5%	100	55.70
Madhusudan A	12 1/2	5.00
Madhya Pradesh Ind.	100	106.00*
Motor & G. Fin.	25	36.00*
N. I. Fisheries 6%	100	101.00*
Premier Const. 1st	100	73.00
Premier Const. 2nd	100	68.80
Premier Const. 3rd	10	5.00
Rohtas Indus. 7 to 4%	100	110.00*
Rohtas Indus. 4 1/2%	100	58.00
Stanvac 6%	100	85.00
Supreme Ind.	100	69.00

Ordinary Shares (Non-Cleared)

BOMBAY

COTTON TEXTILES

Adoni	10	8.20*
Bradbury	50	145.00
Burhanpur Tapti	100	108.00
Cooria	100	135.00
Davangere	100	116.50
Dawn	50	136.50
Gaekwar	100	220.00
Gold Mohur	100	262.00
Hindustan F.P.	1000	5200.00
Hindustan P.P.	250	992.50*
Hukumchand	100	170.00
Indian Manfg.	1000	2500.00
Indian Manfg.	500	1050.00
Jam. Ranjit	1000	1500.00
Jhagdeo	10	12.00
J. K. Cotton	10	21.00
Khandesh	1000	1200.00
Kothari	250	375.00
Lakshmi	10	10.00*
Madatlal	250	600.00
Madatlal	100	875.00
Mahendra	100	315.00
Mahendra (New)	40	40.00*
Model	250	70.00
Modern Mills	50	80.50
Navsari Cotton	100	216.25
N. Kaiser-i-Hind	100	145.00
Phoenix	100	62.50
Pulgaon	100	154.50
R. Motilal	10	11.00
Ruby	100	107.00
Sassoon Spinning	25	62.00
Shree Bhawanji	10	63.30
Shree Shubhalaxmi	10	10.00*
Shree Shubhalaxmi	100	125.00*
Swadeshi (Kan.)	10	12.00*
Swadeshi (P.O.)	10	10.40*
Victoria	100	460.00
Vishnu	100	180.00
Western India	1000	3725.00

OTHER TEXTILES

Ambika Silk	100	149.00
Baroda Rayon	100	136.00
Bombay Silk Mill	50	5.00*
Gwalior Rayon	10	51.00
Indian Rayon	62 1/2	61.50
New Central Jute	10	20.12
Raymond Woollen	100	126.00
Sassoon Silk	10	15.76
Shree Digvijay	10	20.00
Woollen	10	20.00
South Indian Viscose	100	186.00

BANKS

Bank of Baroda	50	103.50
Bank of India	50	132.50
Bank of India 'A'	50	135.00
Bank of Maharashtra	50	53.00
Central	25	60.00
Central (A)	25	61.00
Devkaran Nanjee	50	60.00
Hind Commercial	50	15.00
Hind. Mercantile	50	14.00
Jodhpur Commercial	5	2.52
Punjab National	10	22.52
State Bank	100	326.25
Union	5	6.76
United Commercial	50	91.50

INSURANCE

All-India General	8	2.76
British India	10	12.18
Devkaran Nanjee	50	28.50
Empire of India	100	268.75*
Indian Globe	25	8.00*
Indian Mercantile	40	47.75*
Jupiter	15	13.52
Neptune	10	1.46
New Asiatic	5	2.76
New Great	20	21.80
New India	15	62.00
New India 'A'	15	63.50
Sentinel	50	52.00*
Universal Fire	10	15.48
Vulcan	10	16.78

INVESTMENT

Dena Investment	25	12.00
Gujarat Investment	50	11.00
Indusl. & Prudential	100	84.50
Indusl. & Prudential	100	25.50
Inv. Corporation	100	115.00

NAME Paid-Quotation
up per as on
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Rs nP

Madhusudan A	100	75.00
Madhusudan B	20	14.00
Motor & Gen. Finance	10	40.00*

ELECTRICS

Amalgamated	10	10.00
Anand	50	53.00
Bassein	10	8.50*
Broach	10	6.00
Dharwar	50	51.00
Nadiad	50	54.00
Nasik Deolali	100	105.00
Poona	100	95.00
Surat	100	92.50

CEMENT

Ashoka	10	8.88
Bagalkot	10	8.48
Dahmia	10	11.24
India Cement	5	6.80*
Indian	10	25.00
Jaipur Udyog	10	11.00
Sone Valley	5	5.00

PAPER & HARDBOARDS

Anil Hardboards	100	258.75
Jayant Paper	75	83.00
Mandya National	10	8.48
Paper	10	40.85
Orient Paper	75	100.00
Rohit Pulp & Paper	10	13.52
Star Paper	10	12.40*
Star Paper 'A'	10	12.32*
Straw Products	100	185.50
West Coast Paper	100	300.00
W. India Plywoods	100	300.00

STEEL, METALS & ALLOYS

Aluminium Corp.	10	16.36
Chase Bright Steel	10	13.00
Dalmia Iron	10	10.24
Ferro Alloys	100	165.00
Hindustan Alum.	10	14.32
(New)	5	4.44
Indian Bright Steel	100	145.00
Jaipur Metals	10	45.00*
Jaipur Metals Defd.	50	78.00
Khandelwal Ferro	5	25.00
Alloys	10	182.00
Mukund Iron	5	25.00
Mukund Iron Defd.	10	182.00

ENGINEERING

Asian Cables	100	100.00
Brady Engg	80	92.50
Brunton Engg	10	4.00*
C. India Machinery	10	10.00*
Greaves Cotton	100	179.50
Hindustan Electric	100	98.00
Hindustan Wires	5	10.12
Indian Tool	100	130.00
Jost's Engineering	50	96.00
Jyoti	100	175.00
Kamani Engg	10	16.52
Kirloskar Brothers	25	37.00
Kirloskar Oil Engines	10	20.00
Kirloskar Pneumatic	100	185.00
Lakshmiratan Engg.	5	3.46
Mahindra & Mahindra	10	19.48
Man. Indust. Corp.	100	125.00
McKenzie	100	125.00
Mysoore Kirloskar	100	150.00
National Electrical	50	89.00
New Standard Engg.	100	185.00
New Standard Engg.	100	190.00
(New)	100	190.00
Paper Mill Plant and	100	85.00
Machinery	100	171.00
Structural Engg. Old	100	585.00
T. Manecklal Manfg.	100	585.00
Tractors (India)	10	41.00
W. H. Brady	150	420.00
Zenith Steel Pipe	5	6.36

AUTOMOBILES, CYCLES & ACCESSORIES

Automobile Products (new)	10	13.12
Bajaj Auto	50	48.50
Bombay Cycle	20	28.00
Hind Cycle	100	97.00
Pearl Cycle	100	115.00
Sen Raleigh	10	24.24
Standard Motor	10	16.24*
United Motors	20	17.00

SHIPPING

Bharat Line	10	5.04
Great Eastern New	5	8.24
Malabar Steamship	10	9.00

NAME Paid-Quotation
up per as on
Share. 14-7-61
Rs nP

DYES, CHEMICALS & PHARMACEUTICALS

Adarsh Chemicals	75	101.00
Alembic Chemical	100	246.25
Amar Dye Chem. old	100	358.75
Amar Dye Chem. new	100	392.50
Anuh Pharma	5	5.00
Chemo. Pharma	25	26.25
Citric India	50	51.50
Colour Chem.	100	355.00
Dharamsi Chem.	50	275.00
Dhrangadhra Chem.	100	130.00
new	100	111.00
Indian Dyestuff	100	475.00
Kemp	200	305.00
Poly Chem.	50	21.25
Sirdar Carbonic Gas	100	421.25
Tata Chemical (new)	10	18.00
Ultramarine & Pigments	50	105.00
Zandu Pharmaceuticals	100	111.00

SUGAR

Cauvery	100	139.00*
Hindustan	100	320.00
Kesar	50	225.00
Maharashtra	50	183.00
New Swadeshi	100	326.00
Oudh	100	188.50
Ravalgaon	50	68.00
Ravalgaon Defd.	50	30.00
Raza Buland	10	13.40
Kr. Gyanoday	10	14.76
South Behar	10	1.00*
South Behar Defd.	2 1/2	0.25*
Ugar	100	140.00*
Vishnu	100	235.00*

PLANTATIONS

Blue Mountain	2	3.98
Highland	10	12.80*
Halleyburia	10	16.52
Kalpatta	10	12.52*
Midland	10	12.32
Nelliampathy	2	2.88*
Rajagiri	10	21.76*
Twyford	10	13.24
Waterfalls	2	4.16*

ELECTRICAL GOODS

Bajaj Electricals	100	107.00
Bajaj Electricals	75	56.00
Bharat Bilje (new)	100	127.00
Estrela Batteries	50	72.00
Standard Batteries	100	240.00

FOOD PRODUCTS & VEG. OILS

Hindustan Lever	10	47.50
Indian Vegetable	100	135.50*
Sathe Biscuit	100	100.00*
Sathe Biscuit	50	50.00*
Sundatta Foods	50	50.00
W. India Vegetable	100	117.00

POTTERIES & TILES

Bombay Potteries	100	180.00
Digvijay Tiles	100	115.00
Parashuram Pottery	25	67.00

RUBBER GOODS & TYRES

Associated Rubber	100	105.00
Ceat Tyres	100	210.00
General Tyres	5	6.52
National Rubber	10	18.24
Premier Tyres	75	99.50

SAFE DEPOSIT

Bombay Safe Deposit	200	405.00
Delhi Safe Deposit	10	10.00*
Delhi Safe Deposit	7	7.00*
Gujarat Safe Deposit	75	

in delivery shall have to be transferred in due time. The seller will not be liable to give away the right shares.

Podar Mills

The Podar Mills Limited has announced that the shareholders, having their names on the company's register on 16 September, 1961, will get two new ordinary shares for every nine old ordinary shares, at par. The shares will be quoted ex-right with effect from 19 September, 1961.

Hindustan Wired Glass

The recent public issue of the Hindustan Wired Glass Manufacturing Company, Limited is reported to have been heavily over-subscribed.

J. K. Synthetics

In conclusion with the Calcutta Stock Exchange, the directors of J. K. Synthetics Limited have allotted 5,23,750 shares as follows:—applications for 50 and below 100, 15 shares; for 100 and below 150, 25 shares; for 150 to 250, 50 shares; for 300 to 350, 75 shares; for 400 to 450, 100 shares; for 500 to 700, 150 shares; for 750 to 900, 200 shares; for 950 to 1,050, 350 shares; for 2,000, 500 shares; for 2,100, 550 shares; for 2,500, 650 shares; for 5,000, 1,250 shares; and for 10,000, 2,500 shares. An interesting feature of this issue is that the shares have been allotted to all the applicants.

INVESTMENT NOTES

Basmatia Tea

The Basmatia Tea Company, Limited, Calcutta, has been granted consent to the issue of 25,500 equity shares of Rs 10 each as bonus shares credited as fully paid on capitalisation of the company's reserves to a like extent. The shares will be allotted to the existing shareholders in the ratio of one bonus share for every two shares held. The company's present paid up capital is Rs 5.10 lakhs in equity shares.

Rajgarh Tea

Rajgarh Tea Company, Limited, Calcutta, has been given consent to the issue of 20,000 fully paid equity shares of Rs 10 each as bonus shares on capitalisation of the reserves to a like extent. The shares will be allotted to the existing shareholders in the ratio of one bonus share for every share held. The company's present paid-up capital is Rs 2.00,000 divided into equity shares.

Associated Auto

The Associated Auto Parts Private Limited has a paid up equity capital of Rs 7,00,000. It has been granted consent to issue capital of Rs 3,50,000 as bonus shares in the ratio of 1 bonus share for 2 shares held. The company is dealing in motor accessories and spare parts.

Capsulation Services

Capsulation Services Private Limited, Bombay, which has a paid up capital of Rs 2,52,000 in equity shares

of Rs 10 each, has been granted consent to issue bonus shares of the value of Rs 2,52,000 in the ratio of one bonus share for every share held. It is engaged in the business of the manufacture of one-piece soft gelatine capsules.

J. K. Steel

J. K. Steel Limited, Calcutta, has been permitted to issue 200,000 equity shares of Rs 10 each as fully paid bonus shares in the ratio of one bonus share for every share held.

Convst (Private) Ltd.

Convst (Private), Limited, Bombay, will capitalise Reserves of the value of Rs 3 lakhs in the ratio of one bonus share for every share held. The company, which deals in motor spare parts, tyres and tubes, has, at present, a paid-up capital of Rs 7 lakhs.

Max-Designs

Max-Designs and Press Works (Private), Limited, Bombay, is allowed to issue bonus shares of the value of Rs 1,72,500 in equity shares of Rs 100 each, in the ratio of one bonus share for every equity share held.

Simplex Concrete Piles

Simplex Concrete Piles (India), Limited, Calcutta, is permitted to issue 19,327 equity shares of Rs 10 each as fully paid-up bonus shares on capitalisation of its Reserves to the extent of Rs 1,93,270. The company does business as contractors for piling driving and RC works.

Girdhardas

Harivallabdas Mills

The Girdhardas Harivallabhdas Mills Limited, Ahmedabad, has decided to issue bonus shares at the rate of one bonus share for every four ordinary shares held.

India Cements

It is announced that India Cements Limited has been given permission for erecting a new unit in Salem. It is already engaged in erecting a new unit in Visakapatnam district. Ultimately, it is the objective of the company to have a production capacity of over one million tons. There may not be any immediate issue of capital for financing these expansion plans.

Mysore Paper

The Mysore Paper Mills Limited has been successful in arranging part of the required foreign exchange for implementing the expansion programme. It has now been announced that the company has received permission from the Controller of Capital Issues for raising Debenture capital. It is proposed that Debenture stock certificates, carrying a rate of interest at 7 per cent, subject to Indian taxes, should be issued for Rs 78 lakhs in favour of the Commonwealth Development Finance Company, Limited, UK in respect of a loan of £5,25,000 to be granted to the company.

Rohit Pulp

Rohit Pulp & Paper Mills Limited is reported to be making good progress. The main factory building is ready and erection of machinery will be started shortly under the supervision of the Japanese collaborators. Orders for subsidiary equipment from indigenous sources are being finalised. The company hopes to go into production by the end of this year. It has sought Government permission to raise the present capacity of 10 tons to 20 tons a day.

Shivrajpur Syndicate

The Shivrajpur Syndicate Limited has decided to issue on equity bonus share for every share held.

Simplex Mills

The Simplex Mills Limited has recommended a bonus of one equity share for every five shares held. This decision is subject to the sanction of the Controller of Capital Issues. Perhaps, as a result of this decision, it has been decided to omit the ordinary dividend for 1960-61 as against Rs 7.50 per share paid for the previous year.

STOCK EXCHANGES Selective Support

Watch-Dog Writes:

THE week's trading in stock markets has been generally a dull affair. Except for prices responding to selective support, conditions have remained weak. Prices have fallen largely due to tired long liquidation, as operators are unable to take a view of the immediate future. With the announcement of the TISCO dividend being over, speculation is now rife with regard to the size of the forthcoming dividend by the Indian Iron & Steel Company.

Apart from a slight recession in the speculative issues, conditions in other sections on the Calcutta Stock Exchange remained fully steady.

The Bombay Stock Exchange experienced dull trading with only selected counters moving both ways.

Fairly steady conditions prevailed on the Madras Stock Exchange. Turnover was very poor. The only bright spot was Travancore Rayon, which staged a smart rally due to short-covering.

CALCUTTA

Calcutta, Friday Evening.

AFTER resuming the week on a dull note, prices on the local stock exchange displayed a steady downward trend due to scattered liquidation. While the speculative issues were the worst affected due to renewed offerings, prices in other counters remained generally steady, being influenced by the flow of encouraging corporate news. There was, however, a general disposition to restrict commitments and book profits at bulges.

There were a number of factors contributing to the depressed sentiment in the market. Prominent amongst these were the fears that the Government might take stringent measures to check the speculative

tendencies, the reported shortage of working funds for speculators, saturation of investment demand, reports of heavy floods all over the country, the drop in the level of foreign assets, shortage of power and raw materials and the strained Indo-Pak relations.

On balance, bulls had to experience rough weather, which was being exploited by the professional operators. But, a striking feature of the week's trading was that, in spite of the weakening of the speculative issues, prices of a few selected shares were well maintained, thanks to the shortage of floating stocks and the improved outlook for corporate working.

The Gilt-edged market ruled dull with enquiry mainly confined to short-dated issues. Medium and long-dated issues were neglected. 3 per cent 1986 Conversion Loan was nominally quoted at Rs 72.75.

Bank shares were not slow in responding to the profit-figures released by some of the banks for the half-year just ended. Punjab National forged ahead to Rs 24 from Rs 23.12 following the announcement of a right issue at a premium of Re 1 in the ratio of three shares for five shares held. United Commercial changed hands up to Rs 91.50 from Rs 91.25.

Jute shares were practically neglected. It was feared that most of the mills might show substantial losses during the current year. The only relieving feature was the scattered interest shown in a few selected shares. Prominent amongst these were Birlas changing hands at Rs 27.25 to Rs 27.89; India at Rs 15.75 to Rs 15.94; Nuddea at Rs 46 to Rs 46.25 and New Central at Rs 19.50 to Rs 20.06. Kankannarrah were better at Rs 72 against Rs 69.50 with Howrah neglected around Rs 20.37.

Coal shares turned quiet due to an anxiety to know how the World Bank loan would be given to the industry for expansion. New Beerbhoom met with some business at Rs 24.12 to Rs 24.50; Central India at Rs 13.69 to Rs 13.87 and Western Bengal at Rs 10.37 to Rs 10.62. South Karanpore were nearly maintained at Rs 9.19, while Burrakur fluctuated irregularly between Rs 20.12 and Rs 20.31, to close finally at Rs 20.19.

As usual, selected Tea shares came in for a good deal of attention. Apart from the fact that there was a further improvement in the prices obtained at the week's export auction, it was thought that the tea market might continue to remain active during the next few months till the heavier crop was felt.

Bishnauth had buyers at Rs 26 to Rs 26.25; Dhunseri at Rs 16.19 to Rs 16.50; Hasimara at Rs 25.06 to Rs 25.44; Jaysree at Rs 24.62 to 24.81 and Killcott at Rs 19.62 to Rs 19.75.

Only little interest was shown in the Sugar section where price movements were confined to narrow limits. Carew moved between Rs 13.06 and Rs 13.19 and Cawnpore between Rs 12.75 and Rs 13.12. Raza/Buland were a steady feature at Rs 11.62 and so also SKG at Rs 11.56.

Textile shares staged a smart rally on prospects of higher production and diversification of activities. Dunbar had buyers at Rs 26.62 to

Rs 27; Bowreah at Rs 24.87 to Rs 25.62 and J. K. Rayon at Rs 20.69 to Rs 21.06. Kesoram changed hands on the cum-dividend-cum-rights basis at Rs 37.37 to Rs 37.62, while Jay Shree were rather quiet at Rs 15.81 against Rs 16.25 due to lack of fresh support.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons. An exceptional feature in this section was J. K. Steel, which showed a sharp spurt to Rs 40.00 from Rs 35.25 following the announcement of a bonus issue. After opening at Rs 27.80 and improving at one time to Rs 28.08, Indian Irons receded gradually to Rs 27.84 due to settlement considerations, before finishing the week at Rs 28.02. The settlement rate was fixed at as high as 28 nP in view of the company's decision to close its Transfer Books from 5 August to 28 August.

Among other engineering issues, Jessop changed hands at Rs 20.81 to Rs 20.94; Binani Metals at Rs 12.25 to Rs 12.50; Jay Engineering at Rs 28.62 to Rs 29.25; Guest, Keen, Williams at Rs 41 to Rs 41.12 and TEXMACO at Rs 19.37 to Rs 19.50.

Miscellaneous issues generally showed a mixed trend. Alkali Chemicals and Indian Oxygen were keenly sought after at enhanced levels on prospects of expansion. The newly-enlisted Goodyear met with keen support up to Rs 39.75 from Rs 38.37. Indian Aluminium forged ahead to Rs 35.84 from Rs 34.81 on rumours of LIC interest, to close finally at Rs 35.50. Following were the price trends of a few other shares:—

	Week's High	Week's Low	Week's Closing
	Rs	Rs	Rs
Orient Paper ...	38.50	35.85	35.90
Shree Gopal ...	25.62	25.50	25.62
Sirpur ...	15.12	14.87	14.87
Titagarh ...	37.12	36.62	37.12
Rohtas ...	19.81	19.69	19.75
Dunlop ...	53.06	52.44	52.31
H. Motor ...	22.62	22.25	22.37
Asso. Battery	35.00	34.50	34.81
Alkali Chem.	40.37	39.87	40.12
Alumn. Corp.	16.94	16.50	16.50
I. Oxygen ...	39.87	39.75	39.37
I. Cable ...	37.94	37.37	37.37
I. Steamship	8.69	8.56	8.57
I. Copper ...	5.65	5.60	5.63
Isaac Holden	19.31	19.06	19.06
Usha Martin	7.37	6.85	7.37

IN BRIEFS

The Hindustan Wires Limited has extended the final date for the payment of the first and final call to 15 August, 1961.

The first call of Rs 25 on the preference shares of the Hindustan Aluminium Corporation Limited is payable on or before 10 August, 1961 and not on 10 October as announced earlier. Similarly, the final call of Rs 50 will be payable on or before 15 September, 1961 and not on 10 October as announced earlier.

Mahendra Electricals Limited has announced that the first call of Rs 25 on equity shares is payable on or before 23 August, 1961. Call notices for bigger lots can be had split up into the requisite lots. Duplicate call notices will be issued by the company on request.

Facts & Figures

COMMODITY PRICES

1.3 per cent Fall in April

Wholesale prices as measured by the official index (with the year ended March 1953=100) registered a fall of 1.3 per cent to 125.8 during the month of April 1961 as compared with 127.5 (revised) for March, 1961. The index was, however, higher by 4.5 per cent when compared with 120.4 for April 1960. During the month under review, 'Tobacco' declined by 1.4 per cent to 109.2, 'Fuel, Power, Light and Lubricants' by 0.1 per cent to 122.8, 'Industrial Raw Materials' by 3.8 per cent to 153.0 and 'Manufactures' by 2.0 per cent to 126.8 while 'Food Articles' rose by 0.1 per cent to 117.6.

'FOOD ARTICLES'

Lower prices of wheat, jowar, barley, and maize brought down the sub-group index for 'Cereals' by 0.9 per cent to 99.3, although the prices of bajra and ragi exhibited advances. The index for 'Cereals' was lower by 4.3 per cent when compared with that of a year ago. The sub-group index for 'Pulses' also moved down by 5.6 per cent to 87.6 as a result of a fall in the prices of gram, arhar, mung and masur; there was, however, a rise in the prices of urad. A rise of 7.3 per cent to 116.3 in the sub-group index for 'Fruits and Vegetables' was caused by higher prices of potatoes, oranges, bananas and cashewnuts; the prices of onions, however, witnessed a fall. Prices of both milk and ghee went up and the sub-group index for 'Milk and Ghee' rose by 0.5 per cent to 116.4. 'Edible Oils' receded by 1.6 per cent to 161.2 due to a fall in the prices of mustard oil and coconut oil despite a rise in the prices of groundnut oil, gingelly oil and vanaspathi (dalda). Higher prices of eggs and meat raised the index for 'Fish, Eggs and Meat' by 1.2 per cent to 125.1 notwithstanding a decline in the prices of fish. An advance in the prices of

gur pushed up the sub-group index for 'Sugar and Gur' by 1.0 per cent to 118.5. The sub-group index for 'Other Food Articles' went up by 2.6 per cent to 171.1 as a result of a rise in the prices of tea, coffee, chillies, cloves, cardamoms and betelnuts, although the prices of black pepper, turmeric and salt witnessed declines.

'TOBACCO'

The index for 'Tobacco' went down by 1.4 per cent to 109.2 as a result of a decline in the prices of raw tobacco.

'FUEL, POWER, LIGHT AND LUBRICANTS'

A fall of 0.1 per cent to 122.8 in the index for this group was caused by a decrease in the prices of kerosene oil and castor oil.

'INDUSTRIAL RAW MATERIALS'

Lower prices of raw cotton, raw jute and raw hemp brought down the sub-group index for 'Fibres' by 7.9 per cent to 164.7, although the prices of raw wool and raw silk showed advances. The sub-group index for 'Oilseeds' declined by 1.6 per cent to 157.2 owing to a fall in the prices of linseed, castorseed, rapeseed and copra, despite a rise in the prices of groundnuts, gingellyseed and cottonseed. The sub-group index for 'Minerals' remained unchanged at its earlier month's level of 95.2. A fall of 1.3 per cent to 126.6 in the index for 'Other Industrial Raw Materials' was brought about by a decline in the prices of raw hides, raw skins, rubber, logs and timber and lac. The prices of tanning materials and bamboos, however, witnessed increases during the month under review.

'INTERMEDIATE PRODUCTS'

The index for 'Intermediate Products' declined by 0.9 per cent to 138.0 due to a fall in the prices of linseed oil, coir yarn, zinc and tin notwithstanding a rise in the prices of cotton yarn, rayon yarn, brass, copper and lead.

'FINISHED PRODUCTS'

A sharp fall in the prices of jute manufactures (—12.0 per cent to 142.2) and a slight decline in the prices of silk and rayon manufactures (—0.3 per cent to 116.8) brought down the index for 'Textiles' by 3.6 per cent to 129.1. Among cotton manufactures, both mill-made and handloom cloth, remained unchanged at their earlier month's level of 129.7 and 117.4 respectively. The sub-group index for 'Metal Products' stood stationary at its previous month's level of 146.9. Increased prices of general chemicals raised the index for 'Chemicals' by 0.4 per cent to 105.5. The prices of paints, soap and drugs and medicines also exhibited a rising tendency during the month under review. 'Oilcakes' registered a fall of 1.2 per cent to

143.6. The sub-group index for 'Machinery and Transport Equipment' remained constant at its earlier month's level of 112.6 despite a rise in the prices of cycles. Higher prices of cement raised the index for 'Other Finished Products' by 0.1 per cent to 118.6, although the prices of bricks and tiles and glass witnessed a fall. On the whole, the index for 'Finished Products' declined by 2.3 per cent to 125.3 during the month under review.

AGRICULTURAL RESEARCH

212 Schemes

The Advisory Board of the Indian Council of Agricultural Research, which has concluded its three-day session in New Delhi, has approved recently 212 schemes of research. These schemes involve a total expenditure of about Rs 45 crores spread over a period of five years, of which the share of the ICAR will be Rs 1.5 crores.

Among the agricultural schemes approved are those for breeding of non-lodging and non-shedding varieties of rice as also cultivation of rice under deep water and hilly conditions for the States of Kerala, Andhra Pradesh, UP and Madhya Pradesh. Projects for the improvement of buck-wheat in the Lahaul and Spiti Valleys in the Punjab and for the establishment of a high altitude exploratory research farm in Jammu and Kashmir State have also been recommended for sanction.

VIRUS DISEASE

A scheme for intensifying measure for controlling the kattee virus disease of cardamom in Mysore and Kerala States and another for the constitution of an expert committee to go into the question of betel-vin wilt disease, which is becoming increasingly severe in States like Madras, were also approved. A survey of brown rot disease of potato which is prevalent in Maharashtra is proposed to be conducted.

IMPROVED IMPLEMENTS

A number of proposals, especially by the States of Kerala, Gujarat, Mysore, UP and Punjab, relating to the trial and improvement of existing agricultural implements and devising of suitable new ones have been accepted. Of particular interest at the investigations into the adaptability of garden or walking tractor suitable for rice lands and the designing of a cowdung gas plant for use in the colder regions of the country.

ANIMAL HUSBANDRY

Among research schemes in animal husbandry is the evolving of a new breed of dairy cattle by crossbreeding local cattle with the Jersey breed. This work will be taken up in West Bengal where at present the milk yield of local cattle is poor. A similar scheme for the area around Nasik in Maharashtra was also accepted.

Schemes for eliminating yellow colouration of Indian wool and finding out methods for the quick fattening of lambs and several projects on animal nutrition and for the control of animal diseases have also been approved.

The Board has recommended the sanction of a scheme for developing a technique for evaluating the economic impact of various improvement measures undertaken for increasing agricultural production.

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TEXTILE MACHINERY

Progress of Industry

The textile machinery industry in India is of very recent origin. Although the textile industry is over a century old, the manufacture of textile machinery in India on any appreciable scale started only during the Second World War.

A beginning was made with spinning ring frames and looms while carding engines and some other items were added later on.

The existing capacities can meet the requirement of a number of items of spinning, weaving and processing machinery such as carding engines, ring frames, looms and conventional types of processing machinery.

Fresh schemes for the manufacture of new items of machinery such as blow-room machinery, draw frames, speed frames, open width bleaching plant, pneumatic mangles, hot air stenters, mercerisers, polymerisers and sizing machines are under implementation.

With the implementation of these schemes, it is expected that the indigenous textile machinery manufacturing industry would be in a position to meet 75 to 80 per cent of the requirements of the industry within the next few years.

The production of cotton textile machinery during 1960 was worth Rs 11 crores. The estimated production by 1965-66 based on schemes already approved is expected to be about Rs 21 to Rs 25 crores.

At present only one type of automatic loom is available in the country from indigenous sources.

The total average annual requirement by value of cotton textile machinery during the Third Plan period has been estimated at Rs 25 to Rs 30 crores.

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Trends in Oil Industry

World oil consumption has doubled every ten years from 1880 to 1960. Since 1950, world oil reserves have risen more than three-fold, and much faster than consumption. They stood at 40,000 million tons at the close of 1959. These figures are for proven reserves, recoverable by applying today's techniques; the ultimately recoverable reserves of oil in the world will undoubtedly be higher.

The production-reserve ratio gives some indication of the reserve strength of a producing region and the average production of a well gives a rough idea of the relative production cost. At present, the proved world oil reserves are equal to about 40 years' production at the 1959 rate, but this world average includes a production reserve-ratio of 12 years in the United States, 108 years in

the Middle East, 18 years in Venezuela, 70 years in Indonesia and 30 years in Russia.

The average annual production of each producing well is 690 tons in the United States, 3,300 tons in Russia, 7,600 tons in Indonesia, 15,500 tons in Venezuela and 184,500 tons in the Middle East as a whole, rising to almost 500,000 tons a well in Iran and Iraq.

The Middle East has both the highest production-reserve ratio and the greatest output of a well and, additionally, the oil there is located close to deep water, whereas in the United States, more and more costly drilling is required for technical and other reasons and the wells are often in comparatively inaccessible places.

The world market prices, to which newer oil regions were geared, were those set by the United States, a high cost area with Government sponsored price maintenance. Although the companies did compete—essentially they did not compete on price—their prices were geared to the level of high cost crude oils without direct reference to their own lower cost.

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Miscellany

Successful Breeding of Forage Grasses

Researches carried out on forage breeding at the Indian Agricultural Research Institute in recent years have provided information of considerable practical value.

The grasses mainly suited for the arid and semi-arid regions of the country are chiefly under study. In addition, work is also being carried out on cultivated fodder grasses.

By careful selection of Indian as well as foreign material it has been possible to isolate a large number of distinct varieties differing in character; forage yield, leafiness, nutritive value, resistance to heat or cold and seasons of active growth. Differences have also been observed within single species in chromosome numbers and some of those intra-specific chromosome races have shown many desirable features which are considered essential for good strains of forage grasses.

The hybrid Pusa Giant Elephant grass resulting from crossing of Elephant grass with cultivated Bajra, it is found, can be propagated vegetatively by means of 'slips'. It yields twice as much forage as Elephant grass and has high protein content as also the leaves are softer and more palatable than Elephant grass. Similarly by crossing an Indian species of anjan grass and related American species, a high yielding hybrid Pusa Giant Anjan has been produced.

New Experiments on Methods for Removal of Coconut Kernel from the Shell

In experiments carried out by the Central Coconut Research Station, Kasaragod, on steaming husked nuts to facilitate removal of the kernel from the shells it was found that this treatment proved very useful without

causing any adverse effect on the copra and its oil content.

Experiments on the effects of temperature, humidity and air velocity on the drying rate of coconuts in the cup form revealed that the drying rate was a factor only of the rate of moisture diffusion to the outer surface and therefore on the temperature of drying. The other two factors apparently have little effect. Flow drier appears to be better suited than the cross flow drier for the drying of coconuts in the cup form. Above an air temperature of 60°C there was a tendency to get charred.

However, it was found that by employing an initial higher temperature at 70°C for first eight hours and then completing the drying at 60°C it is possible to reduce the total drying time considerably without affecting the quality of the product. The milling quality of mechanically dried copra compared to sundried copra is now being studied at the Research Station.

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Bhopal Clay Suitable for Use in Lightweight Aggregates

Investigations conducted at the Central Building Research Institute, Roorkee, indicate that Bhopal clay is suitable for producing a sintered type lightweight aggregate.

Lightweight aggregate is used in all types of concrete construction where weight reduction, thermal insulation and fire resistance are desired. Of late, such aggregates are being produced with clay as a binder in place of cement. Also bricks bonded with clay develop, after firing, high compressive strengths and are more economical.

Little attempt has been made so far to exploit Indian clays for making lightweight aggregates. After extensive trials, a process has been developed at the Institute, which eliminates the use of sulphite lye and is applicable to a large number of clays.

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Radio-Active Isotopes for Tracing Underground Water Movement

Scientists in Israel have tried out radio-active isotopes for tracing the movement of underground water and assessing underground water resources.

The reservoirs of underground water constitute about two-thirds of Israel's total supply and therefore contribute vitally to the development of Israel's industry and agriculture. Better than the method of "marking" water with a dye or easily detectable chemical label such as salt or starch for tracing the flow of water below ground, isotope labelling and mapping its movement with Geiger counters proved effective.

Cheap, long life isotopes, non-injurious to the health of animal and plant life, were found to be radio-active iodine, cobalt and iridium charged chemical form.

The negative charge was repelled by the soil generally and therefore stood a far better chance of breaking through the positively charged soil. Small scale tests with radio-active iodine in the Carmel Range was successfully traced to neighbouring

boreholes and established that water tracing by isotopes could be conducted over a considerable distance.

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Electricity from Tidal Power

The ocean wastes 36,000 million kilowatt-hours every day in the tides. This lost energy corresponds approximately to all the power used by the earth's population in twenty-four hours—electrical, mechanical or animal power. Harnessing the sea is, therefore, a very tempting prospect.

The dreams of the pioneers of tidal power have become reality, says a UNESCO news report, after twenty years of research and experimentation. The Rance 'tidal trap', capable of forcing the sea to lend a few crumbs of its colossal power, will supply an average of 544 million kilowatt-hours per year. The decisive element in this victory of science has been a strange, pot-bellied machine weighing eighty-nine tons, with a four-bladed propeller at one end. It resembles a huge airplane engine.

The construction of the world's first tide-driven electric power plant, begun at the end of last year, will be completed in the spring of 1966 at the mouth of the Rance River, near St Malo, in France. It will take six years to close the estuary of this river in Brittany with a dike 2,000 feet (800 meters) long. Then twenty-four turbo-generator sets will go into service. Each of those sets, composed of a generator driven by a turbine in the form of a ship's propeller, will be housed in a submerged water-tight shell. Driven by water flowing at a rate of 635,000 cubic feet per second, this "battery" of turbo-generators will feed 240,000 kilowatts of current into the French power grid, both for industry and domestic purposes. (The kilowatt is a unit of electric power corresponding to 1.36 horsepower. As an example, a light bulb can consume 100 watts, or one-tenth of a kilowatt).

If all goes according to plan, even more daring undertakings will become possible. For example, the huge neighbouring Bay of Mont St. Michel could be closed off. Then the sea would provide from ten to fifteen million kilowatts per second—that is, fifty to sixty times more than the Rance tidal power plant.

Astronomists, however, warn us that there may be a few pitfalls on the road to electricity from the sea. Tides are of astronomic origin because they are the result of the influence of the sun and the moon upon our planet. That tidal energy which is going to transform into electricity must be taken from somewhere. It is taken from the kinetic energy of the earth's rotation. The more tidal power plants are built, the more the earth's rotation speed will be slowed up.

This breaking will not be very serious. If we harness the equivalent of 1,000 million kilowatts of power, we will end up by losing about ten hours over 2,000 years. We have lost just about this much since the birth of Christ without generating electricity during that time. The energy was simply frittered away in the breakers.

Company Reports

Right Issue by Kesoram Cotton

THE Kesoram Cotton Mills Limited has decided to issue 4,00,000 equity shares of Rs 10 each, at par, in the proportion of one new share for every four existing ordinary shares. These will be offered to those shareholders whose names are registered as on 22 July 1961. The application form will be despatched by the company during the last week of July and the applications must reach the company along with the requisite money on or before 31 August, 1961.

Meanwhile, the company has produced excellent working results for the year ended 31 March 1961, thanks to the substantial rise in sales from Rs 6.28 crores to Rs 9.12 crores. The net profit, after providing for Depreciation and Taxation, amounts to as much as Rs 98.66 lakhs as against only Rs 47.11 lakhs for the preceding year.

Apart from providing Rs 6.67 lakhs for Taxation in respect of the previous year; Rs 51 lakhs for General Reserve and Rs 11.37 lakhs for Contingency Reserve, the Depreciation amount is raised to Rs 71.51 lakhs from Rs 2.16 lakhs. The provision for Development Rebate Reserve is, however, substantially lower at Rs 3.47 lakhs against Rs 47.20 lakhs. The directors have raised the dividend from 50 p to Rs 1.20 per Ordinary share, subject to deduction of tax. This gives a net dividend of 8.4 per cent.

According to the directors' report, the Textile section has shown a substantial improvement as compared with the preceding year. Due to the increase in the internal demand, the quantity of cloth exported by the company has been somewhat less. The company is proceeding satisfactorily with its modernisation programme.

The production of Rayon is being steadily maintained at about 7 tons per day. The scheme of expansion of the rayon plant is making good progress. It is expected that the new machines will go into production before the end of the financial year of the company.

The erection of the first Transparent Paper Casting Machine has been completed and trial production was started on 8 June 1961. The second machine is expected to go into production before the end of the financial year.

Despite the efforts made by the company, it has not been possible

for the company to obtain import licence for the Steel Tube project. It is hoped that the company will secure the import licence within a reasonable period. In anticipation of the same, provisional orders for machinery have already been placed.

The company has received permission for a plant to manufacture 30,000 tons of Spun-Pipe per annum. Efforts are being made to secure the necessary import licence for this project.

Efforts are also being made to diversify and enlarge the company's activities. The spinning plant of Bharat Kala Bhandar Limited—a 100 per cent subsidiary of the company—is expected to go into production before the middle of 1962.

In view of the efficient and satisfactory working of the present units and the new proposals mentioned above, the directors state that the shareholders can look forward to the future with optimism.

Bengal Paper Repeats

Despite a rise in sales from Rs 3.07 crores to Rs 3.17 crores, the Bengal Paper Mill Company Limited has reported a slightly lower net profit, after providing for Depreciation and Taxation, of Rs 22.62 lakhs for 1960 as against Rs 25.73 lakhs for the previous year, mainly due to the rise in manufacturing costs.

In respect of allocations, Depreciation is raised to Rs 10.05 lakhs from Rs 4.84 lakhs and Development Rebate Reserve to Rs 2.69 lakhs from Rs 2.10 lakhs. Taxation provision is, however, lower at Rs 18.17 lakhs against Rs 18.48 lakhs and General Reserve at Rs 4.00 lakhs against Rs 7.00 lakhs. Capital Reserve is maintained at Rs 10,000. The dividend on the Ordinary shares is maintained at 32 per cent, subject to tax.

The smooth working of the mill is reflected in the increase in production to 18,105 tons from 15,927 tons. The expansion and modernisation scheme of the company to increase its production to 100 tons per day is making satisfactory progress.

Orders for a new paper machine of a latest design have already been placed with a UK firm, shipment of which is expected to commence from the second half of 1962.

Negotiations for the purchase of machinery from the USA, for

which import licence has already been received, are also in advanced stage and orders will be finalised as soon as approval of the Development Loan Fund is received to the company's dollar loan application.

Belvedere Jute to be Absorbed by Delta Jute Mill

According to a circular letter issued recently, the directors of the Delta Jute Mills Company Limited were of the opinion that the profitability of the Belvedere Jute Mills and the Delta Jute Mills would be increased by concentrating the working of the two mills in Delta Mill. It was thought that this should be done under a scheme of arrangement whereby the Belvedere Mill would be absorbed by the Delta Mill.

The Delta Mill has received the consent of the Controller of Capital Issues to the issue of shares, necessitated by the proposed scheme and the members of the Delta Mill have approved the scheme and have authorised the Board of that company, subject to the consent of the Calcutta High Court, to issue shares in that company to the holders of Belvedere shares. The petition to the Court for its sanction to the scheme of arrangement will be filed shortly.

Meanwhile, the Belvedere Jute Mill has reported a substantial decline in the net profit from Rs 6.32 lakhs to Rs 24,162 for 1960 despite a rise in sales from Rs 1.31 crores to Rs 1.50 crores. The Depreciation amount is nearly maintained at Rs 1.84 lakhs. After transferring a sum of Rs 2.04 lakhs from the Dividend Equalisation Reserve and Rs 6,300 from Contingency Reserve, the directors have set apart Rs 1.15 lakhs (Rs 5.80 lakhs) for Taxation and Rs 743 (Rs 1,782) for Development Rebate Reserve and recommended a taxable dividend of Rs 5.00 per share against Rs 13.50 per share on the Ordinary shares.

Gondalpara Mill Reports Lower Profits

The unfavourable trading conditions generally experienced by the jute industry are reflected in the working results of the Gondalpara Mill Limited for 1960. Although sales have risen to Rs 2.31 crores from Rs 2.08 crores,

the net profit is nearly halved to Rs 4.10 lakhs as against Rs 8.03 lakhs. Depreciation is raised to Rs 5.28 lakhs from Rs 4.60 lakhs and Taxation to Rs 3.73 lakhs from Rs 2.00 lakhs. The provision for Development Rebate Reserve is lower at Rs 17,585 against Rs 4.68 lakhs. The dividend is, however, maintained at Rs 4.00 per share subject to tax.

The company has started installation of machinery for the manufacture of wide carpet-backing cloth. It is expected that the mill will go into production from September.

Katras Jherria Coal Fares Well

Despite the rise in sales from Rs 73.38 lakhs to Rs 78.10 lakhs, the working of the Katras Jherria Coal Company has resulted in a decline in the net profit from Rs 6.72 lakhs to Rs 6.24 lakhs for the year ended 31 January 1961. But, all allocations have been increased. Depreciation from Rs 1.24 lakhs to Rs 1.39 lakhs; Taxation from Rs 5.52 lakhs to Rs 6.01 lakhs and Development Rebate Reserve from Rs 21,993 to Rs 57,118. The directors have proposed a final dividend of Rs 2.50, making a total of Rs 4.00 per share, taxable, on the increased ordinary capital as against Rs 0.50 per share, taxable, paid on the original capital. Raisings have risen to 350,356 tonnes from 342,488 tonnes and despatches to 360,222 tonnes from 352,525 tonnes.

Mukund Iron Disappoints

Market circles have been rather disappointed over the decision made by Mukund Iron to maintain the dividend at 12 per cent, subject to tax, for the year ended 31 March 1961, though on an increased capital. Earlier, rumours were current that the company was seriously considering the proposal to raise the ordinary dividend as it had done exceedingly well during the year.

Preliminary figures indicate that the gross profit of the company, after providing for Depreciation but before Taxation, has gone up to Rs 46.66 lakhs from Rs 31.49 lakhs for the previous year. Taxation has absorbed Rs 25 lakhs against Rs 13.25 lakhs; Development Rebate Reserve Rs 1.7 lakhs against Rs 2.50 lakhs and General Reserve Rs 10 lakhs against Rs 8.00 lakhs. Capital Redemption Reserve at Rs 10 lakhs against nil in the previous year consists of a part of the profits and of the amount collected by the company out of redemption of preference shares during the year. The company's turnover is reported to have increased considerably during the year.

INDEX NUMBERS OF SECURITY PRICES (1952-53=100)

Week ended	9-7-60	1-7-61	8-7-61
Government and semi-Government securities—All-India			
Total	101.2	101.0	101.0
Government of India	101.0	100.8	100.9
State Governments	102.7	102.1	102.1
Municipal, Port Trust, etc.	100.0	99.7	99.7
Debentures of Joint Stock Companies—All-India			
Total	101.0	101.3	101.3
Preference shares—All-India			
Total	87.4	83.6	83.2

Variable dividend industrial securities—All-India			
Total	174.9	183.2	183.8
Agriculture and Allied Activities			
Total	175.9	171.2	170.5
Tan Plantation	168.6	165.7	165.3
Coffee Plantation	212.0	181.1	180.1
Rubber Plantations	140.9	174.1	173.1
Mining and Quarrying: Total	158.1	164.8	166.6
Coal	132.6	131.8	131.9
Other Mining	182.4	187.7	190.5
Processing and Manufacturing: Total	188.7	198.6	199.2
Processing & Mfg. (Food stuffs, Textiles, etc., Total)	189.9	204.2	204.9
Sugar	192.9	162.8	161.8
Cotton, Textiles	185.9	178.5	174.0
Jute Textiles	91.3	86.9	87.8
Silk & Woolen	1082.5	1238.5	1236.5
Processing & Mfg. (Metals, Chemicals, etc., Total)	197.6	210.0	211.0
Iron & Steel	160.3	177.4	179.2
Transport Equipment	411.9	418.5	420.8
Electrical Machinery	185.8	167.5	167.5
Machinery Other than Transport and Electrical	219.3	217.7	216.6
Basic Industrial Chemicals	208.1	217.9	217.2
Processing and Mfg. (Others): Total	168.3	189.7	189.6
Cement	148.2	144.0	142.5
Paper	230.6	207.1	209.1
Other Industries: Total	112.8	109.6	110.2
Electricity Generation and Supply	88.5	81.7	82.4
Trading	819.0	128.0	126.3
Shipping and other Transport	112.5	99.9	100.5
Construction	834.5	298.0	288.3
Financial Total	183.9	231.9	232.9
Banks	181.1	188.6	185.4
Insurance	91.9	89.4	89.9
Investment Trusts			

Variable dividend industrial securities—Regional			
Bombay	180.6	191.1	192.8
Calcutta	189.5	167.5	168.0
Madras	191.1	196.2	196.8
Delhi	232.0	246.2	247.4

*Including "Miscellaneous."
†Including "Edible and Vegetable oils."

SHORT-TERM MONEY RATES

(Per cent per annum)

	8-7-60	30-6-61	7-7-61
Call Money—			
From Banks			
Bombay	3.52	4.35	4.34
Calcutta	3.76	3.80	3.77
Madras	2.93	3.80	3.97
Deposits at notice of 7 days—			
Bombay	3.37	3.00	3.00
Calcutta	3.37	3.00	3.00
Madras	3.37	3.00	3.00
Fixed Deposits—			
3 Months—			
Bombay	3.49	3.50	3.50
Calcutta	3.48	3.50	3.50
Madras	3.50	3.50	3.50
6 Months—			
Bombay	3.49	3.75	3.75
Calcutta	3.90	3.74	3.71
Madras	3.34	3.75	3.75

*No Transaction.

BULLION PRICES

Week Ended	15-7-60	7-7-61	14-7-61
	Ra. nP.	Ra. nP.	Ra. nP.
GOLD—			
Spot—			
Highest	112 05	122 40	120 75
Lowest	110 27	120 75	119 90
Average	111 13	121 44	120 33
1st Settlement—			
Highest	110 52	120 10	119 85
Lowest	110 01	119 20	119 15
Average	110 38	119 66	119 47
SOVEREIGN—			
Average	85 02	94 10	94 08
SILVER—			
Spot—			
Highest	188 72	201 60	200 80
Lowest	185 99	199 95	119 75
Average	187 64	200 81	200 18
1st Settlement—			
Highest	187 86	202 85	201 95
Lowest	186 10	201 45	200 65
Average	186 97	203 14	201 11

GOVERNMENT OF INDIA TREASURY BILLS

Week ended	8-7-60	30-6-60	7-7-61
Amount offered	2,00	2,00	2,00
Amount tendered	2,00	2,00	2,00
Amount sold by tender	2,00	2,00	2,00
Of which against maturing Treasury Bills			
Intermediate Treasury Bills sold			2,00
Total sales	2,00	2,00	4,00
Average rate of discount for auction sales	2.745	2.650	2.650
Sold in favour of Reserve Bank of India	10.65	95.65	7.54
Total amount outstanding	1,286.46	1,101.80	1,111.63

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From	To
Belgium	Fcs. to Rs. 100	1031	1033
		1033	1032
		1032	1033
		1033	1032
France		101.90	101.90
		101.90	101.90
Switzerland	Mks. to Rs. 100	89.70	89.60
		82.60	82.70
Italy	Lire to Rs. 100	82.70	82.60
		128.75	128.80
		128.80	128.75
		128.75	128.80
		128.80	128.75
Denmark	Kroner to Rs. 100	144.30	144.10
		144.10	144.30
Norway		149.20	149.10
		149.10	149.20
Sweden	1 to Rs. 100	107.80	107.40
Hongkong	Yen to Rs. 100	120.40	120.10
Japan	Yen to \$ 100	75.44	75.41
U.S.A.	Ra. to \$ 100	480.75	480.50
		480.50	480.75
Canada		466.75	466.50
		466.50	466.75
		466.75	466.50
		466.50	466.75

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	8-7-60	30-6-60	7-7-61
Forward Contracts—			
Purchases	£ ('000)	680	1,310
Sales	Rs. ('00,000)	91	1,75
Deliveries—			
Spot Transactions—			
Purchases	£ ('000)	...	...
Sales	Rs. ('00,000)	480	3,870
Against forward contracts—			
Purchases	£ ('000)	330	280
Sales	Rs. ('00,000)	43	31

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	15-7-60	7-7-61	14-7-61
	Price Ra. nP.	Yield %	Price Ra. nP.
3½% 1961	99 65	3.44	99 90
3½% 1962	99 80	3.54	99 89
3½% N.P.B. 1967	99 55	3.57	99 00
3½% Dev. 1970-75	99 86	4.10	91 05
3½% 1974	99 70	3.78	99 75
3½% (Con.) 1986 or later*	73 77	4.06	72 50

*Running yield.

INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS (Base: 1952-53=100)

Group and Sub-Group	10-4-61	3-4-61	13-4-61	11-4-60
Food Articles—				
Cereals	118.7	118.0	117.6	120.6
Pulses	101.3	101.0	99.5	106.9
Fruits & Vegetables	125.2	121.4	119.8	121.8
Milk & Ghee	113.9	113.3	116.5	125.0
Edible oils	163.0	161.2	160.3	138.6
Fish, Eggs & Meat	127.7	127.6	137.2	118.2
Sugar & Car	132.1	119.8	131.1	137.7
Others	167.9	167.5	167.0	159.2
Liquor and Tobacco	108.3	101.9	108.4	109.2
Tobacco	96.8	98.5	105.4	107.6
Fuel, Power, Light & Lubricants	132.8	132.8	132.8	119.9
Industrial Raw Materials	147.1	149.1	153.7	138.8
Fibres	148.6	153.2	164.9	161.8
Oilseeds	158.6	156.7	157.2	163.4
Minerals	95.3	95.3	95.3	98.3
Others	125.9	126.7	128.8	129.1
Manufactures	124.3	123.8	126.6	119.7
Intermediate Products	139.3	137.7	136.9	126.8
Finished Products	121.6	123.8	124.9	118.6
Textiles	132.9	136.8	138.2	119.6
Cotton	136.1	136.1	136.6	125.4
Jute	118.9	123.2	129.2	118.4
Woolen	110.1	110.1	110.1	110.1
Silk & Rayon	116.5	116.5	116.5	102.7
Metal Products	146.9	146.9	146.9	146.9
Chemicals	108.5	108.6	107.1	104.7
Oil cakes	142.8	142.4	142.7	131.0
Mch. & Transport Equipment	112.7	112.7	112.7	111.2
Others	118.6	118.6	118.6	114.7
All Commodities	124.5	124.9	125.8	123.9

* = Estimated.

† = Revised.

RESERVE BANK OF INDIA ISSUE DEPARTMENT: (In 000's of Rupees)

	14-7-61	7-7-61	15-7-60
LIABILITIES:			
Notes in Banking Dept.	19,84,74	27,45,83	23,06,73
Notes in Circulation	1937,97,92	1949,26,61	1861,66,69
	1957,82,66	1976,72,44	1864,78,42
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76,03	117,76,03	117,76,03
(b) Outside India	...	...	...
Reserve Securities	93,00,89	93,00,89	143,00,89
Total A	210,76,92	210,76,92	260,76,92
(B) Rupee Coin	120,08,99	119,02,87	127,56,64
Rupee Securities	1636,97,65	1646,92,65	1476,39,86
	1957,82,66	1976,72,44	1864,78,42

BANKING DEPARTMENT:

	14-7-61	7-7-61	15-7-60
LIABILITIES:			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long-term Operations) Fund	50,00,00	50,00,00	40,00,00
National Agricultural Credit (Stabilisation) Fund	6,00,00	6,00,00	5,00,00
Deposits:			
(a) Central Govt.	49,82,63	54,51,08	74,24,28
(b) Other Govt.	13,36,59	8,96,33	11,80,82
(c) Banks	96,08,18	91,68,73	129,93,44
(d) Others	111,21,59	111,13,98	130,48,26
Bills Payable	31,58,76	34,37,24	19,07,46
Other Liabilities	11,20,11	10,80,93	12,12,88
	454,24,86	452,48,39	507,67,09
ASSETS:			
Notes	19,84,74	27,45,83	23,06,73
Rupee Coin	2,54	1,86	1,61
Subsidiary Coin	2,32	2,15	4,68
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	27,78,80	28,43,42	5,64,97
Balances held abroad	9,89,16	16,54,45	22,34,97
Loans & adv. to Govt.	41,78,51	37,16,08	37,18,43
Other Loans & Adv.	117,51,58	129,78,70	132,83,03
Investments	313,04,67	325,56,09	269,04,76
Other Assets	24,08,64	25,50,01	17,84,92
	454,24,86	452,48,39	507,67,09

(1) The item "Other Loans and Advances" included Rs. 19,85,50,000 advanced to scheduled banks against treasury bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA (In 000's of Rupees)

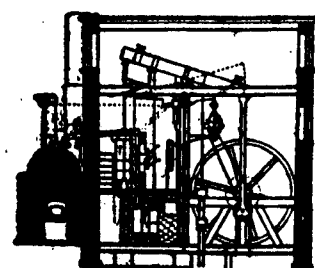
	8-7-60	30-6-61	7-7-61
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	76,70,82	29,78,90	27,90,71
(ii) Other demand liabilities	763,75,41	832,74,63	827,35,51
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	25,31,31	20,04,41	20,38,97
(ii) Other time liabilities	1200,46,50	1094,37,10	1099,43,13
Borrowings in India from the State Bank and/or a notified bank			
(i) Demand Liabilities	11,83,37	4,16,64	5,97,84
(ii) Time Liabilities	1,92,09	5,18,09	5,80,00
Borrowings in India from the R. B. I.			
Cash in India	47,06,10	15,69,35	9,44,50
Balances with the Reserve Bank of India	49,37,96	54,56,32	49,43,41
Balances with other banks in current account in India	107,12,48	87,61,96	86,72,09
Money at call and short notice in India	19,14,88	21,73,00	16,66,48
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	20,52,10	50,85,34	48,83,39
Advances in India			
to Govt.	749,56,31	549,01,44	547,55,03
to other	990,87,91	1110,68,87	1109,81,59
Island Bills Purchased and Discounted in India	108,64,64	131,62,13	119,32,09
Foreign Bills Purchased and Discounted in India	42,30,37	43,70,32	43,11,65

*Figures are provisional since complete returns have not been received from Banks.
†—Including borrowings from R.B.I. also.

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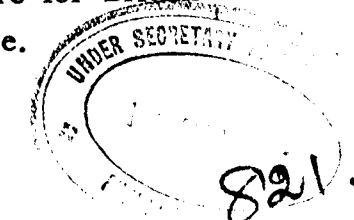
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HIGHLIGHT OF THIS ISSUE

Mr Selwyn Lloyd's proposals are first aid rather than permanent cure for Britain's economic ills. Read the First Leading Article.



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1928

by

C. S. Rangaswami

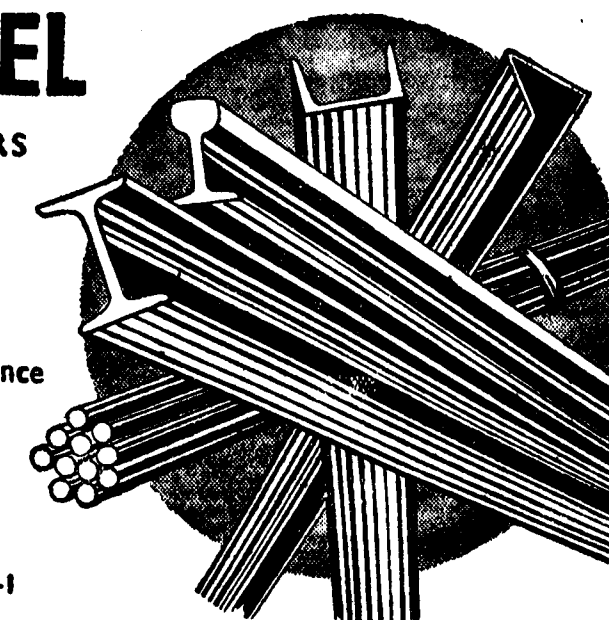
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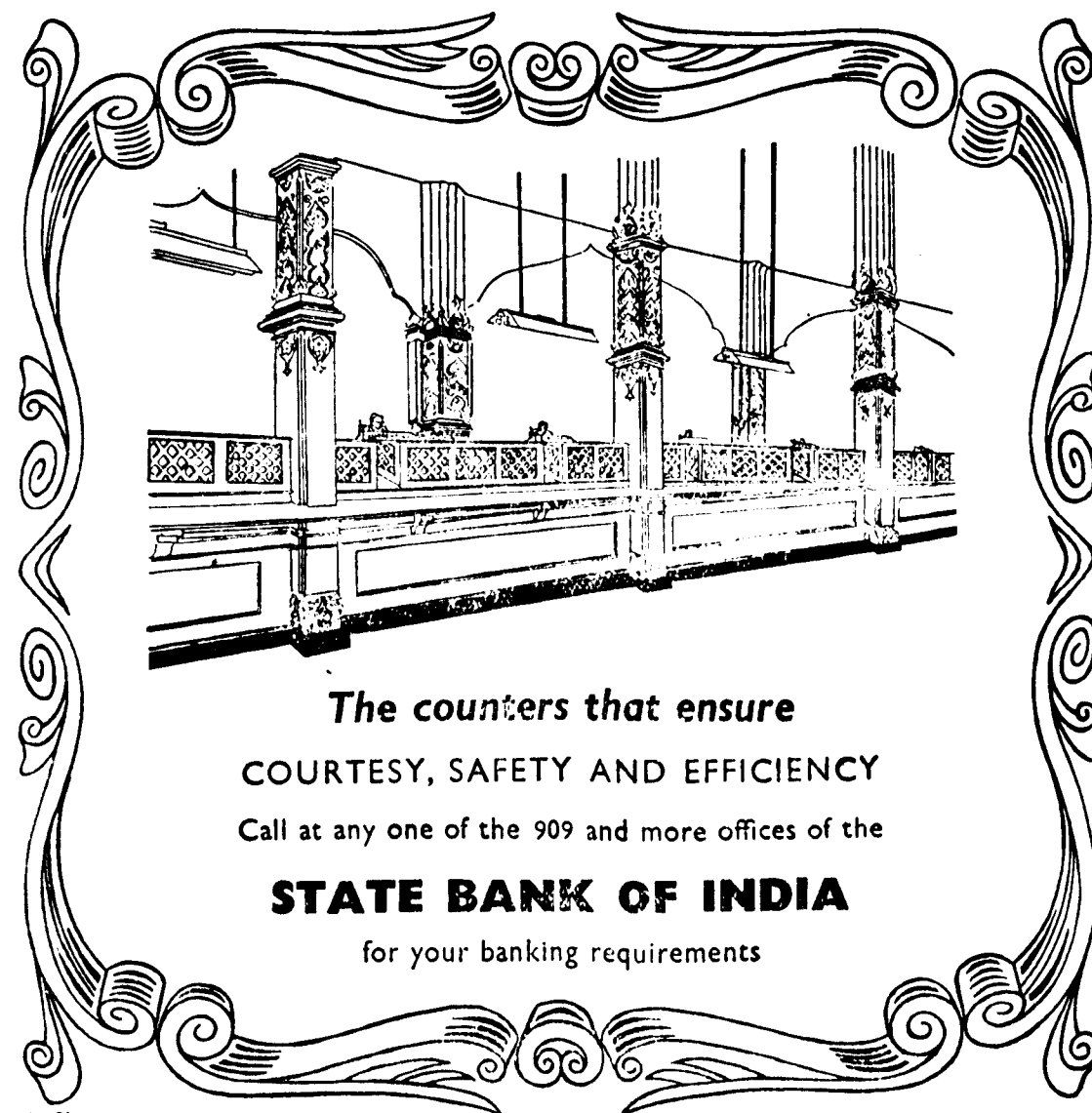
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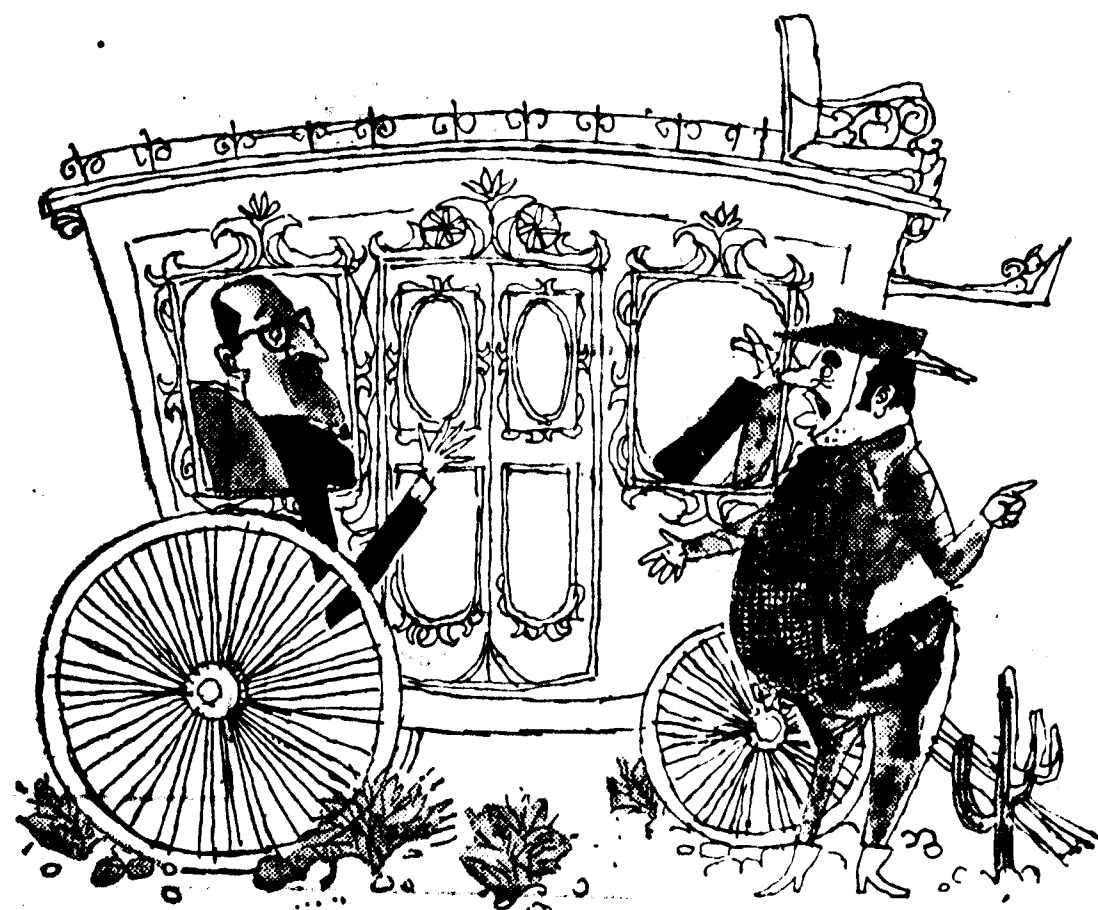
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Shakespeare all mixed up.

'Listen', said the coachman. 'You ain't
got a kingdom to give and we ain't got
a 'tube' to travel in...so now we walk,
see!'

'Zounds, Sir', thundered Time-Master
Tubophile, still Shakespearean, 'you don't
have to remind me that this is a tubeless
land in tubeless times. Full well do I,
Chairman, Tube Time Inc., know it. Not
a car, train or plane for conveyance...not
even a bicycle to take the ache out of
travelling. Nothing to take you from
here to there save a horse...and that
too run away. Such is tubeless travelling.
Comforting, though, to think, there is
my tubular time machine to take me
back to my own well-tubed time. And
back I'll go after I have seen more of
these tubeless times.'

'Coachman! forward—No!'

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Indian Finance

Established 1928

29 July 1961

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Mr SELWYN LLOYD'S much-discussed shock treatment for the ailing British economy has, in the event, come as an anti-climax. Of the dozen cures he outlined last Tuesday (detailed elsewhere in the issue), most are old items in the British economic pharmacopoeia, if not, as some aver, old wives' nostrums. A few, like the ten per cent increase in excise and customs levies on luxury items, are the first trial of a new anti-biotic, designed to reduce the fever in a hurry. But of the drastic surgical treatment that had been widely anticipated, there is no inkling. Thus Britain's sixth Post-war economic crisis has been, despite brave words that were spoken in the last few days, treated in much the same way as before.

There can be no doubt that the remedies outlined will solve some of the more immediate problems facing the British economy. The speculative pressure on Sterling has already been arrested, because of the measures announced. The rise in the Bank Rate to 7 per cent has undoubtedly been helpful in this. It will also ease the flow of some hot money into Britain and by making money dearer at home, it will curb the spending spree. Obviously all the incidental disadvantages of such drastic blood-letting will be there. But there was probably no alternative to Mr Lloyd and The Economist, which was keeping its fingers crossed and asking week by week why the Bank Rate was not being raised may now breathe easier. The application of the new fiscal device of increase in excise duty is expected to withdraw an annual 200 million pounds from the purchasing power of the nation. Reduction in government expenditure at home promised—which has involved the denial of a rise in pay demanded by teachers—will help reduce inflation as will the cut-back in production by dearer money in the private sector. Of more immediate impact on the balance of payments is the decision to reduce overseas spending, especially on defence. With the clouds gathering over Berlin, the scope for this may be doubted, though, the call on West Germany to increase contributions for British troops stationed may find a readier ear now. Mr Lloyd had resisted the temptation to dip deep into funds that go out in the form of aid. But earlier hopes of steadily increasing aid from Britain will have to be abandoned, at least temporarily, for Mr Lloyd proposes to take steps to 'contain the increase in assistance to under-developed countries and see that it did not rise much above the present level.' In all, Mr Lloyd hopes for a reduction of 20 per cent in foreign spending, to be achieved by reduction of overseas defence commitments, expenditure on diplomatic services and containment of foreign aid.

Probably the most controversial proposal of Mr Lloyd is the clear announcement of a policy of holding the line in wages and salaries. This, however inevitable in a situation of cost-inflation, is sure to create wide-spread resentment, especially when a corresponding

austerity in the matter of dividends is left to the goodwill and good sense of the industry. This is particularly indefensible, for only the other day Mr Lloyd's colleague, Mr Maudling, was quoting figures that supported the view that while wages have risen disproportionately to rise in productivity, dividends have done so even more strikingly. According to the Financial Times, wages rose by 7½ per cent last year whereas dividends rose by no less than 26 per cent. According to Mr Maudling, the latter figures should be 23 per cent, but even so, he is surely right in saying that while the rise in wages was "faster than can possibly be justified by rise in productivity", the rise in dividends was "far too high by any reckoning whatever." The point that the Labour party is sure to seize upon is that a Conservative Chancellor (whose reduction of surtax earlier in the year despite impending crisis has not been forgotten) has made no bones about a wage freeze, while he has been mealy-mouthed about a dividend-freeze at a time when dividends had increased at a pace thrice that of wages. Already Mr Cousins had said that in a situation of "free-for-all", labour is not going to stand on the side lines. Of course, Mr Lloyd can choose to rely on Lord Hailsham's figures rather than on Mr Maudling's and say that "between the first quarter of 1960 and the first quarter of 1961 profits actually fell by as much as 6½ per cent while wages and salaries during the same period rose by 8½ per cent." But such figure-juggling is merely likely to exacerbate Labour, which is understandably sore that a government that got to power on the crest of the "never-had-it-so-good" wave has its embarrassments at a time when the general elections are some two years away.

Britain's chronic economic ills have been, by and large, left alone by Mr Lloyd in his present set of prescriptions. Not that there was any difficulty in diagnosis. Production is stagnating being in early 1961 very much where it was in early 1960. (The latest figures are slightly encouraging. In April and May 1961, the index of industrial production is put at 122. Base year: 1954). Britain's share of world exports is falling, the ground being lost to West Germany principally. Its export cost is increasing whereas that of West Germany is steady. Most importantly, Britain's invisible earnings have been steadily declining from a net surplus of £340 million in 1951 to a mere £22 million in 1960. British shipping in particular has fared badly over the years, slipping from the position of a net earner of foreign exchange of £132 million in 1951 to being a drain on foreign exchange to the extent of £25 million in 1960. This had added an economic poignancy to the political irony (after Suez) of the slogan "Britannia rules the waves". Vigorous action to combat these problems has not been outlined in Mr Lloyd's proposals. The imminent announcement by Mr Macmillan that Britain will start negotiations with the ECM countries for joining them is probably the only step that can be described as such.

COMMODITIES

Mixed Trend in the First Half-Year

A BROAD picture of commodity prices for the half-year just ended conceals some important fluctuations in individual groups. The prices of some commodities are at levels at which producers are actively expressing their discontent and this is reflected in the recent moves to strengthen existing or create new international commodity agreements, intended to stabilise or improve prices. But, it seems to be established that the expansion in business activity, that is taking place in many parts of the world, is boosting the demand for commodities used in industrial production.

Agricultural commodities are not benefiting from any such increase in demand. Some of this group of commodities—foodgrains, sugar and coffee—have registered further price declines in the second quarter of the year. This has been offset by the improvements registered in the commodities, such as non-ferrous metals and certain categories of spices.

It is also the case that those commodities with an effective form of international control have done better than those that have no such organisation. Where it has been possible to reduce supplies to levels appropriate to the current demand, prices have been generally held at lower levels. But, by and large, the commodity price structure and the general supply-demand position are regarded as satisfactory. What is more remarkable is the air of stability that is becoming steadily more apparent in some of the markets.

Commodity-wise, prices of Non-ferrous Metals showed a steady upward movement from the beginning of the year. In the Bombay market, Tin was in the forefront with reports of cornering by some parties. The rise in prices had been hectic and unprecedented in recent times. This was attributed to aggressive bull buying, inspired by the paucity of supplies. The firmness of Tin did not fail to arouse sympathetic response from other metals. Copper rallied for a time, while Lead was pushed up on reports of voluntary cutbacks in world production.

On the London Metal Exchange, Tin witnessed violent fluctuations in prices. As the current surplus to world demand continued to run about 10 per cent ahead of world production, the spot rate pierced the ceiling of £880, fixed by the International Tin Council. At one stage, the rate even crossed the £930 mark and the Buffer Stock Manager was forced to sell the metal from the stock to prevent prices going up further. Copper, too, showed a sharp recovery from the low level touched at the end of the first quarter. The main cause was a better demand from the USA where consumption appeared to have picked up. As stocks in the USA declined due to heavy buying by Japan, the US smelters increased the price to 30 cents a pound, not to speak of the fact that many American buyers had to shift their attention to the London market for obtaining the metal. Zinc prices, however, showed a steady decline from the first quarter level due to the continued pressure of the US metal on the London market. In the case of Lead, the effects of voluntary cutbacks in production this year coupled with the United States barter deals to relieve the pressure of surplus stocks helped the market to bring about a moderate rise in prices.

The following table shows the price trends of a few selected commodities:—

	31-12-60	31-3-61	Increase or Decrease % (3)	30-6-61	Increase or Decrease of (4) over (1) (5)
Bombay—Oilseeds:					
Groundnut Bold	44.75	53.50	+19.53	55.00	+18.63
Linseed	39.00	38.25	—1.92	39.50	+1.26
Castor	37.31	35.00	—8.87	35.87	—4.01
Kardi	24.50	28.75	+17.34	27.50	+10.90
Niger	37.50	40.50	+6.66	42.00	+10.71
Bombay—Oils:					
Groundnut	19.50	22.65	+16.15	22.65	+13.46
Linseed	17.20	17.00	—1.16	17.00	—1.16
Castor, Commercial	14.09	15.65	+11.07	15.10	+6.68
Bombay—Metals:					
Copper Scrap	382.00	440.00	+15.18	430.00	+11.63
Lead	138.00	143.00	+3.62	156.00	+11.54
Tin	115.00	125.00	+8.69	170.00	+32.35
Mercury	2400.00	2400.00	Nil	2,600.00	+7.68
London—Metals:					
Copper	£227½	232½	+2.16	234½	+2.98
Zinc	£77½	83½	+7.49	79½	+2.82
Lead	£62½	65½	+4.61	65½	+5.14
Tin	£786½	823	+4.64	919	+14.41
Bombay—Bullion:					
Gold	114.05	119.65	+4.91	122.05	+6.55
Silver (below .996)	194.75	202.00	+3.72	202.60	+3.87
Sovereign	89.75	93.75	+4.44	94.25	+4.77
Calcutta—Jute and Gunny:					
Hessian 40"×10 ozs	59.00	62.25	+5.51	46.75	—26.41
B. Twills	185.00	180.00	—2.70	150.00	—23.33
Assam Bottoms	52.50	57.50	+9.52	47.00	—11.70
Calcutta—Export Sale:					
Clean Broken Pekoe	5.45	5.50	+0.91	5.25	—3.81
Plain Broken Pekoe	4.65	4.70	+1.07	4.80	+3.13
Plain Fannings	4.95	4.80	—1.01	4.65	—6.45
Medium Broken Pekoe	4.90	4.90	Nil	Not Quoted	
Medium Fannings	5.15	5.10	—0.97	Not Quoted	
Best Assam CTC BP	5.80	6.30	+8.62	Not Quoted	
Best Assam CTC Fannings	6.20	6.40	+3.22	Not Quoted	
Calcutta—Dust Sale:					
Medium Assam	5.25	4.80	—8.57	5.00	—5.00
Medium Assam CTC	5.75	6.20	+7.82	6.20	+7.25
Best Assam CTC	6.40	7.00	+9.37	7.00	+8.57
Plain Orthodox	...	...	...	4.35	...
Legg-Cut	...	...	...	4.90	...
Spices:					
Cochin—Pepper	380.00	374.00	—1.58	425.25	+10.84
Bombay—Pepper	202.00	198.00	—1.98	225.00	+10.22
Bombay—Cinnamon	305.00	286.00	—6.64	335.00	+8.95
Bombay—Cloves	250.00	272.00	+8.80	390.00	+35.89
Hapur Market:					
Sugar (per bag)	111.25	108.00	—2.92	107.50	—3.49
Gur (per maund)	13.37	14.00	+4.71	16.25	+17.72
Khandsari (per maund)	33.00	33.50	+1.51	33.00	Nil
Hapur—Foodgrains:					
Wheat Average	17.50	14.50	—17.17	14.25	—22.80
Wheat Farm	18.50	16.00	—13.51	16.37	—13.01
Gram	17.00	13.50	—20.58	13.75	—23.66
Barley	12.75	11.12	—12.70	11.00	—16.00
Rice Basmati	29.00	30.00	+3.45	32.00	+9.20
Peas Green	13.50	10.00	—25.92	10.75	—25.60
Masoor	17.00	14.00	—17.65	15.00	—13.33
Bombay—Cotton:					
ICC—Jharilla	600.50	580.00	—3.41	579.75	—3.58

Among Spices, the market for Pepper remained generally weak in the absence of sustained foreign demand throughout the first quarter. The USA was keeping away from the market as it got the supplies at lower prices from Singapore where the market was itself in doldrums in view of the sizable stocks in Indonesia and Sarawak. Weakness in Rubber also proved to be a discouraging factor and brought forth some liquidation in white pepper. Again, dealers in Singapore were offering daily in competition with India, while same was the case with Indonesia where the exporters were the willing sellers below the replacing parity for attracting buyers. But, the important factor contributing to the persistent weakness of Malabar pepper was the tight conditions prevailing in the money market, as five banks in Kerala were under moratorium by order of the Reserve Bank.

Things were, however, looking up since April. Distressed selling with a view to avoiding double sales tax in the Kerala State having been finished on 31 March, the market became steadier though business continued to be thin owing to lack of foreign enquiries. In the Singapore market, too, prices of black pepper developed a hardening tendency on reports that the Indonesian Government had decided to export the commodity direct to the USA, Russia and other consuming countries instead of selling via Singapore. This pushed up prices in Singapore to 46 cents per pound, which was about 2 cents lower than the ruling prices in India. Thus, with the narrowing disparity between Indian and Singapore prices, prospects of exports were brightened as it was hoped that the USA might revise its buying ideas in view of the rise in Singapore rates. Above all, it was believed that the new

season's crop in India was not likely to exceed 20,000 tons in view of the large-scale damage to the vines by the recent floods in the Kerala State.

There was a strong and general demand for Tea throughout the period under review. The auction trends till the end of February indicated that teas with outstanding quality were in good demand on the general view that prices might not slip back in the near future in view of the strong support from the domestic buyers. It was also thought that, as exports had been maintained at a high level, there might not be enough tea for the domestic market. As a result, exporters operated strongly, while the internal buyers continued to support the lower-priced tea. But, the ebullience, which was noticed after the announcement of the export duty, abated on second thoughts. The increase in the excise duty counteracted the favourable effect of the cut in export duty, because all teas in the gardens had to pay the excise duty which was not refunded even when tea was exported. Nevertheless, the final export sale for the 1960-61 season finished on a stronger note than it had done for many years.

Although bidding at the first export auction, held on 15 May, for the new season's tea was not so encouraging as was expected earlier, there was strong support for plain Assam and Dooras teas, presumably due to keen buying of internal dealers who were short of the commodity. It was thought that the outlook for the industry for the current year was favourable though a larger crop in North-East India might lower the price level to some extent and this would be compensated by a lower cost of production and increased exports. The overall statistical position also indicated that there was little surplus of tea in the world. This led to a feeling that the possibility of shortage could not be ruled out, especially when consumption in India was expanding. Even the tea trade held the view that India should raise her production as rapidly as possible, as otherwise, with internal consumption forging ahead and prices tending to rise, there would be less and less for export.

The Bullion market maintained a steady front. While higher levels induced profit-taking, support was forthcoming at every small decline. Apart from the approach of the busy season, the main factors contributing to the steadiness were heavy covering by bears and the manipulation by the bull operators.

The markets for Art Silk and Staple-Fibre Yarns remained generally firm during most part of the period. Art silk yarn prices showed an upward tendency from the beginning of the year, as the availability was stated to be tight and would continue to be so for some years to come. Although a number of new plants had been established during the last few years, the position in regard to supplies had not improved, while the demand was on the increase. But, prices suffered a sharp fall after announcement of the increase in excise and custom duties in the 1960-61 Budget. The reports, that the Government was about to issue to actual users import licences worth about Rs 1 crore for the October/March period and considering barter proposals involving export of surplus commodities such as sugar against import of rayon yarn, also aided the downward tendency in prices. There was also a move to import yarn on rupee payment basis. In these conditions, the scramble for yarn tended to subside with buyers awaiting lower prices. But, the scarcity of ready goods and a good upcountry demand caused again an upward tendency in prices from the beginning of June. In the

Cotton yarn section, however, trading was dull due to the easy supply position of raw cotton.

In the case of Oils and Oilseeds, the firmness of Groundnut was more pronounced. The groundnut section took a bullish tone from the commencement of the year due to the receipt of the commodity falling short of demand and as such crushers and vanaspati manufacturers emerged as consistent buyers. Even the increase in excise duty on vanaspati seemed to have no effect on sentiment. The steady demand for groundnut oil encouraged the crushers, who readily lifted the receipt of groundnut from upcountry centres at advancing prices. Above all, reports of rains in the producing areas tended to reduce the pressure on the available supply of groundnut and groundnut oil.

Although the sustained strength in groundnut had a favourable effect on prices, the market for Castorseed lacked strength of its own due to the obscure outlook for the commodity. The demand for castor oil from abroad remained negligible, with the USA and Communist countries keeping out of the market. Business with UK was also slack. The inflow of the new crop from the major producing areas was also reported to be fairly good.

Except for a slightly better turn noticed towards the end of the period under review due to some speculative buying by the Uttar Pradesh and Calcutta operators, the Linseed section presented generally a listless appearance. Price movements were, therefore, shaped by North Indian operators and upcountry advices regarding rapeseed.

Irregular price movements characterised trading in the Jute Goods market. Conditions akin to a boom were witnessed at the end of January when the ruling high prices did not even discourage foreign buyers who were being forced to take their requirements in the absence of any other alternative. Regular purchases of goods by the Government of India also became a feature, while internal consumption had also been rising faster than exports. But, from the beginning of March, prices suffered a steady setback due to selling pressure following the uncertainty created by the Jute Licensing and Control Order and the reactionary tendency in raw jute prices. Even the marked decline in prices failed to attract overseas buyers, who preferred to wait till the fibre position became clear. Again, the uncertainty about the future seemed to worry buyers and sellers alike, while the trade was in the dark as to what was likely to be the ultimate outcome of the block closure move. While the IJMA favoured the block closure of mills for only a specific period with a view to overcoming the shortage of jute, the Government thought it too early to contemplate any such move due to its possible impact on labour. There was even a tendency in the market to take rather an alarmistic view, as the decline in prices had been so rapid that the possibility of any immediate recovery had been discounted unless there was a further fall in raw jute prices. As a matter of fact, till the middle of June, the market was almost dead with virtually no enquiry from foreign buyers and the internal offtake being adversely affected due to the prevailing uncertainties.

Thanks to the resumption of forward trading on 15 June, the jute trade saw the turning point in its fortunes and the price slide, which threatened to develop into a total collapse of the market, had been halted. With the selling pressure off, prices steadied all along the line, sparked by broadening foreign enquiries and brisk shipper covering. There was a growing feeling that the prices of raw jute might not fall appreciably as sup-

ply and demand were evenly balanced. The steadiness of the market was also influenced by the reports of the decision made by the IJMA to close the mills for a week in June and July to correct the existing raw jute stock position.

Prices of Raw Jute displayed a firmer tendency during the major portion of the period. The only reaction to the announcement on 10 March of the promulgation of the Jute Licensing and Control Order under the Essential Commodities Act was, that fibre prices settled down to the controlled rate of Rs 62 a maund for Assam Bottoms. Even then, the number of sellers, prepared to sell at this level, was very small due to the general belief that it would take at least six months for the industry to turn the corner. The reports of some damage done to the crop in Pakistan by the recent cyclone had also a steadying effect on the Calcutta market. But, prices developed a reactionary tendency from the third week of May following the maximum prices fixed by the IJMA being revised from 22 May. The price was revised to Rs 58 from Rs 62 a maund. Even the lowering of the maximum price did not appear to have evoked much interest from the mills. No anxiety was shown by them to lift even a part of their quotas on the belief that prices might come down further, especially when reports about beneficial rains had continued to flow from various jute-growing areas. The market, however, took a remarkable turn in the middle of June when hopes of getting some early deliveries of Pakistani jute were receding due to reports of adverse effect on the coming jute crop.

In the Sugar market, conditions remained generally weak. Unweildy sugar stocks became a drag in the market. From the beginning of the year itself, it was feared that the problem of plenty confronting the industry would become serious in the months to come, especially when the factories were crushing cane at a high speed with consequent higher production. The problem of distribution of surplus sugar, therefore, assumed serious proportions, resulting in prices developing an easier tendency. The export outlook for the commodity also continued to be uncertain. The industry was anxious to sell sugar abroad; but it was not prepared to bear all the losses. There was also a general feeling that India could not sell the commodity in foreign markets except at substantial losses when the commodity was already in surplus in world markets and there was keen competition. The worry was the greater, considering that cane prospects were very good during the next season. But for the decision of the US to import 225,000 tons of sugar and the efforts taken by India to become a member of the international Sugar Council, the situation would have become extremely dangerous to the industry and farmers alike.

Except for a slight improvement in prices noticed from the beginning of June following the announcement of additional quotas to the indigenous mills to the extent of 20 per cent of their previous season's consumption and the Government decision to enhance the floor price from Rs 139 to Rs 168.57 per three quintals for the 1961-62 season, conditions in the Bombay Cotton market remained generally weak during the period under review. As a matter of fact, panicky conditions prevailed in the beginning of February when growers were anxious to dispose of their stocks, while the mills preferred to keep away from the market on expectation of a further fall in prices, not to speak of their reluctance to increase their stocks due to financial difficulties. The situation was aggravated by the reports of accumulation of stocks

with the traders of Gujarat and Saurashtra. To make matters worse, the reported entry of the Indian Cotton Mills' Federation into the market led to a fear that the bulk buying by the Federation would wipe out completely the trade and the growers in as much as the Federation would be able to squeeze both of them by sheer dint of collective bargaining power. Even the subsequent statement that the Federation was only a buyer at the instance of the Textile Commissioner to support a sagging market and it might withdraw at any time failed to bring the desired improvement in the trading conditions.

The market for foodgrains also ruled weak with prices showing a steady setback. A comfortable stock position and sufficient imports contributed to a feeling of confidence among the traders. The removal of zonal restrictions on wheat movement and the prospects of heavy arrivals of the new crop were also responsible for the sharp fall in prices towards the end of the period.

Finances of State Governments

THE Reserve Bank of India Bulletin for June 1961 has assembled in a compendious form figures relating to the finances of all the State Governments. These figures, collated from the various budget papers relate, for the most part, to the last ten years, and provide copious material for meaningful generalisations of various kinds about the trends in the finances of the various constituent units of the Union. It will, for example, be worth while to investigate by the performance of the various States, especially in the matter of efficient use of resources, their relative sense of financial discipline and regard for solvency and viability in financial matters. It should also be possible to compare progress made in particular directions, say, the creation of new social assets, tangible and intangible, the progress in social services and allied schemes of welfare. But the most interesting light thrown by the study is on the financial relationship between the Centre and the States in a decade of planning.

As will be evident from the accompanying table, the States have become increasingly dependent on the Centre for their requirements of finance. The proportion that receipts of all kinds (i.e. share of Central taxes, grants and loans) from the Centre bear to the total expenditure (on both capital and revenue accounts) of the States has progressively increased from 20.4 per cent in 1951-52 to 50.9 per cent in 1960-61. Looking at it from another angle, it is seen that the contribution of the Centre other than by way of loans (which is by convention related to capital account) is about 41.5 per cent of the total revenue expenditure of the States. The dependence of the States on the Centre for financing their capital expenditure is even more complete. The percentage of Central loans to capital expenditure works out to 51, 51, 79.5, 75 and 69 for the years 1956-57, 57-58, 58-59, 59-60 and 60-61 respectively.

Another way looking at the figures is to compare the Centre's contribution to the Plan outlays of the States. It will be seen that the total outlay on the Plan by the States for the five years of the Second Plan period was Rs 30, 346, 402, 471 and 573 crores respectively. The Centre's contribution to the States for these years were Rs 373, 519, 588, 641 and 770 respectively. In other words, the Centre has

(TRANSFER OF RESOURCES FROM THE CENTRE TO THE STATES)

(Crores of Rupees)

Year	Resources made available by the Centre*				Expenditure of States			Percentage of		Plan Outlay	
	Shared Taxes	Grants	Loans	Total	Revenue Account	Capital Account†	Total	(2+3)	(5)		
								to 6	to 8		
1	2	3	4	5	6	7	8	9	10	11	
1951-52	...	52.9	33.9	73.3	160.1	392.6	151.3	543.9	22.1	29.4	...
1952-53	...	73.8	36.0	111.8	221.6	416.9	155.5	572.4	26.3	38.7	...
1953-54	...	72.8	45.3	134.7	272.8	446.5	176.8	623.3	26.5	43.8	...
1954-55	...	71.6	51.4	220.7	343.7	494.4	205.9	700.3	24.9	49.1	...
1955-56 (R.E.)‡	...	73.6	103.7	246.7	424.0	603.4	342.3	945.7	...	...	...
1956-57 (B.E.)‡	...	79.4	84.3	209.5	373.2	630.5	410.0	1040.5	...	...	310
1957-58	...	120.9	114.4	283.6	518.9	683.9	347.2	1031.1	34.4	50.3	346
1958-59	...	162.1	141.5	284.1	587.7	765.1	357.3	1122.4	39.7	52.3	402
1959-60	...	169.9	175.7	295.0	640.6	869.8	396.5	1266.3	39.7	50.6	471
1960-61 (R.E.)	...	178.8	235.6	356.1	770.5	996.9	515.5	1512.4	41.5	50.9	573
1961-62 (B.E.)	...	160.0	231.7	409.2	800.9	1057.4	523.2	1580.6	37.0	50.7	600

Note:—Figures from 1951-52 to 1956-57 relate to Part A and Part B States and those from 1957-58 onwards to the recognised States including Jammu and Kashmir.

*The figures are as shown in the Central Budget.

†Excluding transfers to funds.

‡Excluding appropriations to contingency and other funds. State Trading transactions and all debt and all deposit items except loans and advances by States.

§Due to reorganisation of States, only budget estimates for 1956-57 and revised estimates for 1955-56 are available.

¶These are actuals and hence their percentages to the expenditure of the States, which relate to budget estimates for 1956-57 and revised estimates for 1955-56 are not given.

been not only financing wholly the States' plans, but also providing a substantial part of the non-Plan expenditure of the States. And this tendency has increased with the years. Again, increases in revenue expenditure year by year have been looked after for the major part by increases in the receipts from the Centre by way of share of taxes and grants. The relative figures are given below:

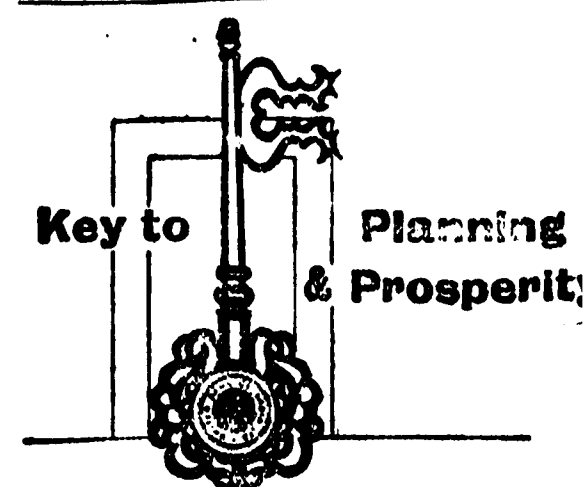
(In crores of Rs)

	56-57	57-58	58-59	59-60	60-61
Increase in revenue expenditure	27.1	53.4	81.2	104.7	127.1
Increase in share of Central taxes and grants	13.6	71.6	68.3	42.0	68.8

A further point in the context of relationship between the States and the Centre needs mention. The quantum of borrowing from the Centre by the States is substantial. Total borrowings of the States from the Centre for the period 1951-52 to 1960-61 is Rs 2,343 crores. Of these the total repayments for the same period comes to only Rs 422 crores. In other words, of the loans taken since the beginning of the planning era, over Rs 1,900 crores or roughly 82 per cent is still to be paid back. And since, presumably, the States are going to draw heavily on the Centre by way of loans for the Third Plan, one wonders when the repayment of these loans are going to take place. By any kind of normal ordering of things, it should be the States that should be providing funds for the Centre by way of repayment of loans. The Second Finance Commission had some caustic things to say about the air of unreality of this kind of accountancy. We are also familiar with the kind of psychology that reckons on the possibility of these loans being quietly written off. The really unhealthy part of the whole arrangement is that the quantum of borrowing and owing bears little relation to the resources and potentiality of particular States. Here again, loose criteria like needs and regional demands rather than financial solvency in the strict sense of the term, have guided the relationship. The psychology is not unlike that governing the distinction between physical targets and financial targets in the context of overall planning, and the result is a similar air of unreality about the financial aspects of the situation. Moreover, such dispensation of loan-bounty, without relationship to financial discipline at the State level, has led to a kind of Micawberism on the part of the States. The absence of strict financial criteria has also led to the suspicion that if

you can put on the right kind of screws to the Centre, you can get what you want however improvident you may be.

These inescapable inferences from the figure add up to a picture of pathetic dependence of the States on the Centre. The political consequences of such financial abjectness in federal set up must cause worry on several counts. The acquiescence in Central planning for valid economic reasons must not be allowed to become a tacit and helpless assent to the corrosion of the federal principle. The political arguments in favour of a federal set-up in India with its well-defined regional characteristics are overwhelming.



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World of Finance

NEW LOANS

Successful: So Third Tranche to Come?

THE lists for the second tranche of the Government's borrowing programme for 1961-62 were duly closed, the loans being fully subscribed. Subscriptions totalled Rs 108.57 crores, or just a trifle short of the loans being over-subscribed. Conversion applications were placed at the paltry figure of Rs 3.72 crores, but the implication is that cash came in to the tune of a very satisfactory Rs 104.85 crores. Unexpectedly, the 3½ per cent 1969 proved less attractive, bringing in Rs 42.94 crores as compared with Rs 65.63 crores anticipated by the 4 per cent 1981. All subscribers are to receive full allotment.

Has the second tranche been more than a technical success? The answer cannot now be categorical. For, the greater drawing power of the 4 per cent 1981 would suggest that institutional investors (other than banks, of course) have been feeling relatively starved of gilt-edged. It is also possible that the banks amongst themselves have accounted for the bulk of the subscriptions to the 3½ per cent 1969. And it is just barely possible that, this year, the Reserve Bank has had occasion to tender less support than has been its practice in recent years. On these grounds, the second tranche is undoubtedly a success.

But...as against something like Rs 139 crores of loans maturing in the current year, conversions have totalled only around Rs 97 crores. Holders of as much as Rs 42 crores of maturing securities opted for cash: the refinancing operation this year therefore has been a success only to the extent of 69.7 per cent of maturities. Secondly, after allowing for cash repayment to holders of maturing loans who did not convert, the net borrowings of the Centre so far this year have added up to merely Rs 63 crores. Thirdly, even after the second tranche, the money realised by Government from borrowings falls short of the Budget expectation by nearly Rs 35 crores.

Once again, however, there is a saving grace: the State Bank of late has been a voracious purchaser of gilt-edged through the Reserve Bank tap. Despite purchases of gilt-edged by the Reserve Bank from the State Bank in April/June quarter, when the latter institution was making repayment of counterpart funds, the central banking institution is likely to emerge at the end of the fiscal year as a net seller of securities. That means that the net absorption of gilt-edged by the market is likely to be a rather larger figure than suggested by subscriptions to the new loans alone.

The money market of course is witnessing extremely easy conditions. The latest banking returns again confirm the gathering of free resources with the banking system. Indeed, on the eve of the lists being opened for the new loans the call money rate in Bombay had declined to as low as 1.5 per cent. A momentary strain was occasioned by the drawing upon the banking system of

such entities as the Life Insurance Corporation and other institutional investors: on the day the lists opened the call rate rose to 4 per cent. But the pressure upon banking system proved ephemeral, and the following day the rate slipped down again to the 2 to 3 per cent range.

We foresee for the immediate future a continuance of easy conditions. We believe consequently that a third tranche is in the offing, possibly in the form of a created issue which in the first instance would be sold to the Reserve Bank for sale through the tap to banks. Since the third tranche would be directed specifically at the banking system, we would suggest here that it should be a 3.4 per cent 1966, for say Rs 50 crores, at par or a modest premium and to be made available as from the middle of September.

BANK RETURNS

Intensification of 1961 Slack Season

The returns of the Reserve Bank and the State Bank for 21 July and that of Scheduled Banks for 14 July indicate that the 1961 slack season is producing extra-ordinarily easy money conditions.

Active Note Circulation has, in the latest week, contracted by Rs 26.03 crores to Rs 1,911.95 crores—the lowest such figure since the week ended 27 January and showing a drop of Rs 128 crores as compared with the peak touched on 7 April. Rupee Coin has also returned from circulation, in the week under review, in an unusually large amount of Rs 2.10 crores. Currency has been contracted against Rupee Securities for a little under Rs 30 crores, and the portfolio is now placed at Rs 1,597.05 crores. In the result, cash in the till marks a fall of Rs 1.80 crores to Rs 18.35 crores.

Indications of slackness are also contained in the return for the Banking Department. Reserve Balances of member banks have gone up by Rs 7.38 crores to Rs 103.46 crores, with the State Bank in the relevant week probably reporting a small drawing down. Simultaneously, borrowings from the Reserve Bank, on the part of the Scheduled Banks, have been reduced practically to nil: As compared with Rs 4.85 crores outstanding on 14 July, the Other Loans and Advances of the Reserve Bank have fallen in the latest week by Rs 3.91 crores to Rs 113.60 crores; that the bulk of the decline is on account of Scheduled Banks is suggested by the fall of Rs 2.41 crores to a nominal Rs 1.01 crores in the Reserve Bank's advances against usance bills.

However, the Central Government has had recourse to deficit financing, for perhaps as much as Rs 25 crores; the reason for the Centre seeking to replenish its resources lay in the commitment to the States in respect of ways and means advances and grants. The States have obviously received payment from the Centre, their Deposits rising by Rs 17.99 crores to Rs 31.35 crores; and their borrowings from the Reserve Bank are marked down by Rs 1.08 crores to Rs 40.65 crores. In the result,

BANKS

Snippets

Aggregate Deposits of all Scheduled Banks in respect of their business in India improved by Rs 30.89 crores between the last Fridays of March and April 1961 to a level of Rs 1,766.93 crores. The share of Indian Scheduled Banks in the rise was Rs 13 crores despite the loss of about Rs 12 crores by State Bank owing to making over of the April instalment of counterpart funds. In May, however, aggregate Deposits of all Scheduled Banks receded slightly by Rs 4.23 crores to Rs 1,762.70 crores, with Indian Scheduled Banks showing a drop of Rs 13.13 crores and roughly corresponding to the instalment of counterpart funds made over by the State Bank in that month. Foreign Banks, which had reported a rise in April amounting to nearly Rs 18 crores, showed a further improvement of Rs 8.89 crores to Rs 244.63 crores in May.

Reserves of all Scheduled Banks maintained with the Reserve Bank exceeded the statutory minimum, as on the last Friday in May, by Rs 12.42 crores.

Savings Deposits with Scheduled Banks improved further by Rs 1.95 crores in the month to the last Friday in May to a level of Rs 287.73 crores.

Seven new offices of Scheduled Banks were opened during May, of which one was on account of the State Bank and the rest by other Indian Scheduled Banks.

Secured Advances of Scheduled Banks against food articles rose in the fortnight to 28 April by Rs 4.39 crores to Rs 145.26 crores; against Industrial Raw Materials, they declined by Rs 4.22 crores to Rs 150.39 crores; against Plantation Products, they were slightly higher by Rs 70 lakhs at Rs 52.19 crores; against Manufactures and Minerals they were practically unchanged at Rs 411.06 crores against Rs 411.00 crores; and fell by Rs 3.49 crores to Rs 376.17 crores against Other Securities.

Cheque clearances at centres managed by the Reserve Bank fell from the April figure of Rs 944.30 crores to Rs 857.32 crores in May; at other centres also a drop was registered from Rs 212.24 crores to Rs 198.80 crores.

The Centre's cash position shows a nominal rise of Rs 0.19 crore to Rs 53.02 crores.

Investments are higher by Rs 35 crores at Rs 248.88 crores, of which Rs 30 crores is by transfer from the Issue Department. Moreover, the State Bank is known to have purchased Rs 19 crores worth of securities. Hence the inference that money was created by Government during the week in an amount of around Rs 25 crores.

There has been a moderate fall of Rs 1.42 crores to Rs 8.47 crores in Balances Held Abroad; and merely ten days remain before credit of \$250 million worth of foreign exchange is available for buttressing exchange reserves.

In its return for the week ended 21 July, the State Bank has shown a fair-sized drop of Rs 4.84 crores to Rs 254.83 crores in Ad-

The Recipe

Britain has announced a host of new austerity measures to get itself out of its present critical economic situation. These include (1) an increase in the Bank rate from five per cent to seven per cent (2) a surcharge of 10 per cent on all purchase taxes and customs and excise duties (3) firmer control on loans for instalment buying (4) a hold-the-line policy on wages and salaries (5) a moderated form of capital gains tax to discourage stock market and real estate speculation (6) tighter control on home building loans and all forms of construction (7) a reduction in foreign spending by 20 per cent and (8) a 10 per cent reduction in spending for Britain's diplomatic service abroad.

The measures are intended to achieve economy in Government expenditure at home and abroad, stimulate exports of British exports abroad at competitive prices and bring down the level of internal consumption and prices. The surcharge, it is estimated will by affecting spending on cigarettes, wine, beer, liquor, autos and all luxury goods withdraw purchasing power from the national economy at the rate of 200 million sterling a year. Increase in the Bank rate, apart from its direct effect on flight of sterling, will be the principal weapon for putting a curb on expansion of Bank credit. As a further supplementary measure, the Bank of England has called upon the London Clearing Banks to lodge a further one per cent of their liquid assets with the Central Bank. The UK's resources will further be fortified by substantial drawing on the International Monetary Fund.

In respect of Government expenditure, which is presently running at a high rate and which is further expected to increase to about 480 million sterling in the next year, Mr Selwyn Lloyd, has expressed the desire to hold it down to 400 million sterling in 1962-63. The UK has already appealed to the NATO authorities to consider possibilities of reducing British expenditure in the NATO. As a further measure, a hold-the-line policy in respect of aid to under-developed countries is also being considered.

vances, and the decline since the busy season peak touched on 7 April works out to just under Rs 38 crores. Deposits, however, are a mite lower by Rs 1.04 crores at Rs 531.31 crores. The State Bank has run down its

Other Assets by Rs 11.26 crores and purchased gilt-edged for Rs 19 crores. It is possible, therefore, that accordingly the bank's capacity for the new loan will be rather less. Cash in hand and with Reserve Bank is lower by Rs 0.62 crore at Rs 24.02 crores

The statutory statement of Scheduled Banks for 14 July shows that there has again been a switch from Demand to Time Deposits, and again a net rise in Deposit resources. Net Demand Deposits have fallen by Rs 6.79 crores to Rs 820.57 crores, but net Time Deposits have shot up by Rs 12.05 crores to Rs 1,111.43 crores. Thus, the net improvement over the week is Rs 5.26 crores, of which only half a crore is traceable to the State Bank. Since the first Friday in 1961, net Demand Deposits have risen by about Rs 43 crores, whereas net Time Deposits are higher by around Rs 6 crores. If regard is had for the fact that, over the period, the State Bank lost Rs 72 crores of Deposits on account of counterpart fund repayments, it will be seen that the actual improvement in Deposits (net of counterpart fund transactions) exceeds Rs 129 crores. In the latest week, Advances have further contracted by Rs 8.87 crores to Rs 1,263.38 crores, and the net increase over the first Friday in 1961 is less than Rs 64 crores. Indeed, the contraction in Advances from the busy season peak registered on 31 March is placed at the considerable figure of Rs 76 crores. The improvement in the resources situation has enabled Scheduled Banks to reduce indebtedness to the Reserve Bank by Rs 4.59 crores to Rs 4.85 crores, though borrowings from the State Bank are higher by about Rs 1.50 crores. The gilt-edged holdings show a rise of Rs 3½ crores, of which Rs 2 crores is ascribable to the State Bank. However, new loan week may impose some strain on the banking system—call money rate, which had declined to 1½ per cent on the eve of the new loan, went up on the day the lists were opened to 4 per cent, but has since declined to 2 to 3 per cent.

Bank Profit

Subject to audit, the net profit of the Punjab National Bank Ltd., for the half year ended 30 June, 1961 after providing a sum of Rs 5.90 lakhs for payment to the Gratuity Fund Trust and making necessary provisions amounts to Rs 75.96 lakhs as against Rs 45.37 lakhs for the corresponding half year in 1960. After adding a sum of Rs 4.23 lakhs carried forward, the amount available for appropriation is Rs 80.19 lakhs.

The Directors have decided to pay an interim dividend for the current year at the rate of Re 1/- gross per share amounting to Rs 12.50 lakhs leaving a balance of Rs 67.69 lakhs to be carried forward to the next half year's account.

A Rival to the Sterling Area?

By Paul Einzig

IT has become evident during the last few weeks that acceptance of the Rome Treaty by Britain without adequate safeguards would endanger not only the Commonwealth but also the Sterling Area. To counteract the deterrent effect of the latter possibility, the Common Market is engaged in elaborating a plan which would provide an alternative to the Sterling Area. The idea is to establish a Western European Monetary Union whose members would pool their resources for the mutual defence of their currencies. It is difficult to see how Britain could participate in such an arrangement and continue to remain at the same time the centre of the Sterling Area, unless the Common Market is prepared to admit also the other members of the Sterling Area, which seems to be utterly unlikely. Britain would be confronted not only with the choice between Commonwealth Preference and free trade with Western Europe but also with the choice between the Sterling Area and the Western European Monetary Union.

The Sterling balances of the Outer Sterling Area are incomparably larger than those of the Common Market, or even those of the whole continental Western Europe. From this point of view the change would mean an increase of the potential pressure on sterling. On the other hand, sterling would have the benefit of the psychological and material support of the large and increasing gold and foreign exchange reserves of Germany, France, Italy and the Benelux countries. The question is to what extent those reserves would be actually available if needed for supporting sterling.

It seems probable that Governments, Parliaments and public opinion in the Common Market countries would not be willing to underwrite sterling to any appreciable extent unless Britain is prepared to sacrifice her sovereignty as far as monetary and economic policy is concerned. Tempting as it is to receive the support of the Common Market reserves, there would be strong resistance to subordinating vital policies to the decision of an inter-European body. And even if the British Government and Parliament were prepared to do so there is no reason to suppose that the British trade unions would not disregard the decisions of such a body to the same extent as they now disregard the policy declarations of the British Government. To make those decisions effective would necessitate drastic steps, and there is no reason to believe that such steps would be any less unpalatable if imposed by an international body than they would be if imposed by the democratically elected British Government.

A stage would be reached sooner or later at which the Common Market would insist on such measures as the condition of continued support to sterling. Yet if measures are adopted that would deal with wage inflation there would be no need for sterling to shelter behind the defences of Common Market reserves. In the long run its fate will depend on the Government's willingness and ability to enforce the necessary measures, whether or not Britain will join the Common Market and the Western European Monetary Union.

—Copyright—

Notes

LICENSING

Erratic

In the course of his address to the Central Committee of the All India Manufacturers' Organisation at Coimbatore a fortnight ago, Mr G. V. Puranik, Chairman of the AIMO drew attention to a rather odd feature in the industrial licensing policy of the Gov-

ernment. It is that in most of the industries covered in the development schemes for the Third Plan, a substantial portion of the capacity to be created during the Third Plan period has already been licensed, even before the Second Plan had ended. A general idea of the extent of target capacity covered by licences already sanctioned would be obtained from the following table which gives figures for capacity for some representative industries.

Name of Industry.	Unit.	Third Plan capacity targets.	Total capacity licensed as on 1-1-1961.	Existing capacity as on 1-1-1961.	Existing capacity plus capacity covered by foreign exchange
Steel Castings ...	'000 tons	200.00	167.93	39.60	75.61
Ferro-manganese ...	'000 tons	220.00	260.40	126.00	200.40
Aluminium ...	'000 tons	87.50	87.50	17.50	62.50
Copper ...	'000 tons	18.40	15.60	7.20	15.60
Watches ...	'000 Nos.	360.00	670.00	Nil	670.00
Wagons ...	Nos.	33,500	31,420	26,000	29,420
Power Driven Pumps	'000 Nos.	180.40	142.97	116.42	132.45
Diesel Engines ...	'000 Nos.	72.00	55.83	35.83	47.98
Ball & Roller Bearings	Mill Nos.	8.00	9.08	0.90	3.07
Sulphuric Acid ...	'000 tons	1,500.00	1,316.20	475.50	1,046.95
Carbon Black ...	'000 tons	30.00	33.60	Nil	10.00
Dyestuffs ...	Mill Pounds	22.40	26.40	13.50	25.00
Automobile Tyres ...	Mill Nos.	3.70	2.94	1.46	2.24
Synthetic Rubber ...	'000 tons	30.00	50.00	Nil	30.00
Paper & Paper Board	'000 tons	820.00	1,140.00	400.00	804.46
Cement ...	Mill tons	15.00	15.15	8.88	12.33

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The table makes it clear that the licensing policy in respect of individual industries does not follow any uniform pattern. In respect of some industries the capacity licensed is already in excess of the Third Plan targets and this is true of watches, ball bearings, carbon black and cement. For a large number of other industries, the capacity licensed is very near the target fixed for the Third Plan. The fact, testified in the last column of the table, that foreign exchange offers already cover a large part the capacity licensed may explain for what seems to the liberal licensing record in the table. While the licensing policy may be justified on considerations of the time lag between licensing and the actual materialisation of the schemes, the very pertinent question arises: in giving licences has the Government taken into account the prospects for the supply of raw materials for the working of the industrial units when they are erected and start functioning? In many industries there is already idle capacity ranging between 25 to 60 per cent precipitated by lack of essential raw materials, components and balance-

ing plants. In the circumstances unless the provision for maintenance imports is enlarged, the competition for the limited supplies of raw materials would be dangerously accentuated. Already in respect of such industries as cotton textiles, cement, sugar, jute, paper, etc., the Government has suspended further licensing of additional capacity in view of what is recognised to be the excess capacity presently existing in these industries. In the light of the experience of the Second Plan when indiscriminate licensing in the earlier years led to serious crisis of foreign exchange for raw materials it does not need stressing that the accent in industrial policy should be on fuller utilisation of existing capacity. The import of larger quantities of capital goods without ensuring the supply of raw materials will lead to considerable waste in investment.

COMPANY LAW

Exemptions in Special Cases

Important exemptions from procedural formalities for companies engaged in the promotion of art, commerce, science, religion charity or any other useful object have been announced by the Government. The absence of profit motive in the cases of these companies has made the elaborate protections of the Companies Act redundant. Government have had many representations in this connection and their decision has been prompted by the desire to remove needless restrictions.

Under the orders now issued, these companies will now be able to hold their annual general meetings not only at any place within the country, but also on a public holiday and even outside the normal office hours. They need not file with the Registrar every year, along with the annual returns mentioned in Section 160 of the Act, the names of their members and the respective dates on which they became members and the names of persons who ceased to be members since the date of the annual general meeting of the immediately preceding year. It will not be necessary for the companies to publish their names strictly in terms of Section 147 of the Act; they will be free to indicate their names in a manner suited to their needs.

Fourteen days' notice, instead of the twenty-one days' notice which normally is required, would suffice in the case of these companies for the purpose of calling their annual general meetings. Similarly it will hereafter be enough if such companies preserve in good order their books of accounts for four years, instead of eight years as prescribed in the Act.

By virtue of another exemption, a person intending to stand for

election as a director or any member intending to propose him for election as a director will not have to leave at the office of the company any notice signifying his candidature for the office or the intention of such member to propose him as a candidate for that office. For the same reason, a candidate for the office of a director in any of the companies will not be required to signify this consent in writing to act as a director, if appointed. He will, however, have to file with the Registrar, within thirty days of his appointment as Director, his consent in writing to act as such.

Persons who have attained the age of sixty-five years will henceforth not be ineligible for appointment as directors of these companies in terms of the exemptions from the provisions of Sections 280 and 282 of the Act.

The boards of the companies, by whatever name called need not meet once in three calendar months, as provided in Section 285. It would be enough if they hold at least two meetings in a year. The quorum for a board meeting for such companies has been fixed at either eight directors or one-fourth of the total strength of the board, whichever is less, provided that it must not fall below two members in any case.

It will also not be necessary for these companies to notify the changes in their boards of directors, manager or secretaries at any time during the year. The names of the members of the board, managers, secretaries, etc. are however required to be filed with the Registrar once every year along with the Annual Returns as provided in Section 160 of the Act.

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UNDERWRITING

Recent Trends

The Indian Institute of Public Opinion recently made a study of the underwriting business done in India which sheds considerable light on recent trends in underwriting business done and other allied questions such as the proportion of business accounted for by various institutions engaged in the business and the industrywise proportion of the underwriting business done. As an integral aspect of the functions connected with raising capital funds for industrial ventures in the private sector, the subject of underwriting is of obvious importance. The study made by the IIPSO serves to bring out the dominant role of underwriting in the success of new capital floatations and in the stimulation of corporate activity in the private sector.

The most important point that emerges from the study of the IIPSO is the great increase in the underwriting business done since 1956. In absolute terms there has been a seven-fold increase between 1956 and 1960, the total amount having gone up from Rs 2.11 crores in 1956 to Rs 14.64 crores in 1960. But, as a proportion of the total amount offered to the public the amount underwritten has declined in significance. There has been a gradual fall from the high level of 100 per cent in 1957 to 83 per cent in 1960 while the figures upto April 1961 reveal a further decline in the proportion. While conditions in the monetary market are an important factor affecting the volume and manner in which company floatations are underwrit-

TABLE I
Percentage of Amount Underwritten to Amount Offered to the Public.

	(Rs Crores)		
	Amount Offered to the Public.	Amount Underwritten.	Percentage of (2) to (1).
	(1)	(2)	(3)
1956 ...	2.63	2.11	80
1957 ...	3.65	3.65	100
1958 ...	8.02	7.75	97
1959 ...	11.69	10.57	90
1960 ...	17.60	14.64	83
Jan.-March 1961 ...	5.38	3.62	67
April 1961 ...	5.75	4.11	71
Total ...	54.72	46.45	85

Figures are exclusive of firm allotment made to underwriters from July 1960 onwards.

TABLE II
Amounts Underwritten, Institutionwise.

	Underwritten by					
	Total Amount Underwritten.	Industrial Credit & Investment Corporation of India.	Life Insurance Corporation.	Industrial Finance Corporations.	Banks.	Others (Mainly Brokers and Investment Companies).
1956 ...	2.11	0.77 (36)	0.20 (9)	...	0.73 (35)	0.41 (19)
1957 ...	3.65	0.85 (23)	0.10 (3)	...	...	2.70 (74)
1958 ...	7.75	2.13 (27)	1.10 (14)	0.75 (10)	1.86 (24)	1.91 (25)
1959 ...	10.57	1.55 (15)	0.47 (4)	0.88 (8)	2.25 (21)	5.43 (52)
1960 ...	14.64	1.62 (11)	2.15 (15)	0.20 (1)	5.87 (40)	4.80 (33)
January-March 1961 ...	3.62	...	0.17 (5)	1.30 (36)	0.36 (10)	1.79 (49)
April 1961 ...	4.11	0.45 (11)	0.45 (11)	...	1.01 (24)	2.21 (54)
Total ...	46.45	7.37 (16)	4.64 (10)	3.13 (7)	12.08 (26)	19.25 (41)

Figures are exclusive of firm allotment to underwriters from July 1960 onwards. Figures in brackets indicate percentage to totals.

TABLE III
Industrywise Analysis of New Issues Underwritten (July 1960 to April 1961)

	Total Issue			New Issue			Amount Underwritten		
	Ordinary	Preference	Total	Ordinary	Preference	Total	Ordinary	Preference	Total
Engineering ...	13.11	2.28	15.84	6.68	1.21	8.12	3.27	0.95	4.45
Cotton Textiles ...	0.27	0.09	0.36	0.14	0.02	0.16	0.14	0.02	0.16
Chemicals ...	1.60	...	1.60	0.94	...	0.94	0.35	...	0.35
Sugar ...	0.80	...	0.80	0.40	...	0.40	0.40	...	0.40
Paper ...	6.62	0.20	6.82	2.97	0.20	3.17	2.82	0.20	3.02
Cement ...	0.50	0.20	0.70	0.23	0.10	0.33	0.23	0.10	0.33
Coal ...	...	...	0.60	...	...	0.30	...	...	0.30
Others ...	6.09	0.48	6.57	3.62	0.38	4.00	1.86	0.38	2.24
Total ...	28.99	3.25	33.29	14.98	1.91	17.42	9.07	1.65	11.25

Amounts underwritten exclude firm allotment to underwriters.

ten, one may possibly discern, in this declining proportion, signs of the confidence of the company promoters in the investment consciousness of the public.

The break-up of the underwriting business done by the institu-

tions, discloses the dominant role of Brokers and Investment Companies. The proportion of the business underwritten by this group varied between 74 per cent and 19 per cent, but the overall share during the period 1956 and

April 1961 stood at 41 per cent which compares with 26 per cent being the share of Banks which rank second. There are variations in the proportion of the amount underwritten by Banks also, but it is noteworthy, that they accounted for a larger proportion of the amount underwritten in 1960 than Brokers and Investment Companies. The Industrial Credit and Investment Corporation of India also did underwriting of a considerable order, but since 1959 there has been both an absolute and proportionate decline in the amount underwritten by this institution. The share of the ICICI in the total underwritten values works out to 16 per cent which compares with 10 per cent and 7 per cent being the shares of the Life Insurance Corporation and the Industrial Finance Corporations. Industry-wise it is engineering which accounts for the larger part of the underwritten shares followed by paper. The value of shares underwritten in the engineering industries was Rs 4.45 crores against a total of Rs 11.25 crores while in the paper industry the relevant figure was Rs 3.02 crores.

RURAL ENDEAVOUR Hopes Belied

Minor irrigation and multiplication and distribution of improved seeds had constituted two

major planks in the programme of intensive cultivation which the Five Year Plans have sought to popularise among cultivators for improving agricultural performance. That the results that have followed the implementation of schemes in these two fields should have belied the great hopes laid on them should therefore be disappointing. This is the conclusion that is forcibly brought out by the reports recently published by the Programme Evaluation Organisation of the Planning Commission on the problems relating to schemes in these fields.

In the field of minor irrigation, the PEO was concerned with examining the nature, use and growth of minor irrigation works and facilities, to analyse the problems of utilisation and extension of the existing facilities, their maintenance and administration and to assess their impact on the use of water and the cropping pattern since 1955-56. The study of these aspects of the problem by the PEO has revealed grave shortcomings in the implementation of the development schemes. Most importantly, the report has brought to light, gross under-utilisation of irrigation potential of the minor works. It is stated that the proportion of minor irrigation works in use to the total number of works in the sample was 83 per cent for kacha wells while in the case of tube wells and pump-sets the proportions are shown to be 92 per cent and 95 per cent respectively. But the shocking revelation is that about 54 per cent of irrigation potential of the works remained unutilised in the kharif crop of 1959-60 as compared to 31 per cent in the Rabi. The two important factors that have led to under-utilisation are according to the report poor physical condition and locational disadvantages. About 65 per cent of the tanks in the sample are shown to be in poor physical conditions.

In the background of such gross underutilisation of the minor irrigation potential, it is somewhat paradoxical that there should be complaints of inadequacy of water. The report of the PEO states that nearly 80 per cent of the respondents complained of inadequacy of water. And among the causes for such shortage of irrigation water, the failure to maintain irrigation works figures as the most prominent. Such failure would clearly constitute lack of responsibility on the part of the Panchayats. The report is explicitly critical of some aspects of the irrigation policy adopted and pursued by the State Governments. Most fundamentally there has been an inadequate appreciation of the importance and magnitude of efforts implied in the priorities attached to the implementation of the minor irrigation programme. For, while it was laid down in 1960 that two-thirds of the provision for agriculture, minor irrigation and land improvement in the budgets of the community de-

velopment blocks should be generally earmarked for minor irrigation, it is pointed out in the report, that the provisions fell short for these schemes in Assam and Kerala throughout the Second Plan period while in West Bengal even a smaller provision was not fully utilised. Another count for indictment of States policy in respect of minor irrigation is provided by the suspension of minor irrigation extension programmes within the command areas of the major projects, which the report observes has resulted in the neglect of the

work even though the cultivators there have genuine need for irrigation water from these. One factor that has led to slowing down of the pace of progress of minor irrigation works is the insistence on the part of the State Governments on a certain percentage of costs as people's contribution. This, as the report points out, is patently anomalous in view of the reason that such a condition is generally waived in the case of irrigation works undertaken as part of the Grow More Food Campaign.

In the light of the conditions of working of minor irrigation works brought to light in the report, the prescriptions in respect of future policy emerge almost automatically. As a primary measure, the report calls for regular review of the existing arrangements for achieving administrative coordination in the field of execution, improvement and maintenance of minor irrigation works, particularly in respect of the technical preparation of the scheme, its scrutiny and sanction, control over staff, the fixation of jurisdictions of diffe-



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rent agencies in respect of supervision of works and disbursement of funds. It is also pointed out that there is considerable scope for giving further help to the cultivators in extending minor irrigation by making available to them machines and equipment and facilities for servicing and supply of spare parts of tube wells and pump sets.

In respect of the programme relating to multiplication and distribution of improved seeds also, a grossly unsatisfactory state of affairs is disclosed in the PEO report. It is stated that nearly 90 per cent of the seed farms were running at a loss in all size groups. Some of the major deficiencies noted in the report are continuing low levels of yields per acre in the Government seed farms, inadequate coordination between the management of the Government seed farms and the block extension agency, high proportion of improved seeds not being used for sowing purposes, and lack of proportionate emphasis on production of improved seeds as on its distribution. The similarity in the pattern of distribution of improved varieties in the blocks before and after 1955-56 and the lack of change in the quality composition of varieties between the two periods to which the report refers, are proof of the relative stagnation that has overtaken the implementation of schemes in this field. Further the fact that nearly 61 per cent of the sample cultivators and 41 per cent of the knowledgeable farmers had not used improved paddy seeds at any time, with the proportion being 48 per cent and 67 per cent in the case of wheat also provides a sad commentary on performance.

The report discusses a number of measures for strengthening the programme of seed multiplication and distribution. It is stressed that plans should be drawn up every year taking into account the quantities required from year to year. The importance of including foodgrain crops other than paddy and wheat in the plan for extension of improved seed is also emphasised. The report also calls for a sense of urgency and an emphasis on the technical side in the implementation of seed programmes.

TEXTILES

Agreement at Geneva

The agreement reached on 22 July by the delegates at the international textile conference in Geneva augurs well for providing an equitable chance for all Far Eastern producer countries to participate in world markets. The credit for the success of the conference should in a large measure go to President Kennedy who has been instrumental in bringing together all the interested parties. Some, however, may not accept

that Mr Kennedy's endeavours in this regard have been motivated entirely by unselfishness. It is even suspected that the whole move is made with the ultimate aim of affording tariff protection to American textiles. It is not to be denied that the American Administration is concerned about the trend of textile imports into the US. Consequent to the admission of Japan into the GATT, the US has allowed free entry of Japanese textiles into its territory. Now the dumping of cheap textiles from Japan is posing a problem for the Administration as pressure is being brought upon it by the indigenous producers. A way out of the difficulty is sought in the cooperation of the European countries to reduce the pressure of textile exports into the US. By liberalising the imports of foreign cloth, European countries will be able to lessen the pressure of exports into the US as well as help the exporting countries.

The agreement reached in Geneva last Saturday by the 16 participating countries—India, Australia, Austria, Belgium, Britain, Canada, France, Germany, Italy, Japan, Netherlands, Pakistan, Spain, Sweden and the US—provides for stabilisation of world textile trade as also a long term solution. Pending further negotiations which are likely to start in October, some temporary arrangements have been agreed to, subject of course to the ratification of the 16 Governments. These arrangements will be in force for a period of one year beginning from 1 October 1961. Under one of these arrangements a signatory can ask a country whose textile shipments are disrupting the signatory's markets to limit shipments to a certain figure, provided this figure is not below the level of shipments in the 12 months ending 30 June 1961. In the event of the exporting country failing to comply with the request, the importing country concerned will be free to take unilateral action. An agreement for increasing the import quotas is to be evolved by 1 January 1962.

Japan, India, Hong Kong and Pakistan are the four countries which will be affected most by any arrangement with regard to textile trade. Just as the American cotton textile producers are adversely affected by Japanese imports of cloth, the UK textile interests are worried about the dumping of cloth from Hong Kong. Under the emergency export-freeze plan, these two countries will not be able to expand their exports to the US and the UK, their two principal markets. With the increase in the quotas by the European countries, Japan can sell more in Europe. The position of Hong Kong may be somewhat different because it is already enjoying some preference in the European markets also. As far as India is concerned the agreement should be quite satisfactory, because of the prospect of increased quotas in the European markets.

CHEMICALS

A Decade's Progress

The inorganic chemical industries have made considerable progress during the last one decade under the impetus given by the national programme of planned economic development of the country. Self-sufficiency has been attained in respect of many basic chemicals while surplus capacity has been built up in a number of others such as bichromates, hydrogen peroxide, ammonium chloride, alum and aluminium sulphate, bleaching powder and chlorine. As many of these chemicals are in demand in the neighbouring countries, there is good scope for developing an export market in these. The domestic demand for chemicals during the Third Plan is bound to go up and the higher targets are fixed in accordance with the estimated increase in internal requirements. Thus caustic soda and soda ash have been given a production target of 3.4 lakh tonnes and 4.5 lakh tonnes respectively. The production of liquid chlorine is to be increased to 1.5 lakh tonnes while that of bleaching powder is to reach a level of 15,000 tonnes. The targets of production for hydrogen peroxide, aluminium sulphate, ammonium chloride and copper sulphate are 8,000 tonnes, 1.2 lakh tonnes, 1.05 lakh tonnes and 6000 tonnes respectively.

In his inaugural speech at the Development Council for Inorganic Chemical Industries, Mr Manubhai Shah, Union Minister for Industry, has pointed out that the contemplated capacity of one million tons per year of nitrogenous fertilizers will be covered by the end of the Third Plan. The total effective capacity of nitrogenous fertilizers at present is 2.5 lakh tons and it will be raised to 5 lakh tons per year by 1963. More units have been licensed and it is expected that by 1966 another 5 lakh tons of capacity will be brought into commission. The target for superphosphate is 1.2 million tons of which 3.5 lakh tons have already been reached.

A drawback of the sulphuric acid industry is that it is dependent on imports of sulphur. This item alone is costing Rs 3 crores in foreign exchange annually and since consumption of sulphuric acid is progressively increasing requirements of sulphur is estimated to increase to 6 lakh tons by 1966. The outlay in foreign exchange will also be considerably increased. This is certainly not a very encouraging position in the present context of the extreme shortage of foreign exchange. It is however gratifying to note that Government is actively exploring the possibility of indigenous production of sulphur. Fairly extensive resources of pyrites are available in the country and the Pyrites

and Chemical Development Corporation especially formed for the purpose of winning sulphur from pyrites is already carrying out investigations in association with a Norwegian firm for setting up a smelter.

One however should not be complacent about the progress of the chemical industry. Even when dependence on outside sources is reduced to the minimum, expansion projects may not gain the requisite pace. For, the industry is still looking to outside sources for machinery and equipment. Mr Shah has rightly emphasised the need for initiative on the part of the chemical manufacturers whom he exhorts to come forward independently as well as collectively to take up fabrication of plant and equipment needed by them. If existing industrial units, not excluding the chemical companies, have not diversified their production, it is because Government has been reluctant to permit such kind of expansion presumably on some mistaken notion of concentration of economic power. The change in Government's attitude toward diversification by existing units is welcome.

COAL

The Problem Mineral?

Although industrial organisations for the past several months have been drawing the attention of the authorities to the critical situation in regard to coal supplies, prompt and adequate steps have not been taken yet to ensure effective co-ordination among the different departments connected with the transport of coal. This will be evident from the fact that while heavy stocks lie piled up at the pit-heads of certain collieries, there are others which have hardly any stocks. Similarly, some consumers have adequate stocks of coal while its acute scarcity has led to the closure of some industrial units. It is obvious, therefore, that the system of distribution of coal is not being worked satisfactorily. The correspondence that recently passed between the Coal Controller and the Federation of Indian Chambers of Commerce and Industry reveals the existence of considerable confusion in handling this vital matter. The main points emphasized by the Federation are that the creation of dumps would be undesirable for the higher priority consumers; that the higher grades of coal should be allowed to consumers over a distance of 500 miles from collieries; that the new arrangement would increase the cost of fuel and thereby the cost of production; and that the transport of coal by the rail-cum-sea route should be a temporary measure as the landed cost of coal would thereby become considerably higher than if movement takes place by the all-rail route.

29 July 1961

Referring to the creation of dumps, the Coal Controller points out that the Federation may discuss the subject with the Railway Board. But the Federation observes: "We have all along been under the impression that it is the responsibility of your organisation to ensure equitable distribution and allocation of coal to various consumers and to coordinate the same with the railways in order to reduce operational difficulties. And since the railways seem to have absolved themselves of the responsibility for any shortages, we feel that it is only your organisation which can solve the difficulties of the users of coal on an overall basis." It is surprising indeed that nobody seems to be clear as to who exactly is responsible for the creation of coal dumps.

Regarding the suggestion that consumers situated at a distance of 500 miles from the collieries should be allowed higher grades of coal, the Coal Controller recalls that the Fuel Efficiency Committee which considered this matter about two years ago did not favour this proposal because adequate quantities of higher grades of coal were not available for implementing it. To this the Federation replies that the rigidity in the present system should give place to flexibility and that the distance from the coal fields should be the major determining factor in the allocation of grades to the various consumers. By supplying coal of a lower ash content to distant consumers, unnecessary haulage and wastage of limited transport capacity can be avoided.

As regards the incidence of the increased cost of production, the Coal Controller points out that this involves elaborate examination which his office cannot undertake to carry out. The matter may therefore, be referred to the Tariff Commission, if necessary. He also says that the movement of coal by the rail-cum-sea route is unlikely to be a temporary feature as it would probably take a very long time for the railways to move coal of the order raised even in 1960 or of the order demanded by the consumers in the light of the growing industrialisation of the country. The Federation in its reply has observed that while the question of cost involves elaborate examination, "as the chief body determining the supply and movement of coal, your organisation should give due consideration to this question, for it is of such importance that it cannot be isolated from the general problems of the supply and movement of coal."

Coal has become a problem mineral during the Second Plan period. Unless the different aspects of the problem are tackled with a sense of urgency and realism, the success of the Third Five Year Plan will be in jeopardy.

CAPITAL STRUCTURE

High Gearing and Low Owing

The capital issues advisory committee is evidently convinced that no fixed ratio as between borrowed capital and equity capital should be prescribed for joint-stock companies. The theory that high gearing helps equity shareholders and leads to better dividends has been long current. It is, of course, Government's aim to draw out more equity capital from shareholders and to limit demands for bank credit or debenture issues in the case of companies that can raise capital independently. The fact that rights issue are made at a premium successfully by big companies may explain the preference for equity capital in the case of industries, still growing like rayon or chemicals.

The Stock Exchange saying "the higher the gearing, the greater the pace" in regard to profits-improving may condition official thinking. But it is a fact that debentures are more easy to place with institutions that look for safety and a regular, if modest, return on capital. Big coal companies have sought extra capital this year by debentures: so also the Aluminium Industries that has followed Indian Cable by raising debenture capital for Rs 45 lakhs. The Delhi Cloth Mills—a large, composite concern today—is also raising big money by debentures. Interest and redemption charges can be met from increased income; to that extent, shareholders will be gratified.

That debenture liability in a depression proves a burden is familiar and new debentures are hard to place, when money is known to be dear. The Government's own requirements may lead to restrictions on the issue of debentures acceptable to the

institutional investors. To forecast the demand on the capital market may be rather difficult though there has been steady expansion of activity since 1960 also and the capacity of the market may be greater as the 'hidden funds may be coming in for lack of employment in other fields. The licensing procedure and the screening of new issues may be widely viewed as adequate safeguards against a recurrence of the disasters of 1946-50 and the Government may like more risk capital to come in, particularly, from abroad. But that should be matched by efforts to secure risk capital locally and hence the desire for a formula. But circumstances may vary from industry to industry. Jute mills cannot raise new share capital easily: they must extend the term of debentures or borrow from the NIDC. The rayon industry can raise new equity capital on the strength of its prospects. These difficulties explain the objections

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to a cut and dried formula. But it may be said that new floatations are largely dependent to some extent on both debenture capital and preference capital. In fact, the success of an appeal for ordinary capital depends on the acquisition of borrowed capital and to prescribe proportions may be difficult because conditions differ from industry to industry, like the objects of the new issues. There are definite restrictions on borrowing by companies and deposits from outside sources are no longer important. To that extent, shareholders are called upon to provide additional working funds. And it is obvious that with the banks directed to increase their paid-up capital in proportion to deposits held, the demands on investors will increase. To ban or limit borrowing would in any case impose extra strain on private investors generally.

TOURISM

Rolling the Red Carpet?

America is inviting British tourists in a year in which the eager Orient invites Americans. The economics of tourism studied by the late Sir F. W. Oglivie may be remote from the folders and publicity, but the economic benefits are widely and readily appreciated. That the nearest countries invite the largest number of tourists is obvious. US citizens find it easy to visit Mexico or Canada. And Australians like to take their vacations in New Zealand. On that reasoning, Pakistan or Ceylon should tempt Indians but neither country is inviting enough. And Pakistanis are discouraged from travelling to India. However, tourism is an industry of sorts, and tourists are welcomed usually for business reasons.

The International Chamber of Commerce has mentioned obstacles like the continued insistence on tax clearance certificates though UNESCO had pleaded for dropping some formalities at frontier ports. In the view of the International Chamber of Commerce, the development of tourism in Africa is desirable, though Egypt alone had in the past attracted tourists. The Chamber has also asked for precise and full data on tourist schedules, travel agents, advertising and hotel management. The last in particular is important, as most hotels live off tourists. The free import of publicity material and liberal treatment to tourists' personal effects have been again strongly recommended and access to a country with spas and resorts must be made easy. Exchange facilities are approved, so as to prevent loss to tourists. Internal currency regulations often hamper tourists moving from one country to another. The abolition of landing, embarkation, visitors' fees, etc.

for foreigners is advocated, because tourism cannot be made a source of revenue. A question that will crop up is with reference to the present tax on railway fares. Is it right to tax foreigners in transit? The levy of passenger service charges at airports has been deprecated, and it has been said that, with growing air traffic, the checks on baggage etc. must be made easy and regular. The ideal has been set out, and practices in countries that thrive on tourists like Italy may even be mentioned to show that India has to grow up to international standards.

HEAVY INDUSTRIES

Choice of Sites

Earnest inquiry into the suitability of sites for new State-owned factories is largely the result of claims put forward on behalf of one State against another. The Third Plan Outline contains a reference to the manufacture of machinery for steel and chemical plants as also to coal-mining industry. An instrument factory to work from 1965-66 is also in the scheme. But a heavy plate and vessels works is assigned greater importance along with the production of machinery for existing industries including cement, paper and sugar mills.

The offer of aid by Czechoslovakia for Rs 40 crores settled the issue to some extent. But the decisions are clearly governed by other factors like power supply. The inadvisability of relying on DVC power after the growth of Durgapur as an industrial centre may go to explain the choice of Trichy and Ramchandrapuram for the mechanical and electrical plants respectively. The recent floods cannot affect the argument that Trichy is suitable, because it can be reached by two lines from two ports on the coast. There is an industrial tradition due to the location of the SIR headquarters for long.

The late Prof. Lilian Knowles' view that railways in India represented the beginning of engineering enterprise is not without value. And textile and other units have worked well for years. The advantages of Tiruchi, which may obtain power from the Grid easily and can count also on supply from Neyveli power station to supplement it need no special pleading.

The target for structural needs for programmes is put at 900,000 metric tons and development on a regional basis was promised in the Draft Outline. Though six firms are now authorised to produce industrial boilers, a big State plant to produce pressure vessels, heat exchange and other equipment was included in the Outline for producing yearly Rs. 30 crores worth of machinery required. The heavy engineering project at

Ranchi with Soviet aid will be supplemented by the new unit at Trichy.

In regard to the heavy electricals, the plant set up already at Bhopal is to be reinforced by one for making motors, transformers, etc. That Andhra Pradesh put in a plea that has been now met is perhaps due to the fact that no large Central project has been assigned so far to AP which may claim that thermal power supply available from Vijayawada will be supplemented by power from new projects and from Machkund in future.

The distribution of new projects will not provoke complaints, since big schemes in Maharashtra and Bengal are already complete, and the only surprise is that Rishikesh has been chosen for an electrical equipment factory. The UP Chief Minister's pleading may not be the only factor governing the choice. The distant hills may demand special attention for various reasons. The Uttarkhand is now viewed as a promising region because water power may be got easily for industrial development, just as it was got from Mandi for the Punjab.

SANDAL WOOD

The Pagoda Tree?

The average price of sandalwood has gone up to Rs 10,027 per ton says a report which mentions that the Mysore Government oil factory bought 500 tons at a sale in North Arcot. The Forest Department realised over Rs 50 lakhs by sales of 500 tons offered. The close control maintained over sandalwood has not prevented the persistence of spike disease in many districts of Madras and Mysore. The control of the disease has proved difficult and the high prices realised may be due to the limited supply now available. The sandal tree found mainly in the hilly tracts with light rainfall is now conserved carefully: only dead trees are removed according to official prescription and as it has been found difficult to start plantations or regenerate dead areas, the Forest Department has to rely on Nature. In 1958-59 the Forest Department in Madras secured only 1,183 tons of sandalwood as distinguished from other timber. The Department's receipts from sandalwood in 1958-59 totalled over Rs 48.75 lakhs nearly as much as that obtained from timber, fuel and bamboos. A small income from fines is realised also because of the tight State monopoly. The idea of a State factory for extraction of oil has been given up as the supplies of sandalwood are falling off. The cost of extraction is small, but the improvement in price will enlarge the Department's surplus as the average price in 1958-59 was about Rs 4,800 per ton and the cost of production was Rs 855 per ton in the main pro-

ducing area. It should be added that the Forest Department's revenue in 1958-59 amounted to over Rs 130.62 lakhs and the sales of sandalwood from the two State depots yielded over Rs 51.4 lakhs. This only means that the most important asset of the Department is sandalwood though output per year runs to about 1,000 tons only but its value seems to be going higher which means that the oil also will go up in price.

PRODUCERS' COOPS.

Need for Caution

Co-operative marketing and processing units like rice mills are held desirable but in the Outline of the Third Plan there is no mention of industrial co-operatives. In fact, there is much about co-operative farming and little about consumers' co-operatives except in terms of targets. But the Planning Commission is now said to be busy because co-operative sugar mills have sprung up. The main object is to start societies endowed with big loans made available at 2½ per cent. Whether this is desirable when there is acute demand for funds may be asked but there are some who are convinced about the need for village industry resting on small capital and needing State aid.

Co-operatives have come to be thought of as an alternative to capitalism and the argument is that economic democracy can be promoted only by co-operation. The abundance of labour and the scarcity of capital are also called in, in favour of industrial co-operation. There is no idea of syndicalism but it is held that co-operatives will be able to provide for a progressive increase in wages because of increased output and regular addition to reserves. That, of course, is the theory based on the assumption that co-operative mills owned by cane-growers for example, are able to get more cane and get greater yield per acre.

A large number of small, scattered units has been described as the ideal but in major industries the trend is definitely towards bigger units which can diversify output. The States will perhaps be eager to assist co-operatives like oil-crushing units, though the revenue might suffer. The assumption is that workers as partners in new, small enterprise will do their best for themselves. But experience does not justify the view that in co-operatives, self-government yields the desired results and supervision, therefore, can be at a minimum. The capacity to pay even minimum wages is doubtful, and that is why the Third Plan should not make the mistake of setting aside crores for managing the type of organisation that may suit only a few craftsmen producing specialities for export.

LAW

Libel an Expensive Luxury

The Daily Telegraph has been asked to pay a large sum as damages after a court action. Libel is the most expensive form of tort and newspapers as defendants are seldom shown consideration by juries which take the view that free speech is a luxury for which due payment must be made. This circumstance explained the late Sir Valentine Holmes' view that newspapers must settle quickly claims for loss of reputation out of court and must not ordinarily risk a trial by jury. The allegations of fraud against a company of which an MP was Chairman provoked a complaint that led to the action. What seemed fair comment some years ago has turned out to be actionable so that a huge sum has to be paid out as compensation for outraged feelings.

The new owner of the Daily Telegraph certainly got an unpleasant contingent liability included when he bought the paper but that is the luck of the game. Anyway, the Daily Mail has also been dealt with for having caused hatred, malice or contempt of a company director. All this goes to show that newspapers stand on a different footing. A shareholders' association can issue a memorandum advertising to suspicious proceedings by a company's managing agents and can be excused as having acted in good faith to defend shareholders' interests placed in jeopardy. But a daily newspaper cannot do so as the Daily Telegraph has discovered. The Yo-Yo case in which a stockbroker put in a claim for damages failed because no loss of reputation arose on account of the Evening Standard's skit. And Miss Helen Ashton's reference in a novel (People in Cages) to a dubious financier did not convince a jury that an existing person could be identified, as it was in the celebrated case arising out of the MGM film Rasputin. The amendments to the law of libel have not saved the London newspapers from being tried for libel and the affluence of the papers has led to a liberal view of the damage sustained by Mr John Lewis. The one query that may arise is whether the sum received from the defendant in the recent case by the plaintiff is liable to tax. If so, the High Court Judge's annual salary of £8,000 would be quickly recovered from the successful plaintiff.

SINGAPORE The Odd Man Out

The crisis in Singapore, where the Chinese are in a majority and leftist elements active, will only

suggest that the island is the odd man out in S. E. Asia. The crisis makes merger with Malaya necessary if difficult. The Malayan Government thinks of association with Borneo and Brunei to make Malaya reach out to the islands. But Mr David Marshall's return to politics complicates issues, even if Chinese Communist influence has been reduced. The foreign capitalists who look upon the economic future as hopeful will perhaps change their views if the People's Action Party goes in for strikes owing to trade union pressure. If there is sudden intervention by the British Government, as in Malta, new charges will be made readily and the Malaysians will expect adequate protection from Kuala Lumpur as a minority threatened by troubles. The Singapore constitution provides safeguards but to apply them often or quickly means trouble. And Indonesia may register disapproval quickly for unrest may spread to other islands. The trade and industry of Singapore render the rapid withdrawal of foreign interests unlikely and the maintenance of law and order may be deemed a problem for the SEATO, especially, if Thailand makes any move.

The course of tin and rubber exports may be affected, but Malaya will rely on Malacca and Penang and the diversion of pepper exports from Java may not be permanent, as Indonesia too is not safe. If there is trouble, pepper prices may go up but rubber cannot, as the world surplus is large and production is rising, in Africa too of late. The repatriation of Indian capital via London may be accelerated while India's trade in manufactures may suffer some-

what. The Straits dollar is strong as against the rupee, but the position may change, if there is big trouble especially after the reverse sustained in Laos by the Western powers. It is easy to speculate on what Australia might ask for in the event of trouble or how Malaya would react to any breakdown. But it is rash to think Singapore will prove another Cyprus, for business interests will perhaps prevail over political standards. The party purge has put Mr Lee again in control of the situation.

USA

Lost Ground Made up

In terms of the total output of goods and services, or Gross National Product (GNP), the United States economy in the past three months has more than made up all the ground it had lost during the recession of the previous nine months.

Pending the release of official statistics, preliminary estimates by government economists indicate that the GNP may have soared to a record-breaking annual rate during the second quarter of this year of about \$512,000 million. This outpouring of goods and services, the greatest ever achieved in any three-month period, was \$7,000 million above the pre-recession peak of \$505,000 million a year, reached during the second quarter of 1960, and \$12,000 million above the \$500,000 million annual rate of the first quarter of 1961. It represents quarterly gain since the \$14,000 million

advance of the third quarter of 1958, also the first full three-month period following a rather brief and moderate recession.

The speedy pace of the current upturn has caught many of the experts by surprise. It tends to confirm some of the more optimistic appraisals of the past few months, and to confound the popular economic theory that a mild downturn invariably is followed by a mild upturn. The 1960-61 dip was the mildest of postwar record.

It will take a careful look at the detailed data—which are not yet available from official quarters—to arrive at any definite conclusions as to the causes of the second-quarter spurt. It appears, however, to flow from two principal sources.

One is a renewed upswing in business spending, with a reversal of inventory policy playing a particularly important role. Businessmen had been cutting their inventories at an annual rate of \$5,000 million early in the year. But from the evidence now at hand it appears that they stopped reducing their holdings during the second quarter, and began adding slightly to them.

The other is an expansion of activity in the public sector of the economy. State and local governments have planned an important supporting role by continuing to increase their spending on public services and facilities—schools, roads, hospitals and the like.

In addition, it appears that federal spending also may have gone up somewhat, largely under the impetus of the Kennedy Administration's programmes to accelerate the pace of economic activity and improve economic

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structure. Of course, many of these federal programmes, such as the recently approved housing, highway and social security measures, have not been in effect long enough to make their stimulating influences fully felt as yet. They thus are likely to constitute growing sources of economic strength as the year progresses.

Interestingly enough, the weakest link in this chain of rising economic activity seems to have been the American consumer—usually the strongest. Consumer buying has been on the rise, but it has been inching up rather than leaping ahead, and has not yet reached a rate calculated to add substantially to the demand for goods. Purchases of durable goods, in particular, have been moving up at a relatively slow pace.

Further complicating the picture is an evident slowing down of the economic rebound in the past few weeks. But this is considered a normal seasonal expectation at this time of year, as workers go on summer vacations and many plants curtail or even shut down operations temporarily.

A heartening sign that the economic expansion rests on a solid foundation is the fact that advance steel orders for August delivery, which would be in time for the usual autumn production rise, are running 20 to 25 per cent ahead of May and June. In addition, automobile inventories are relatively low, compared with a few months ago. This should help sustain future automobile production schedules, which are beginning to be cut back now as manufacturers start changing over to the new 1962 models due to make their appearance in the next few months.

As for the consumer situation, economists are quick to point out that consumer spending historically has tended to lag behind the general pace in the early stages of a business recovery. Significantly, a study just published by the University of Michigan Survey Research Centre found a rising optimism among the American people about the business outlook, and a step-up in their plans to buy automobiles and houses.

Furthermore, the income and the savings of the American people are both at an all-time high, in the aggregate. This should provide them with a strong and substantial base for increased purchases of consumer goods, along with their steadily rising outlays for such service as education, housing, transportation and medical care.

★ WHOLESALE PRICES Slight Rise

The official wholesale price index (with the year ended March 1953 as 100) rose by 0.7 per cent to 126.9 during the week ended June 24, 1961 as compared with 126.0 (revised) for the earlier

week. The index was higher by 1.4 and 3.3 per cent respectively when compared with the corresponding week of the previous month and that of a year ago. The monthly average for June 1961 worked out to 125.9 as against 125.3 (revised) for May, 1961 and 123.0 for June 1960.

Higher prices of Jowar at Hubli (+14%) and at Mohal (+5%), Masur and fish (+8% each), Potatoes (+7%), Eggs (+6%), Rice at Shimoga and Oranges (+5%), Chillies (+4%), Mung and Milk (+3% each), Barley, Gingelly Oil and Black pepper (+2% each) and Gram, Urad, Bananas, Ghee, Groundnut Oil and Salt (+1% each) raised the index for 'Food Articles' by 0.7 per cent to 121.8 as against 121.0 (revised) for the previous week. The prices of Jowar at Ujjain (—10%) and at Jhansi (—5%), Cloves (—9%), Bajra and Erode (—6%), Arhar (—2%) and Maize (—1%), however, moved down.

The index for 'Tobacco' receded by 1.0 per cent to 95.0 due to a fall in the prices of raw Tobacco (1%).

The index for the 'Fuel, Power, Light and Lubricants' group remained unchanged at its earlier weeks revised level of 121.5.

An advance in the prices of Jute, raw (8%), Cottonseed (+3%), Silk, raw and Linseed (+2% each) and Rapeseed (+1%) was responsible for bringing about a rise of 1.7 per cent to 150.6 in the index for Industrial Raw Materials as compared with 148.1 for the earlier week. Copra and Lac (—2%), however, showed a fall.

The index for 'Intermediate Products' fell by 0.2 per cent to 140.7 due to a decline in the prices of Rayon Yarn and Lead (—4% each) and Zinc (—2%), although the prices of Tin (+8%), Copper (+3%) and Linseed oil and Coir Yarn (+2% each) showed advances.

The index for 'Finished Products' rose by 0.5 per cent to 123.4 as compared with 122.8 (revised) for the earlier week as a result of an increase in the prices of Jute manufactures (+3%) and Oil Cakes (+1%).

★ CONSUMER PRICE Rises in Seven, Falls in Five

The working class consumer price index number (base shifted to 1949-100 except where otherwise indicated) increased in 7 centres during May, 1961, according to the Labour Bureau of the Union Ministry of Labour and Employment.

The maximum rise of 2 points each was recorded by the index numbers for Cuttack and Satna (base: 1953—100) which stood at 132 and 99 respectively. The index numbers for Berhampur, Jabalpur, Delhi, Ajmer and Mer-

cara (base: 1953—100) appreciated by 1 point each to 125, 110, 120, 112 and 136 respectively.

In this group of centres, the food group index numbers appreciated at 6 centres the clothing group index number at 4 centres.

FALL IN 5 CENTRES

The index number for Bhopal (base: 1951—100) declined by 4 points to 111. The index numbers for Dehri-on-Sone and Monghyr receded by 2 points each to 107 and 94 respectively and for Silchar and Akola by 1 point each from 107 and 94 respectively to 104 and 110.

The this group of centres, the food group index numbers declined. In this group of centres, the at all centres the fuel and lighting group index number at 1 centre and the miscellaneous group index numbers at 2 centres.

STATIONARY AT 4 CENTRES

The index numbers for Jamshedpur, Jharia, Kharagpur and Tinsukia showed only fractional variations and stood at 120, 102, 112 and 118 respectively.

The provisional indexes for Ludhiana stood at 104.

The provisional all-India index appreciated by 1 point and stood at 124 during May 1961.

★ CORRESPONDENCE Banks: Their Capital and Reserves

Dear Sir,

Recent events in the Indian banking world, viz: moratoria, failures, and amalgamations should not drive us into a panic. Of such a nature appear some of the recommendations made by the Reserve Bank of India.

For instance it has recommended that—

- (i) 20 per cent of the gross income (i.e., before deduction of taxes) should be set aside for the reserves.
- (ii) this process should continue till the total of the capital and reserves come up to 7½ per cent of the deposits and
- (iii) in order to arrive at this consummation early, fresh additional capital should be raised and/or calls should be made on the partly paid share capital.

Take for consideration the top ranking Indian joint stock banks (say half a dozen) about whose sound working no doubts can be raised. They have built up reserves almost equal to or more than the paid-up capital, have been distributing uniformly a reasonable rate of dividend and have not been adding, of late years, appreciably to their reserves. If additions to their reserves are to be made as proposed i.e., to the extent of 20 per cent of the gross profits, there will be a reduction

in the rate of dividend with the result that market value of the shares will go down—hardly a condition to encourage issue of fresh capital or to make calls on the existing shares.

In respect of the above banks so far as the figures are readily available, their capital plus reserves as on the 31st Dec. '60 range from 2.7 per cent of the deposits and only in one case does the percentage exceed 7 per cent. It will thus be seen that it will take many years to bring up the percentage to 7½ per cent; meantime, the deposits will be going up and a sort of race, whose end is hard to see, will be inevitable.

The position of the State Bank of India is no better than that of the joint stock bank already dealt with. The position of the other State Banks subsidiary to the State Bank of India, is no better.

A comparison with the like figures relating to English banks will be instructive. According to *ECONOMIST* (London) (vide issue dated 15/7/61) the ratio of capital funds (apparently inclusive of reserves) to deposits as a percentage was as follows as at the end of 1960:—

Barclays ..	..	3.7
Lloyds ..	..	4.4
National Provincial ..	..	4.1
Westminster ..	..	4.0

Add to these the figures relating to the English banks operating in India viz:

Chartered Bank ..	..	3.6
National & Grindlay ..	..	3.7

And let us further remind ourselves that these banks are more than a century old.

From the above it will be seen that the recommendations of the Reserve Bank will have to be considerably pondered and modified before they are brought into force.

Yours etc.,
K. V. Iyer.

PERSONAL

Mr M. Ct Muthiah, Chairman of the Indian Overseas Bank Limited, left on 24 July for Bombay enroute to the Continent, UK, and USA on a business trip.

Mr B. K. Nehru, Commissioner-General of Economic Affairs, has been appointed India's Ambassador to the USA.

Mr S. Bhoothalingam took over on 24 July as Secretary Ministry of Finance, Department of Expenditure.

Mr Shivram Nair, senior-most Indian executive of J Walter Thompson Company Private Limited, Bombay, has been elected a Director of the Company.

Mr G. K. Vij, Deputy Irrigation Secretary has been appointed Chief Engineer of the Indus Section and will be the Principal Adviser to the Commission for Indus Waters.

Clive Street Gossip

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

GROWTHMANSHIP is the latest in high-brow one-upmanship. Growth models, input-output ratios and the rest of the mumbo jumbo are wielded to intimidate the timider among us. To such, an economist of unquestionable academic authority dealing with these problems on a common-sensical level is an answer to a prayer. In two lectures at Madras and Calcutta, Professor Galbraith spoke with his customary lucidity and wit and brought a much needed freshness to a subject that had become stuffy with jargon. Problems of national development are, in essence, not unlike those that beset the working out of personal ambitions. The rat race is there, in ever so disguised a form and so is the strenuous attempt at keeping up with the Joneses which is called "the demonstration effect" in some literature on the subject. There are natural and normal limits to the pace of advancement and the modes of achieving it. A country that is just at the bottom of the development ladder has not much use for physical capital or for sophisticated technological or managerial skills. Its needs are, a reasonably efficient administration and second, a minimum of educational opportunities. Then alone can even a desire for development arise. When this stage is reached, capital, machinery and technical and organisational skills are felt as desiderata and a hunger for them arises. But the danger here is of falling for the glamour of the more advanced countries and a desire to impress the rest of the world with one's modernity. Such a desire may take the most plausible forms and the temptation to fall for it should be firmly resisted. In any event uncritical adoption of techniques that have served elsewhere is the most abject kind of surrender of one's judgement. Thus a technology that has been perfected in an economy of expensive labour has little relevance in an economy where the problem is idle hands as well as hungry stomachs. There are skills that we don't need and can't use and there are again skills for which we have our own sources. On both these counts it is necessary to examine how many of the tax-holidaying experts in Asian and African countries have any real contribution to make to the solution of the problems of the area. This is particularly urgent in the "Organisational sphere", where much dubious expertise is being exported by the developed countries. If the truth were told, such expertise

would be found to be the product of the operation of Parkinson's Law even in the exporting country. In his book on American capitalism, Professor Galbraith himself dismissed such superfluities somewhat complacently as the extravagances of an economy "too well off to care". It is doubtful, as Mr Galbraith himself indicated in his later books, whether even the US can support such waste when there are large pockets of public squalor. Under-developed countries certainly cannot.

★
In Calcutta the other day, Mr S. P. Jain expressed himself disappointed at the rate of growth of our economy, which, at about 3½ per cent per annum, compared unfavourably with that of many other countries. The hazards in such comparisons were explored with expert ease by Mr H. V. R. Iengar in the B. F. Madon Memorial Lecture he delivered in Bombay last Wednesday. Comparisons with rates of growth of advanced countries can be misleading in two ways. Germany's rate of growth is undoubtedly faster than India's but that of the US (at 3.3 per cent) and of the UK (at 2.5 per cent) is slower during the same period. Can we draw flattering conclusions about our economy *vis a vis* that of the US and the UK? It would be silly for the simple reason that their percentages are of absolute quanta of a far higher order than ours. The comparison is misleading in a different way when it comes to India and Germany. In all the wide-eyed wonder at West German prosperity, the greatest single asset of the Germans tends to get forgotten. It is the congeries of skills, the technological tradition and even temperament that the Germans possessed that were mainly responsible for the miracle.

There is a certain, almost Lamarckian principle of biology involved here. Modern biologists, who have a wider awareness of the implications of their discipline have not been slow to recognise that tradition is nothing but the transmission of acquired characteristics. The noted biologist, Professor Medawar goes so far as to say that such a process is biological. In "The Future of Man", originally broadcast as Reith Lectures over the BBC in 1959, he says: "Society changes; we pass on the knowledge and skills and understanding from one person to another and from one generation to the next; . . . I want to put the matter in a way which shows that we must not distinguish a strictly biological evolution from a social, cultural or technological evolution: both are biological evolutions the distinc-

tion between them is that the one is genetic and the other is not.

The environment cannot imprint genetic information upon us but it can and does imprint non-genetic information which we can and do pass on. Acquired characteristics are indeed inherited. The blacksmith was under an illusion if he supposed that his habits of life could imprint themselves upon the genetic make-up of his children; but there is no doubting his ability to teach his children his trade, so that they can grow as stalwart and skilful as himself."

What is the relevance of this biological excursus to German productivity? It is only that, technologically speaking, we are Neanderthal men and the Germans are men who have learnt the use of the wheel. And, as Professor Medawar has shown, this is not just a metaphor but a biological fact. No wonder they are able to produce more and better things and we fumble our way through with all the consequences that follow from the initial disadvantage. The time to compare us with them will be twenty years hence, or as Mr Iengar does, a hundred years ago, when they were where we now are. It is true that as late comers in the technological scene, we have certain advantages. But these are neutralised by the political and humanitarian inhibitions by which the earlier technological nations were not unduly troubled. Comparisons with rates of growth of advanced nations are, therefore, except for hortatory purposes, pointless.

★
Dr Gallup goes (metaphorically) to Moscow and what more conclusive evidence of Russia catching up with the US do you want? Soviet Union's Public Opinion Institute has so far conducted three surveys of attitudes. The first was devoted to attitude to war and peace, the second to living standards and the third to views of the younger generation about

itself. Experts consider the methods and techniques used somewhat crude—in the living standards survey, questionnaires were distributed to travellers in a single carriage of each of the 65 trains leaving Moscow—but I believe that it is always possible to suggest refinements even to the most sophisticated tools of evaluation of public opinion. The important thing is that it has been considered necessary to ascertain popular opinion at all. One hopes that, with Stalin safely dead eight years, answers were less circumspect than in his time. (A joke that once did its round during his time put him in the role of Harun Al Rashid, going about in disguise ascertaining public opinion. It would appear that he ran into some one of whom he was doubtful in a restaurant. After himself slating Stalin more than somewhat, he asked his companion what he thought of Stalin. The poor devil looked this way and that and took Stalin in disguise some distance away and whispered into his ears. "I think Stalin is the greatest man that ever breathed.") These surveys have not revealed anything startling. But two answers to questions addressed to the youth of the country are worth quoting. A twenty-five year old carpenter from Stalingrad said, "A year ago, I had the happiest day of my life—I was accepted to membership in the CPSU. . . . Our Communist Party and Soviet Government have given to us, to youth, all essential conditions. Work! Study! Dare!" There is no reason whatever to doubt the sincerity of the emotion and I for one would wish for similar fervour in our own youth for our country. The other reply is from a nineteen year old working girl in Moscow: "Money, that is everything. Luxury and well-being, love and happiness. . . . If there is money there are friends and comrades, there is everything you want. You condemn those who don't work. . . . But surely they can only be envied, since they know how to make use of life—we live only once." Oh! No, Mr Khrushchev, don't let your gorge rise, Russia is a free country, isn't it?

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Olympus

PRODUCTIVITY DRIVE US Team in Action

THE productivity movement launched by the NPC three years ago has now moved on to a stage where it can make a definite impact on industrial operations in the country. In the initial stages the activities of the NPC and local councils were concentrated on efforts to stimulate an urge in industries to know about and seek utilisation of productivity techniques. These have been followed up by the organisation of systematic training courses in specific productivity techniques for persons drawn from industries. The subjects covered include work study, incentives, management practices, personnel management, human relations, employees selection and placement, workers' role in productivity, sharing the benefits of productivity, cost reduction, job evaluation, industrial psychology and statistical quality control. These training programmes are being organised under the guidance and with the active participation of the Experts assigned to the NPC by the Technical Co-operation Mission of the United States and the ILO.

The last NPC report (covering the year 1959-60) had pointed out that the full implementation of the training programme was hampered on account of the delay in securing the services of the full complement of experts and technicians. This difficulty has now been largely overcome.

Under contract with the United States Government's Technical Co-operation Mission in India, Messrs George Fry & Associates, well-known American Firm of Management Consultants in Chicago, had arranged to send a team of fifteen (15) specialists to work with the NPC. Seven members of the Team have been in this country since the middle of last year. At present ten members of the team are working with the NPC on their training programme. Five more are expected to arrive shortly, and the entire team will be here by 15 August.

The team is led by Mr Omar L. DeWitt, who is Vice-President of

George Fry & Associates. Mr DeWitt has had broad experience as an industrial engineer in executive posts, including such firms as Oldsmobile Division of General Motors and with the Murray Corporation of America. His work in India, in addition to handling his team's operations, will be to make special studies of Industry and Business for the NPC. Under a previous contract Mr DeWitt spent several months in Chile on a productivity project. Mr DeWitt has been in India for one year and has completed studies for the Madras State, the Central Water and Power Commission, and the Small Industries Institute, besides organising numerous seminars.

Other members of the team: now in India are Messrs Wilbur G. Eklund, Robert A. Jackson, Kenneth C. Jasper, Duane R. Kinas, John R. O'Hearn, Hugo E. Remke, Gordon G. Barnwell Theodore Hill and Harold J. Inch (Jr.). Mr Eklund is an industrial relations specialist, while the others have long experience in all aspects of industrial engineering such as organisation, plant layout, methods analysis, time and motion study, wage incentives, production control and planning, supervisory training, job evaluation, merit rating, budgetary control, material handling and store keeping, cost control etc.

The try Contract Team has so far completed twenty training programmes, of duration varying from three to fifteen weeks, and also organised 31 seminars each lasting a week, in different parts of the country. A seminar on Personnel Management is scheduled to start on New Delhi on 31 July.

The NPC had drawn up 300 programmes for training five thousand persons during the two years 1960 and 1961. The participants are drawn from industrial units both in the public and the private sector, and represent different levels of management from top management to the level of supervisor and foreman.

The training imparted in productivity techniques is followed up by the participants undertaking specific projects based on their training and with the assistance of the TCM specialists. The project reports submitted by the participants provide the date for precise assessment of the tangible

benefits that may be realised by adopting new productivity techniques.

The NPC's last annual report referred to the difficulties experienced on the account of the inadequacy of case data picked up from Indian industries. As a result, training programmes, by and large, had been relying on case data collected from other countries which are not in all cases applicable in Indian conditions. The specific projects inspired by Mr DeWitt's team go far to fill this gap. With the participants sending in reports on their projects in increasing numbers, training programmes in future can draw on ample data based on Indian experience.

Within the limited space available it is not possible to do more than indicate the results achieved or expected from the implementation of these projects. The benefits are striking in the field of workshop practice of engineering industries. Through the application of proper methods and design of the tooling, a firm manufacturing bicycles and accessories in the Punjab has found that it was possible to reduce the number of operations from 13 to 7, while improving accuracy and quality of the item manufactured. Productivity was raised by 61 per cent, resulting in estimated annual saving of Rs 2,645 for a tool cost of Rs 1,200.

Another engineering firm (also in the Punjab) raised productivity by 88 per cent, with annual saving of Rs 78,552 for a cost of Rs 40,000 in respect of new installations. Another firm reported 302 per cent increase in productivity in the manufacture of lathes, and annual savings of Rs 6,732 for tooling cost of Rs 275. Another project undertaken in the same firm showed productivity increase of 178 per cent. A project for reprocessing of manufacturing methods undertaken by a firm making bicycle parts showed increased productivity of 67 per cent, leading to annual savings of Rs 36,480 for a tool cost of Rs 7,560.

The firms in the Punjab which have participated in the projects mostly belong to the category of small scale industries which have made tremendous headway in the Punjab. The projects under different programmes undertaken in Bombay, Madras and Calcutta show similar encouraging results, on a larger scale.

A company manufacturing cycles in Bombay estimates saving of 51 per cent in labour cost, 91.75 per cent in inventories and 37 per cent in floor area from the adoption of new methods. The report on the training course in Madras describes it as a very successful one, on a par with the results achieved in Bombay. One of the participants in Madras had savings of over Rs 400,000 on the project.

A well-known firm of battery manufacturers in Calcutta reported reduction of storage area by 30 per cent, handling time by 40 per cent, while a public sector undertaking manufacturing scientific instruments reported savings of 84 per cent in man hours, the value for one year being estimated at Rs 13,700. A project undertaken by one of the Government telegraphic workshops reported that, through the adoption of improved methods, there should

be increase in production of 27 per cent.

While describing, in the course of an interview, the encouraging results of the projects inspired by members of his team, Mr DeWitt emphasised that his team was not in this country to tell Indian producers to adopt American methods. American methods may not necessarily be the best ones for them, but there must be some method best suited to their needs and means. It was for the Indians themselves to find the method. What they were trying to do was to show the methods that helped to increase productivity and reduce costs in America. It was for Indian producers to adopt or adapt them as suited their circumstances.

Asked about the response of Indian industrialists in general to the new productivity techniques, Mr DeWitt said that the executives who had the opportunity to participate in the training courses were enthusiastic. But industrial engineers, he added, had their own problems, such as that of convincing top management of the efficacy of new ideas that they come up with. On the whole the response of small and medium industries so far had been very encouraging. He was greatly impressed by the methods of operation of small scale industries in Madras.

With the accumulating evidence of the reports on the projects taken up under the guidance of the TCM experts, it will not be long before Top Management of Big Business get over their natural tendency to dismiss the Productivity Drive as just a new gimmick and begin to take an interest in new techniques in a really big way. The process can be speeded up if the NPC will bring to their notice the record of tangible and demonstrated benefits.

Roads

Calcutta and the surrounding industrial area will be the principal beneficiary of the road works financed out of the IDA credit of \$80 million negotiated last month. These projects, which are outside the Rs 47.5 crore programme approved earlier by the Planning Commission for inclusion in the Third Plan, are designed to eliminate some of the major deficiencies in the National Highways system. The works are located in areas of high pressure of population such as Calcutta and its environs, coastal Bombay and the Gangetic plain. These areas also account for 40 per cent of India's total vehicle registration. New alignments to the two main road approaches to Calcutta will take them outside the congested industrial suburbs. Complementary works will improve communications between Calcutta and nearby industrial centres. The coastal areas of West Bengal which are now without road links to Calcutta will be provided with a new highway. Calcutta will also be linked with Ranchi and Jamshedpur by National Highways while the missing link in the Eastern Highway to Madras will be filled by a new road running South from Calcutta to Cuttack. The one remaining gap in the Grand Trunk Road will also be filled with the construction of the road bridge over the Son.

Markets

JUTE No Further Cut in Output?

THE rejection by the West Bengal Government of the Indian Jute Mills Association's proposal to seal 18 per cent of the looms will perhaps set at rest only temporarily speculation about a further curtailment of mill production during August. Mr Abdus Sattar, West Bengal Labour Minister, who made the announcement on Wednesday has also pointed out that the State Government's decision in the matter has the support of the Union Labour Minister. Two main reasons seem to have influenced the State Government in their decision to reject the LJMA proposal. Firstly, labour is already bearing a heavy strain on account of a reduction of working hours and the two block closures one in June and the other which has commenced from Monday. It will, therefore, be unfair to ask labour to suffer further privations. Secondly, Mr Abdus Sattar is reported to have said that raw jute (evidently the reference is to new crop jute) is flowing into the market and hence it will not be difficult to get adequate supply to run the mills without any further upset in respect of the raw material.

If the problem before the industry is so simple, why then was it allowed to be presented to the public as though it was quite critical? For the principal topic of discussion in the Indian World of jute is the growing belief that raw jute shortage will be felt for another one or two months. The LJMA seems to think that it will be safe to assume that new jute will be arriving in quantity into the market only toward the end of Sep-

tember if not even later. This explains its earlier proposal to the Government to allow the industry another block closure extending for a week in August. It would appear that the LJMA was even thinking in terms of yet another closure in September. As is to be expected this arrangement did not meet with the approval of labour, and the LJMA has since modified its proposal from a block closure to one involving the sealing of more looms. The new plan envisaged the sealing of a further 18 per cent of looms in August. As already 12 per cent of the looms remain sealed, the proposal, if accepted, will result in putting out of commission a total of 30 per cent of the looms. No time limit has been specified for the sealing of the additional looms but the idea seems to be that action can be taken on a weekly assessment of the position. The State Government's stand seemed to be that a proposal for a curtailment of production to be acceptable should not affect the existing level of employment in the industry. Even though the new plan is ostensibly aimed at keeping reduction of labour to a minimum, there is no doubt that further sealing of looms will adversely affect quite a large number of workers. How difficult a decision on this matter was going to be for the State Government was seen from the strong opposition voiced to the new LJMA proposal by labour leaders at Tuesday's meeting of the representatives of the four central trade union organisations convened by the State Labour Minister. Labour allegation is, as it has all along been, that the whole scare of raw jute shortage is a put up affair and the scarcity-mongering is deliberately indulged in by interested parties with several ulterior motives, one of the more important of them

PRICE TRENDS

	As on 20 July Rs	Lowest Rs	As on 26 July Rs
Session:			
45" x 11 ozs ...	60.50	59.50	59.50
40" x 10 ozs Ready ...	54.25	52.00	52.25
40" x 10 ozs August ...	54.50	52.50	52.50
40" x 10 ozs September ...	52.50	51.00	51.00
40" x 10 ozs Oct/Decr ...	48.35	47.80	47.90
40" x 8 ozs ...	48.00	47.00	47.00
40" x 7½ ozs ...	42.75	42.00	42.75
Sackings:			
B. Twills Ready ...	164.00	158.00	159.00
B. Twills August ...	162.00	157.00	157.50
B. Twills September ...	156.00	151.50	152.00
B. Twills Oct/Decr ...	142.25	139.50	139.75
Hy. Ceers (Green) ...	160.00	156.00	156.00
Cornacks ...	170.00	165.00	165.00
Cubans ...	203.00	199.00	199.00
A. Twills ...	197.00	193.00	193.00
L. Twills ...	186.00	182.00	182.00
W. Flours ...	180.00	177.00	177.00
Sugar Twills ...	156.00	150.00	150.00
Ready Raw Jute:			
Assam Bottoms ...	53.50	49.00	49.00
Northern Bottoms ...	53.00	48.50	48.50
Dalsee Bottoms ...	55.50	50.50	50.50
Futures:			
Assam—November ...	48.84	47.18	47.82
B. Twills—November ...	141.95	138.20	138.95
Raw Jute—December ...	66.80	35.04	35.32

being to influence the Jute Wage Board in the favour of the industry. It is to be noted however that it has been reported that the Union Ministry of Commerce has given a qualified approval to even the LJMA proposal for a block closure.

TEA Favourable Outlook

THE outlook for the Indian tea industry is considered to be favourable for the current year. It is felt that, though a larger crop in North-East India may lower the price level to some extent, it will be compensated by a lower cost of production and increased exports. Moreover, the current overall statistical position indicates that there is little surplus of tea in the world and the possibilities of shortage cannot be ruled out.

In India itself, the consumption of tea is expanding. Even the trade holds the view that India should increase her production as rapidly as possible as otherwise, with internal consumption forging ahead and prices tending to rise, not only will Indian tea be priced out in the world market, but there will be less and less teas for export. The Third Five-Year Plan has set a target of 408 million kg for tea. If this is to be achieved, it is of the greatest importance that replanting of the old areas and replacement of worn-out machinery should be taken in hand on an extensive scale.

Meanwhile, in the Export Sale, held in Calcutta this week, offerings were 31,565 packages. There was a strong general demand. Orthodox descriptions, particularly the medium and plainer sorts, met with keen competition and were sold readily. BOPs were the strongest feature and were generally dearer. Similar BPs were fully firm to dearer, while their Fannings were sold readily, but at rates a little below last week. Better and medium CTC descriptions were again sold well as slightly easier rates, while the poorer sorts remained fully firm.

There was a strong enquiry for legg-cut descriptions and these were generally fully firm to dearer. The few flavoury invoices of Darjeelings, on offer, were generally sold at dearer rates. The remainder, however, declined in price and a number of teas in this category were withdrawn without a bid. Stylish whole Leaf grades were well supported at about last rates; but the poorer kinds were easier. Tippy teas again met with active support at firm to dearer rates. Following rates (per kilo) were quoted:—Clean Plain Pekoe Rs 5.25 to Rs 5.35; Plain BP Rs 4.85 to Rs 4.95; Plain Fannings Rs 4.65 to Rs 4.75; Medium Assam CTC, BP Rs 6.20 to Rs 6.60; Medium Assam CTC

Fannings Rs 6.40 to Rs 6.80; Best Assam CTC BP Rs 7.40 to Rs 7.60 and Best Assam CTC Fannings Rs 7.30 to Rs 8.20.

In the Internal Sale, offerings were 14,659 packages of Dusts for which there was a good general demand. CTC types were rather irregular with the brighter lines selling well. Plain Orthodox descriptions were generally taken up at a discount of 10 nP, while the bright liquoring Assams, particularly the small types, were often dearer. Legg-cut teas met with a good demand and the small bright liquoring descriptions were generally dearer. Following rates were quoted:—Plain Orthodox Dust Rs 4.40 to Rs 4.65; Medium Assam Dust Rs 4.60 to Rs 5.40; Legg-cut Dust Rs 4.70 to Rs 5.50; Medium Assam CTC Dust Rs 6.40 to Rs 6.70 and Good Assam CTC Dust Rs 6.80 to Rs 7.20. Also, 24 packages of Leaf grades were offered for internal consumption and these were sold at irregular rates.

In the Cochin Market, 173,000 kilogrammes of tea Dusts were offered for internal consumption. Against useful demand, prices were steady around last week's rates.

In the Colombo market, offerings were 7,566,691 pounds. There was a strong general demand with high-grown BOPs from western districts advancing by 5 to 15 cents a pound at the opening. Medium BOPs were also generally dearer but high and medium BOP Fannings grades were slightly lower. All Uva teas were in strong demand and prices rose where quality was improved. Low-grown teas were sold at firm to dearer rates.

In Pakistan, tea production is expected to reach something like 56 to 57 million pounds in this season on the basis of the present showing. This, with the carry-over of about 8 million pounds, will give a total availability for the season of some 64 to 65 million pounds against an estimated domestic production of about 55 million pounds. The Pakistan Government has, therefore, authorised the release of only 5 million pounds of tea for export this season.

Once again, the amount of tea for auction in London—54,875 packages—was only enough for two days' selling. The absence of any outstanding quality teas was reflected in the price indication of 4sh 8d to 5sh 5d as compared with 4sh 10d to 5sh 8d in the previous week. Bidding for Ceylon teas continued strong; but low-grown and low medium BOPs were generally lower. Others showed little change with the better liquoring teas, especially BOP Fannings, tending dearer.

The South Indian growths, on offer, were irregularly easier, but with a good demand at the lower level. The North Indian and other miscellaneous teas en-

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THIS IS ONLY AN ANNOUNCEMENT AND NOT A PROSPECTUS. APPLICATIONS ARE INVITED ON THE BASIS OF PROSPECTUS

- Consent of the Central Government has been obtained to this issue by an order of which a complete copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that in giving this consent the Central Government do not take any responsibility for the financial soundness of any scheme or for the correctness of any of the statements made or opinions expressed with regard to them.
- A Licence has been obtained from the Central Government for the establishment of this new industrial undertaking at Baroda, Gujarat, of which a copy is open to public inspection at the Head Office of the Company. It must be distinctly understood in granting this licence the Government of India do not take any responsibility for the financial soundness of this undertaking or for the correctness of any of the statements made or opinions expressed in regard to it.
- A copy of the Prospectus together with the documents mentioned below has been delivered to the Registrar of Companies, Ahmedabad for registration as required by Section 60 of the Companies Act 1956.
- Application will be made to the Bombay Stock Exchange for permission to deal in and for official quotations of the shares of the company.
- The Subscription list will open at the commencement of banking hours on the 7th day of August 1961 and will close at the close of banking hours on the 12th day of August 1961 or earlier at the discretion of the Directors but not before the close of banking hours on 9th day of August 1961.
- Copies of the Prospectus and forms of application may be obtained from the Registered Office of the Company or from the Company's bankers or brokers.

CHEMICOAT LIMITED

(Incorporated under the Companies Act 1956 on 21st March 1961)

SHARE CAPITAL

AUTHORISED:	
50,000 Equity shares of Rs. 100/- each	Rs. 50,00,000
ISSUED AND SUBSCRIBED:	
By Directors and their friends:	
10,000 Equity shares of Rs. 100/- each	Rs. 10,00,000
PRESENT ISSUE:	
10,000 Equity shares of Rs. 100/- each	Rs. 10,00,000
payable as follows:—	
With application ...	Rs. 25 per share
On allotment ...	Rs. 25 per share
Balance by two calls of Rs. 25 each	
First call shall not be made earlier than three months after allotment and there will be an interval of at least two months between the calls.	

APPLICATION FOR AND ALLOTMENT OF SHARES:

Application for equity shares should be made on the printed form issued for the purpose, copies of which may be obtained from the registered office of the Company or from any office of the Bankers or the Managing Brokers.

Applications must be made for a minimum of five shares or a multiple thereof and in all cases must be accompanied by a remittance of the amount payable on application. Applications must be completed in accordance with the directions contained in the application form and delivered before the closing of the subscription list to any head offices or the branch offices of the Bankers at the following places—Bombay, Surat, Baroda, Ahmedabad, Rajkot, Calcutta, New Delhi, Delhi and Madras.

Remittances may be made by cheques or drafts and if it is desired to avoid payment of bank charges all cheques or drafts must be drawn either upon the branch offices of the bankers to which the application forms, cheques and drafts are being sent or upon a bank situated in the same town. If drawn on a bank elsewhere, the appropriate bank charges must be included in the remittance. Otherwise the application is liable to be refused.

Directors reserve the uncontrolled right of accepting or rejecting any application without assigning any reason therefor. Applications which are not complete or which are not accompanied with proper payment may not be considered.

Where no allotment is made, the application moneys will be returned in full within two months of the closing of the subscription list. Where the number of shares allotted is less than the number applied for, the balance of the application moneys will be returned within the aforesaid time to the applicant by cheques either through post or otherwise after deducting therefrom the amount payable on application and allotment as above.

The shares when issued, will be subject to the Memorandum and Articles of Association of the Company a copy of which is open for inspection at the registered office of the Company during office hours.

The share certificates will be ready for delivery within four months of the date of allotment.

BOARD OF DIRECTORS:

Name.	Description & occupation.	Address.
1. Shri ARVIND NANDLAL KILACHAND (Chairman)	Businessman	Mafatal House, Back-bay, reclamation Bombay-1.
2. Shri BHUPATIRAI MAGANLAL GHIA	Businessman	18, Carmichael Road, Bombay-28.
3. Shri BALKRISHNA HARIVALLABHDAS	Businessman	13, Krishna Society Ellis Bridge, Ahmedabad.
4. Shri KISHORE DHARAMSEY KHATAU	Businessman	6, Wilderness Road, Malabar Hill, Bombay.
5. Shri HIMATLAL KANTILAL	Businessman	Kantilal House, 14, New Queen's Road, Bombay-4.
6. Shri SUMAN CHHOTALAL SHETH	Businessman	Dawood Mahal, Cumballa Hill, Bombay-26.
7. Shri MOHAMMADAN CHHOTALAL CHHATRAPATI (Managing Director)	Businessman	6, Noble Chambers, Parsi Bazar Street, Bombay-1.

MANAGING DIRECTOR

Mr. MOHAMMADAN CHHOTALAL CHHATRAPATI,
6, Noble Chambers, Parsi Bazar
Street, Bombay-1.

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Messrs HARKISONDASS LAKHMIDAS	Share Bazar, 5, Hamam Street, Fort, Bombay-1.
Messrs MAHADEVIA BROS.	Stock Exchange Old Building, Dalal Street, Fort, Bombay-1.
Messrs MERWANJI N. MERTTA	12, Stock Exchange New Building, Apollo Street, Fort, Bombay-1.
Ahmedabad:	
Messrs CHINUSHA CHIMANLAL DALAL	Fatehbal's Haveli, Ratanpole Ahmedabad.
New Delhi:	
Messrs HARBANS SINGH MEHTA & Co.	33, Regal Building, Parliament Street, New Delhi.
Calcutta:	
Messrs N. L. ROY & Co.	7, Lyons Range, Calcutta-1.
Madras:	
Messrs KOTHARI & SONS	Oriental Buildings, Armenian Street, Madras.

LEGAL ADVISERS

Messrs. KANGA AND COMPANY,
Readymoney Mansion,
Churchgate Street, Fort,
Bombay-1.

AUDITORS

(1) Messrs NANUSHAH & Co., 51, Mahatma Gandhi Road, Fort, Bombay-1.	(2) Messrs N. M. RAJEE & Co., 22, Apollo Street, Fort, Bombay-1.
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REGISTERED OFFICE

Jetalpur Road, Baroda.

1. OBJECTS OF THE COMPANY:

The Company is incorporated on 21st March, 1961 with the objects mentioned in the Memorandum of Association. The main objects of the Company are:—

To carry on business of vacuum metallising of paper, plastics yarns fibres, films, fabrics, packing materials, decorative materials, radio telephone, television and other electronic component parts and materials.

To carry on business of manufacturers, importers, exporters, dealer in paper, plastic films, natural and synthetic yarns, fibres and film publicity, decorations of all kinds and other materials coated with metals, chemicals and other substances.

2. COMMENCEMENT OF BUSINESS:

The Company has obtained on 27th April, 1961 certificate of commencement of business by filing statement in lieu of prospectus under Section 149(2) of the Companies Act, 1956.

3. PROSPECTS:

Vacuum metallising is a recently developed process. It helps to deposit lustrous coating of pure metals on paper, plastic, films, fabrics, etc. Both functional and decorative finishing can be obtained inexpensively by a simple method providing automatic production of large quantities. Aluminium is most naturally used and when deposited by vacuum metallising process it gives the same colour as polished platinum, radiu-

or chromium. It can be lacquered and dyed to simulate any metallic colour. Aluminium foils or aluminium foils laminated on paper are used extensively in the packing of tea, cigarettes, biscuits, confectionery and label manufacturing. The present production of aluminium foils in India is estimated at about 3,200 tons. Some quantities are also imported. The import of aluminium foils and foil stock was valued at Rs. 47 lakhs in 1957 and Rs. 65.59 lakhs in 1959. According to the estimates submitted to the Tariff Commission recently in connection with the inquiry on protection to the aluminium industry the demand for foils, etc. is expected to increase to 7000/10,000 tons by 1965/66.

The metallised paper produced by the vacuum metallising technique can effectively replace aluminium foil and aluminium foil laminated paper in the packing and labelling fields. As the metal used for metallising is only a small fraction of the metal required for manufacturing the foil, there is considerable saving of the expensive aluminium metal. The consumers will therefore have an alternative source of supply at very economical prices. In America and Europe metallised paper has considerably replaced foils in packing cigarettes, food products etc.

The same technique can be used in the production of "self-healing" type of condenser papers extensively used in radio, television and other electronic industries.

Various plastic films can be coated with aluminium gold or silver. These films have very wide application in various plastic industries. In West Germany, metallised non-woven fabrics are used for wound dressing on a large scale.

Aluminium, paper and plastic films required for metallising are available in India. The lacquers are also available in India.

The Company is expected to go in production in 1962, and it is estimated that the annual production of metallised paper will be about 1500 tons. It is reasonable to assume that the developing market in India will be able to absorb the full output of the Company's plant.

On the basis of the existing prices of aluminium foils, paper, etc. the Directors are of the opinion that in the circumstances the estimated profits after allocation to reserve are such, that the Company should be in a position to pay reasonable dividends on the issued equity shares.

4. TECHNICAL COLLABORATOR'S AGREEMENT:

The Company has entered into an agreement with Metal Coating Establishment, Vaduz, Liechtenstein, whereby the latter company will supply to the company necessary machineries and spare parts, train Indian personnel in their plant in Germany and supply technical personnel for guidance in the erection and starting of the plant. Further subject to the approval of the Government of India, it will provide technical know-how for the production of new products as and when developed and otherwise supply all information for a period of 3 years. The Company has agreed to pay technical fees of Deutsche Marks twenty-five thousand a year (about Rupees thirty thousand).

5. LOCATION OF THE FACTORY AND WATER SUPPLY AND ELECTRICITY:

The Factory will be constructed on 24 acres and 35 gunthas of lands agreed to be purchased by the Company at Baroda at or for the price of Rs. 2,00,000. No water or steam will be required in the process of manufacturing vacuum metallised paper. The requirements of electricity are small and no difficulties are envisaged in arranging for its supply either from public supply or by installation of Company's own generation facilities.

6. TAX BENEFITS:

The Company will be entitled to the special benefits under the Indian Income Tax Act with respect to Development Rebate. The Company will also enjoy the benefit of section 15C of the Indian Income-tax Act, whereby the profits upto 6% on the employed capital will be exempt from tax for the first five years of operation.

7. LOAN CAPITAL:

The Industrial Credit and Investment Corporation of India Ltd., Bombay have agreed in principle to grant a loan in foreign currencies equivalent to U.S. \$275,000 as determined by the International Bank for Reconstruction and Development for the import of machinery required for the project. The loan will bear an interest at the rate of 7 1/2% per annum repayable in 15 half yearly instalments commencing from 1st November, 1963 and ending on 1st November 1970. The loan will be secured by a first legal mortgage in favour of ICICI of the Company's immovable and movable properties, present and future, subject to the hypothecation in favour of the company's bankers for cash credit and overdraft facilities. So long as the loan or any part thereof is outstanding ICICI shall be entitled to appoint a Director on the Board of Directors of the Company who shall not be liable to retire by rotation nor shall be required to hold qualification shares.

countered only a fair general demand with the exception of African Fannings. Stocks in London, as on 14 July, fell back slightly to 136.8 million pounds from 138.1 million pounds in the previous week. Tea exports to the UK were, however, higher at 20.6 million pounds as against 14.7 million pounds in the previous week.

Tea offered through the London auctions for the first six months of this year was greater by more than one lakh chests. The price average of the sales, during the period, was also better than last year's by nearly 8d per pound. The total quantity received by the UK and retained by it during the

first five months of this year was 19 million pounds more than last year. Argentina stepped up her exports to 2.7 million pounds from 572,000 pounds during the period January/May, 1960.

COTTON Futures Quiet

BEARISH trends prevailed in the Bombay cotton futures market during the past week and both maturing contract and the distant contract suffered sharp decline. The decline in prices were the apprehension of large tenders in the The contributory factors for the

8. RESOURCES AND DISBURSEMENT:	
The total funds available with the Company will be as follows:—	
Share Capital subscribed by Directors, Promoters and Friends and Associates	Rs. 10,00,000
Capital to be raised by this issue	Rs. 10,00,000
Foreign Exchange: Loan to be obtained from Industrial Credit & Investment Corporation of India Ltd.	Rs. 13,00,000
	Rs. 33,00,000

(Industrial Credit & Investment Corporation have agreed in principle to grant this loan to the Company).

This amount of Rs. 33,00,000 will be utilised approximately as under:—	
1. Cost of land and the structures to be constructed thereon etc.	Rs. 3,50,000
2. Cost of plant and machinery, import duty, transport to site, erection and other implementative expenses	Rs. 18,00,000
3. Working capital	Rs. 8,00,000
4. Preliminary expenses including brokerage and other share issue expenses	Rs. 1,00,000
5. Pre-operative expenses including training of Indian technicians in foreign countries and for other contingencies	Rs. 1,50,000
Total	Rs. 32,00,000

Additional finance if any, required for working capital when the factory goes into production, will be obtained by way of loans from the bank and other sources.

9. MINIMUM SUBSCRIPTION:

The minimum amount which in the opinion of the directors must be raised by the issue of shares in order to provide the sum required to be provided as per paragraph 5 of the Schedule II of the Companies Act 1956 upon which the Directors will proceed to allot the shares offered by this prospectus is 10,000 equity shares of Rs. 100/- each.

10. POWERS OF DIRECTORS:

The control of the Company's affairs is vested in the directors. The powers of the directors are, however, to be exercised subject to any regulations prescribed by the Company in General Meeting.

11. RESTRICTION ON TRANSFER OF SHARES:

Subject to the provisions of section 111 of the Companies Act 1956 the Directors may in their absolute and uncontrolled discretion and without assigning any reason, decline to register any transfer of or transmission by operation of law of the right to any shares of the Company to any person whom they do not approve and in particular may decline so in any case in which the Company has a lien upon the shares.

12. LIEN:

The Company shall have no lien on its fully paid up shares. In the case of partly paid up shares, the Company shall have a first and paramount lien thereon only in respect of all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared and payable in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien on any such shares.

13. BROKERAGE:

The Company will pay brokerage at the rate of 1% on allotments made in respect of applications from the public and bearing stamps of recognised banks, certified brokers, or managing brokers. The Managing Brokers Messrs. Rasiklal Manekal & Co. will be paid commission at the rate of 1% on 10,000 shares offered for public subscription.

INSPECTION OF CONTRACTS AND OTHER DOCUMENTS:

Copies of the undermentioned documents have been delivered along with the Prospectus to the Registrar of Companies, Ahmedabad, which may be inspected at the registered office of the Company during the usual business hours until the subscription list has been closed.

- Consent Order No. R 420-CCI/60-321 dated 16th March, 1961 by the Controller of Capital Issues, Government of India, New Delhi.
- Industrial License No. L/24/(4) (8)/60-GH(1) dated 9th September 1960 approving the proposal for establishing a vacuum metallising plant.
- Copy of the draft agreement, to be entered into between Mr. M. C. Chhatrapati and the Company for his appointment as Managing Director.
- Agreement for Collaboration dated the 18th day of February, 1961 between the promoters and Metal Coating Establishment.
- Copy of the Memorandum of Association and a copy of the Articles of Association of the Company.
- Letters of consent from the Bankers, Solicitors, Auditors and Brokers of the Company.
- Heads of Agreement entered into with I.C.I.C.I. Ltd., on 24th March, 1961.

maturing contract and the anticipation of a bumper crop consequent to the congenial monsoon conditions in most of the cotton cultivating areas. The Jarilla August contract slipped down from Rs 585 to reach lower levels and on Tuesday last was quoted at Rs 572 while the newly started March contract dropped to Rs 588.25 on Tuesday from the high of Rs 606.50 on opening day. Activity in the ready market was fairly moderate and prices particularly of good qualities were well maintained. Mill demand was confined to growths like Dig Vijay, Kalyan, L 147, Laxmi and Khandesh.

The conditions in the import front were not encouraging as mill interest for foreign cotton was

conspicuous by its absence. In the initial stages East African cotton met with some demand but as days advanced the demand petered out. Egyptian and Sudan varieties also met with some interest. Sudan cotton was offered at a discount of Rs 80 per candy to the Indian mills.

Reports that emanated from Alexandria narrated that the Egyptian Cotton Commission will shortly announce official selling prices of 1960-61 crop. It was reported that the Government is anxious to limit the sales of cotton to the Eastern block approximately to 60 per cent of its total sales.

The Indian cotton crop for 1960-61 is estimated at nearly 5.4 million bales a new record since independence and it will be 1.6 million bales higher than the previous season's crop.

NEW YORK

Listless conditions were prevalent in the New York futures market during the past week. The spot market displayed better conditions and the volume of sales was well maintained. Trading in the old contract turned out to be an insignificant affair as the quantities requested were not much in supply to meet the demand and the prices quoted tended to ride high. Total exports during the current season till 15 July aggregated 6,500,829 bales as against 6,787,847 bales in the corresponding period in the previous season.

The prospects for a bumper crop in the 1961-62 season are rated bright thanks to the propitious weather conditions in the cotton growing centres. If nothing untoward happens the production during the coming season is likely to amount to 14.5 million bales.

SUDAN

Only a negligible quantum of cotton was sold by the Sudan Gezira Board in the auctions held last week. Shipments of cotton from Sudan during the current season upto 11 June totalled 194,886 bales, consisting of 175,215 bales of long staple and 19,671 bales of short staple.

Consumption of cotton by the Indian mills from 1 September to 30 April, according to the East India Cotton Association, aggregated, 5,500,542 bales as against 3,419,425 bales in the same period in 1959-60.

Description	1959-60	1960-61
Indian	3,056,383	2,717,455
Pakistan	8,926	16,530
American	77,851	455,967
Egyptian	86,220	80,364
Sudan	92,855	83,545
East African	90,078	122,266
Others	7,112	24,415
Total	3,419,425	3,500,542

Imports of cotton from foreign countries from 1 September to 8 July totalled 851,036 bales, the relevant figures for the same period in the previous season being 744,328 bales.

Description	1959-60	1960-61
American	286,157	570,949
Sudan	89,159	57,520
Egyptian	184,944	71,303
East African	134,998	113,255
Pakistan	32,124	2,624
Other Sorts	16,946	35,385
Total	744,328	851,036

PIECEGOODS

The Bombay cotton piecegoods market depicted better conditions during the past week. Signs of activity on both the export and domestic fronts were visible due chiefly to a revival in demand

though the outcome failed to reach upto the expectations.

The domestic sector showed signs of recovery from the continued spell of stagnation as the flow of demand from upcountry centres for the seasonal varieties was on an encouraging level. North Indian centres were active in the market and the Southern interests were dampened to a great extent due to the recent floods.

No change in prices was, however, noticeable. Mills were reluctant to make any downward revision in prices. The stockists were, on the contrary, prepared to dispose of their stocks even at a discount. But they were disappointed as demand tended to ride at a low ebb. Longcloth, satin patts, medium and checked shirtings and lenos were some of the items of popular varieties that attracted the attention of the local consumers and upcountry dealers.

The reappearance of some of the traditional buyers in the market made the export front lively. The UK accounted for a small quantum of grey goods. Business on a small scale was transacted with Sudan in usual quantities. Singapore was satisfied with a small quantum of longcloth and canvas. Australia's fancy was directed toward grey sheetings. Stray business was done with Ethiopia and Eritrea in grey drills. East Africa took a small quantum of processed goods and sheetings.

Other destinations were not found active purchasers as there existed a wide disparity in prices and due to the seething competition from countries like Russia and China.

Prospects for Rubber

THE relative stability of Rubber prices over the recent months has been helped by the fact that rubber estates in the Far East have been passing through their "wintering" season when the output falls below the average. As a result, the current production has fallen below consumption. Even so, it is felt in many quarters that there may still be too much rubber for comfort lying unsold in the Far East and that, as the production begins its seasonal rise again over the next few months, the prices will once more tread a downward path.

In addition, there is a lingering fear in London that this seasonal increase in supplies can be augmented at some point by heavier sales from massive US Government stockpile of rubber. Some circles believed that the quality of a part of the US stocks must now be deteriorating and that this consideration may force the Government there to make some effort to sell its rubber within a fairly near future.

In spite of an improvement in price levels, rubber dealers in London persist in taking a gloomy view of the market's prospects. They say that the improvement is the result of an

uncertainty, pointing out that the supply-demand position for the commodity is in buyers' favour. The uncertainty stems from earlier fears of political crises over Berlin and Kuwait and reports that the USSR is about to enter the market as a substantial buyer.

Although changes in world rubber prices have just an academic significance, prospects of a relatively low level of prices this year, as forecast in the May bulletin of the FAO, carry no hope of a material price relief to the consumer in India. The bulletin suggests that there is no likelihood of a big rise in global production during the current year even if the political situation in South-East Asia improved. With enough commercial stocks of natural rubber in the consuming countries and the release of rubber from the stockpiles by the USA and the UK, the prices are not likely to return to the very high levels of last year for any considerable period.

COFFEE

The Coffee Board has launched a fresh drive to popularise Robusta Coffee in the South, having been encouraged by the general acceptance of this variety. A large potential market is observed among the industrial workers concentrated in the mill areas. It is hoped that the campaign will be carried to North Indian centres ere long. As regards external publicity, the Coffee Board has made arrangements for the display of all exportable varieties of Indian raw coffee at the India show rooms and trade centres at Baghdad and Bahrain.

According to the Coffee Board, the stock held by it in the middle of last month was 42,605 metric tonnes. Nearly 18,000 metric tonnes were sold for export by that date, creating a new record for export sales. Of the total Pool stock, it is to be noted that 23,852 tonnes or the greater part of the stock consists of Robusta variety.

PEPPER

The recovery in black Pepper prices has proved to be shortlived. In fact, prices have declined by about Rs 3 per 50 kg from the top levels reached recently. The commodity is presently quoted around Rs 222 per 50 kg in the Bombay market. The trend in the Cochin market is also far from encouraging. The rate is quoted at Rs 420.75 per quintal. The fall in prices is mainly attributed to lower advices from Singapore and New York.

It is stated that Brazil is selling in the US market the new crop for August/September delivery at a price as low as 42 cents per pound. Brazil is a small producer as compared with India and Singapore. Nevertheless, at this juncture when foreign demand is absent, the above report had a bearish influence on the local price trend. The extensive damage caused to the pepper vines in Kerala, due to the unprecedented flood, cannot check the bearish mood of the market. The apathy of buyers, both in the domestic as well as foreign markets, has kept the sentiment weak.

The US has continued to quote a lower price, while Russia is out of the market. Moreover, reports from Singapore indicate that the prices there have declined from 46 to 45 cents a pound.

DRY GINGER

The revival of activity in the market for dry Ginger—after it has dipped to Rs 60 from Rs 110—has gathered momentum. Higher advices from the producing centres coupled with the reports of bulk export transactions have provided the inducement. The prices in the terminal markets are, at the moment, higher by about Rs 5 as compared with the Bombay market. In the Calicut market, the rate has improved by Rs 10 to Rs 130 per quintal. In Cochin, the rate is quoted at Rs 412 against Rs 374 per candy.

The recent heavy rains have greatly hampered the inflow of dry ginger into the Bombay market. The estimate of the damage to the new crop from floods is not available; but it is expected to be fairly big. From the reports received during the last few days, the trade feels that, if the weather does not oblige and continues to be unfavourable for another few weeks, the crop position will be serious.

SUGAR

According to the Indian Sugar Mills Association, sugar production was as high as 43,000 tons in June as compared to only 2,000 tons in the corresponding month of last year. This brings the total production for the 1960-61 season to the end of June 1961 to 2,949,000 tons as against 2,401,000 tons in the corresponding period of last year. The offtake from the factories during June 1961 was 189,000 tons. Total despatches, including despatches for exports, upto June 1961 were 1,423,000 tons as against 1,214,000 tons. The total closing of sugar with the factories, as on 30 June 1961, was 2,085,000 tons as against 1,219,000 tons on the corresponding date of last year.

Despite the fact that production has reached a record this year, there is a great deal of disappointment among consumers over the steady rise in the price of sugar in the Calcutta during the past month or so. Taking advantage of official bungling, artificial shortage seems to have been created. It is unfortunate if the price rise inflates the costs of living at a time when increases in the prices of many other items are in sight.

In the Delhi market, too, prices have remained steady as stockists have stopped sale, expecting a likely rise as a result of withdrawal of the ban on the inter-state movement of the commodity. In the Hapur market, however, the rate is quoted around Rs 106.25 per bag as against the controlled rate of Rs 107.69, thanks to the easy supply position.

FOODGRAINS

Steady to firm conditions were witnessed in the Hapur Foodgrains market as arrivals have continued to be small. Wheat has registered fractional gains, to be quoted at Rs

14.87 to Rs 15.25 a maund for the average quality and Rs 15.75 to Rs 16.50 for the farm quality. Coarse Rice has also tended to rise as stocks are reported to be poor. Gram has improved on firm Punjab advices and less arrivals during the week. Barley is continued to be quoted at Rs 11, while Jowar and Guwar have fallen sharply by about Rs 1.50 a maund due to lack of demand. In the Pulses section, prices of Peas have gone up due to support from grinders. Prices of Arhar have developed a slightly easier tendency due to loading difficulties.

MERCURY

The prices of Mercury have developed a downward trend during the past few days. In the Bombay market, the rate is quoted at Rs 2,525, showing a fall of Rs 75 per flask of 75 pounds. Sentiment has been mainly affected by the increased distribution made available by the State Trading Corporation to actual consumers through the trade bodies. The STC is reported to have imported mercury worth Rs 10 lakhs against licences obtained from the Government in the last licensing period. The distribution of these imports is not yet completed. The distribution is expected to be made equally between the consumers in Bombay, Madras and Calcutta. It is also reported that the STC has been able to obtain licences to import further quantity of mercury worth Rs 10 lakhs.

The demand for mercury has also slackened on account of disruption of transport caused by the heavy downpour and the unprecedented floods in many parts of the country. Small manufacturers of clinical equipments in the interior have been slow in their offtake, while the demand for medicinal purposes is also low. In the circumstances, stocks are inclined to liquidate. It is the opinion of the trade that the demand will not show any appreciable improvement for another month.

NON-FERROUS METALS

In the Bombay market, prices of Non-ferrous metals showed a mixed trend. Early in the week, Tin was affected by lower advices from London and Singapore, which induced profit-realising. Reports of larger arrivals and higher stock also contributed to the easiness in prices. There was, however, a sharp recovery towards the close on the feeling that no fresh consignments were expected from Singapore in August.

The new August contract in Tin started its career on Saturday last in Bombay. It started at a premium of 50 nP as compared with the current contract and the premium was mainly due to the tight supply position feared by the trade in the next month. Meanwhile, in view of the sharp setback in the prices of the metal in the last fortnight in the wake of a sharp break in prices in Singapore and London, the Bombay Metal Exchange is reported to have relaxed the margin penalties on buyers. A buyer will now have to pay a margin of Rs 2,500 when the price level of the contract crosses Rs 180 instead of the earlier limit of Rs 175.

Copper prices ruled steady at the outset on support by actual users and firmed up further due to speculative buying and smaller offerings. Higher levels, however, found a withdrawal of support towards the close.

The market for Zinc remained dull except for a temporary improvement on scarcity of offerings.

The price of Lead declined sharply due to selling orders from the stockists.

GOLD & SILVER

Irregular trends in prices characterised trading on the Bombay Bullion Exchange. The continued pressure of unrefined silver, that found its way to the city market from the upcountry centres, kept the sentiment down in silver during most part of the week. But, the strong hold of speculative bull operators induced bears to cover their outstandings. Higher advices from Delhi, Jodhpur and Rajasthan markets were also a contributory factor. Spot silver (below .996) changed hands 200.90 and Rs 201.15.

Gold ruled quietly steady. It attracted selling at higher rates due to weakness in the ready section. Ready rates moved narrowly around Rs 120.25, while Sovereign was Quiet at Rs 93.50.

OILS & OILSEEDS

Conditions on the Bombay Oilseeds Exchange remained generally quiet. Bulls in castor were unnerved by the unexciting export performance. The US, a major buyer of castor oil, has so far been unresponsive to the higher Indian price. Business with the UK and the Continent also remained poor. In the circumstances, the big bull account in castor was indicative of a sudden collapse any time before the maturity month (September) and operators considered the early levels attractive enough to liquidate. Along with this liquidation emerged bear pressure to produce a steep fall. Ready rate was quoted at Rs 34.87 and Castor Oil, commercial quality, at Rs 14.30.

**ARE YOU
ENROLLED
AS AN
EXPORTER
OF ENGINEERING GOODS**

To boost export of Indian goods—to develop confidence among foreign importers—and to build up healthy and lasting trading relationship with foreign importers—a scheme for enrolment of exporters has been introduced by the Export Promotion Advisory Council. This is with a view to setting up recognised standards and a code of conduct for the Indian export business. Manufacturers/exporters of engineering goods are hereby reminded that unless they enrol themselves under the Scheme with the Engineering Export Promotion Council before 1st October 1961 they would not be entitled to take advantage of the benefits under the various export promotion schemes.

Write immediately for full details of the scheme and application forms for enrolment to:—

**India Exchange
(7th Floor)
Calcutta-1**

**ENGINEERING
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Further particulars can be had from any of the 62 branches of the Bank lying near you.

Branch of the Bank in Calcutta:

**3 1/2 (I Floor), Armenian Street
(P. No. 22-6263)**

The Canara Banking Corporation Limited
(Incl. 1906) (Regd. Office: UDPT, S.I.)

Administrative Office: MANGALORE-1
(A Scheduled Bank)

Crop prospects encouraged Saurashtra operators to sell short in Groundnut. In the absence of any covering, prices moved down. Ready Bold was quoted at Rs 53.50 and Groundnut Oil at Rs 22.15.

The Linseed section, however, maintained a comparatively steady front due to the very limited stocks in the city. Besides, the world crop situation of linseed, as given by the US Department of Agriculture, was in favour of bulls. Ready rate was quoted at Rs 39.87 and Linseed Oil at Rs 17.00.

The market for Groundnut Oilcake remained generally steady due to keen overseas demand. The export prices, however, failed to advance much over the week.

In the Madras market, there is a heavy sliding down of the prices of groundnut oil and groundnut due to good arrivals of kernel stock in southern market centres. Recent rains had to some extent affected the stock arrivals, but the districts in which such arrivals are hampered are only Tanjore and Trichirappalli, while in others the groundnut summer crop had been harvested and shipped to destinations.

These centres in South and North Districts reported about 500 tons of kernels arrival daily. The weather in harvesting centers is good. Improvement of weather in other centers would help in a greater harvest. Crushers in the South were emboldened by these good quantities so that they entered into larger spot commitments. A single Calcutta operators was showing only a small interest in ready oil. But the declining market did not attract others, including a major Calcutta section. The holding power of the stockists was put to test and they have proved weak by unloading stocks at considerably reduced rates. At a lower price sizeable quantities of groundnut were lifted last week at the rate

of Rs 217.80 per quintal, but the valda deliveries did not show much interest due to an apprehension that the same prices would not hold good then for spot offers.

The oils and seeds exchange closed today at the following rates:

Groundnut oil per candy of 500 lbs ex-Madras godown expeller Ready 3% F.F.A. Rs 480: (per 100 kgs) Rs 211.60.

The price of Rs 218 per kilo quater last Tuesday came down to Rs 216.90 upto the middle of the week. There was further decline of a couple of rupees on Monday and the market opened with a still further reduction at Rs 211.60 per kilo today.

There was no business in July or August Valda and the rate quoted was at Rs 180 per kilo.

Groundnut kernels per 80 kgs. Coromandel Rs 88 and medium Rs 85. There was no change in price of kernels as much as in oil which is expected to go down still lower.

Castor oil per candy of 500 lbs Tirupattur Rs 355.

Coconut oil per tin Rs 42.

Gingelly oil per tin Rs 30.50.

Gingelly seed per bag Rs 90.91.

Groundnut cake Rs 28.25.

The arrival of groundnut locally is about 30 tons daily.

In the upcountry markets both South and North Arcot centers registered a sizeable arrival and the prices declined in those centers to Rs 87/89 per 80 kgs. In Pollachi peanuts too have been sown to some extent additionally to the Red Nal and coromandel (Rose) varieties. Between the middle of August and September, these new varieties could be expected, according to traders here.

The Government of Madras had implemented the pilot scheme of carrying out aerial spraying for the control of red-hairy caterpillar pest on groundnut in Pollachi and Coimbatore at an estimated cost of Rs 90,000. The cost will be borne by the ryots upto 50%, working out to

Rs 2 per acre. The aerial surveying operations would cost another Rs 3 per acre and all told the ryot has to pay Rs 5 per acre.

About 10,000 acres of groundnut crop in Pollachi Taluk was affected by the red-hairy caterpillar pest causing serious damage every year.

A Beaver aircraft of the Directorate of Plant Protection Quarantine and Storage, India Government, New Delhi and two "Auster" planes of Aviation Service, New Delhi, participated in the operations, despite unfavourable seasonal conditions. The spraying was found effective for small and medium sized 15 days old caterpillars while it was much less in overgrown caterpillars.

A view of the prices of groundnut kernels and ground oil in other centers show that both kernels and oil remained comparatively high. Per 80 kgs, the Guntur/Bezawada price continued between Rs 90/89 while at down South Vridhachalam the quotation fluctuated between Rs 91/90. Villupuram Centre beginning its price at Rs 90 per 80 kgs, declined to Rs 88 at which it remained while in Tanjore and Salem the price quoted was Rs 91/90.

Groundnut oil per candy of 500 lbs at Guntur/Bezawada continued at Rs 520 going upto Rs 525 once in the week. The price at Vridhachalam of this oil was comparatively easier. The highest reached was only Rs 500 per 500 lbs, and it had to decline due to slackness in demand to Rs 498. At Nandyal, another Andhra Centre, the price of groundnut oil stood firm at Rs 515, but in consonance with neighbouring centers there was a Rs 5 decline and the quotation was consistent at Rs 510 throughout the week. At Villupuram, too, there was an abrupt decline of oil quotation from Rs 500 to Rs 498. The Cuddappah market was firm however without shedding much of the strength. The decline was only Rs 5 per candy from Rs 500 to Rs 495. While the Tanjore center traded at Rs 500 per candy for some days in the week before it could come down to Rs 490, the Salem market was firmer in tone. It traded at Rs 500 and reluctantly cut down the rate to Rs 495.

In Madras the groundnut kernel price remained at 88 per 80 kgm during the week. This applied to superior quality which ruled at Rs 90.50. The medium quality kernels also ruled steady at Rs 85 during the week declining by Rs 2.50 per 80 kgs.

Per quintal of 100 kgs groundnut oil ruled at Rs 224 the higher price at a time. It came down to Rs 216 and improved to Rs 216.90 on a 2 to 3% F.F.A. basis. This was applicable to ready goods. As for August middle quotation, the price of Rs 224.00 declined to Rs 217.40 towards the midweek and rose slightly to Rs 217.80. The hedge January 1962 began to be quoted at Rs 193.50, declining to Rs 192.25 and gaining 50 nP at Rs 192.50.

★

HIDES & SKINS

There were moderate arrivals of cow hides into the market but absorption remained dull due to unchanged price conditions. Also in UK dull conditions prevailed and

probably because of coming holidays. Good demand persisted for fifts and inferior fifts in all weights. 5/5½ lb were offered and bought at 50d. 8/8½ lb at 41½d and 10/12 lb at 39d to 40d. The semi-premium and premium marks fetched between half to one penny per lb.

In the cow calf section better prices were offered for inferior cow calf and business was reported at 57d for 1½/1½ lb average. Internal demand proved very restricted.

Both in tanned buffalo calf and buffalo hide, no changes were visible.

Goat skins tanned section showed easy trend. Tanners also did not offer much in view again of the holidays in Britain. In middle quality goatskins good offers from the American importers were in evidence. Shippers expect bulk order to this country by this monthend.

In sheepskins, no price change was noticed. Topmarks in this line varied between 37½d to 38½d. Several inquiries turned up in middle class varieties.

THE SAMNUGGUR JUTE FACTORY COMPANY, LIMITED.

In view of the uncertain position of the Jute Markets the Directors have decided to defer consideration of any dividend on the ordinary shares for 1961 until the results of the full year's working are available.

The Directors have declared on the preference shares the dividend at the rate of 6% per annum for the half year ended 30th June 1961. This dividend will be paid on 25th August 1961, less Income Tax at 7/9d per £ and the Transfer Books will be closed from 12th to 25th August 1961, both days inclusive.

J. G. WALTON,

Secretary.

DUNDEE, 25th July, 1961.

THE VICTORIA JUTE COMPANY, LIMITED.

In view of the uncertain position of the Jute Markets the Directors have decided to defer consideration of any dividend on the ordinary shares for 1961 until the results of the full year's working are available.

The Directors have declared on the preference shares the dividend at the rate of 6% per annum for the half year ended 30th June 1961. This dividend will be paid on 25th August 1961, less Income Tax at 7/9d per £ and the Transfer Books will be closed from 12th to 25th August 1961, both days inclusive.

J. G. WALTON,

Secretary.

DUNDEE, 25th July, 1961.

Company Reports

TISCO Profit and Sales Improve

IT has been announced by the Tata Iron and Steel Company Limited that it has been successful in its representations to the Central Government for securing a revision of prices for uncommon varieties for the five-year period ending 1959-60 and that, as a result of the adjustments, it has been possible for the company to take credit for Rs 3.94 crores in its accounts for the year ended 31st March 1961. There is, however, anxiety to know how the authorities will decide about the revision of prices for steel generally and what will be the recommendations of the Tariff Commission.

The preliminary results for 1960-61 indicate that the company has earned a gross profit of Rs 19.59 crores including Rs 3.94 crores referred to above. The gross profit represents an increase of Rs 5.44 crores over the previous year's figure of Rs 14.15 crores. The directors have provided Rs 9.07 crores for Depreciation at 6½ per cent on the original cost, the corresponding sum provided in the previous year was Rs 8.47 crores.

In addition, they have provided Rs 4.85 crores for Depreciation to make up the total amount admissible under the Income-Tax Act, while, in the previous year, no such allocation was made. A sum of Rs 58 lakhs has been written off the profit, being the loss on revaluation of Deutsche Marks and Netherlands Guilders on the amounts borrowed in these currencies from the World Bank. The available balance of profit is Rs 5.09 crores, which is Rs 5.66 lakhs less than that (Rs 5.66 crores) for the previous year.

After adding Rs 8.47 lakhs being the surplus brought forward from the previous year, the directors have drawn Rs 1.27 crores from the General Reserve No. 2, whereas, in the previous year, they added Rs 1.54 crores to this Reserve. The profit thus available for appropriation is Rs 6.44 crores against Rs 4.22 crores. This entire profit has been added to the Plant Rehabilitation and Development Rebate Reserve under the Income-Tax Act and the Tariff Commission scheme, subject to adjustment. In the previous year, the amount transferred to these reserves was Rs 4.14 crores.

Since there is no profit available for distribution of dividends, the directors have withdrawn Rs 4.65 crores from the General Reserve No. 1, representing taxed profits

of previous years against Rs 3.76 crores drawn last year for this purpose. The dividend on the Ordinary shares is maintained at Rs 6.80 per share, net; but there is to be a bonus of 45 nP in addition.

Britannia Biscuit to Raise Capital

The directors of the Britannia Biscuit Company Limited have been considering the capital position of the company and have reached the conclusion that there is under-capitalisation. There is, therefore, a proposal to increase the authorised capital from Rs 50 lakhs to Rs 1 crore by the creation of 500,000 ordinary shares of Rs 10 each. It is not clear whether there will be a bonus issue as well as offer of equity shares for cash subscription. The company has ample free reserves, part of which can be capitalised. Capital Reserve is shown at Rs 2.12 lakhs; General Reserve at Rs 65.20 lakhs and Development Rebate Reserve at Rs 3.81 lakhs.

Meanwhile, sales for the year ended 31 March 1961 have risen to Rs 3.29 crores from Rs 2.72 crores, while the net profit, after providing for Depreciation and Taxation, amounts to as much as Rs 31.68 lakhs as against Rs 21.97 lakhs for the preceding year. Apart from maintaining Debenture Redemption Reserve at Rs 1.50 lakhs, the Depreciation amount is raised to Rs 6.71 lakhs from Rs 5.65 lakhs; Taxation to Rs 24 lakhs from Rs 19.40 lakhs; General Reserve to Rs 12.70 lakhs from Rs 7.00 lakhs and Development Rebate Reserve to Rs 2.96 lakhs from Rs 41.700. The directors have recommended a special bonus of 5 per cent in addition to maintaining the dividend at 25 per cent, subject to deduction of tax.

Kettlewell Bullen Pays More

Thanks to the rise in sales from Rs 75,353 to Rs 1.93 lakhs and in Commission from Rs 6.07 lakhs to Rs 9.20 lakhs, Kettlewell Bullen & Company Limited has reported a rise in the net profit from Rs 6.46 lakhs to Rs 8.00 lakhs for 1960. The Depreciation is raised to Rs 28,550 from Rs 15,400 and Taxation to Rs 5.60 lakhs from Rs 3.85 lakhs. After transferring Rs 5 lakhs from Dividend Equalisation Reserve and Rs 6.00 lakhs from Investment Reserve, the directors have been able to provide as much as Rs 12.49 lakhs (Rs 2.00) for General Reserve and Rs 15,000

(nil) for Development Rebate Reserve. The dividend on the Ordinary shares is raised from Rs 8.00 to Rs 11.00 per share, subject to tax.

Clive Buildings Repeat

Although the gross rent received is higher at Rs 4.53 lakhs against Rs 4.50 lakhs, Clive Buildings Limited has reported a decline in the net profit from Rs 1.17 lakhs to Rs 94,734 for 1960, mainly due to the increased expenditure. A sum of Rs 12,017 (Rs 15,952) is set apart for Depreciation and Rs 1.34 lakhs (Rs 1.33 lakhs) for Taxation. The dividends, both on the Ordinary and Management shares, are maintained at Rs 10 each, taxable.

Higher Profits for Clive Row Investment

The rise in income from "Interest and Dividends on Investments" from Rs 16.29 lakhs to Rs 17.83 lakhs is reflected in the working results of the Clive Row Investment Holding Company Limited for 1960. The net profit works out to Rs 11.46 lakhs as against Rs 9.23 lakhs for the previous year. The provision for Taxation is raised to Rs 5.51 lakhs from Rs 5.35 lakhs. The directors have proposed a final dividend of 55 nP, making a total of 80 nP per share, taxable. This compares with a taxable dividend of 83 nP per share, paid for the preceding year.

The directors state that the dividends from the jute industry may show a decrease during the current year, while those from the coal, tea and miscellaneous companies are expected to be maintained.

Port Shipping Shows Profit Against Loss

The Portshipping Company Limited has reported a net profit of Rs 2.42 lakhs for 1960 against a loss of Rs 1.32 lakhs incurred in the previous year. This is mainly due to the higher income from freight, which is shown at Rs 29.77 lakhs against Rs 27.95 lakhs. In addition, the company's new contract with the TELCO contributed to the improvement in gross freight receipts. Depreciation is provided Rs 1.66 lakhs against Rs 1.76 lakhs, while a sum of Rs 445 is set apart for Capital Reserve against nil. The dividend is, however, skipped again.

As the assets in use during 1960 were basically the same as those

in use in 1959 and earlier year, the enhanced depreciation charge for 1960 would have resulted in the profit and loss account not showing a true and fair view of the results of the trading for the year. In the circumstances, the directors have decided to utilise Rs 20 lakhs out of the company's Fleet Reserves to write down the book value of the company's block.

Choonabhutti Tea Raises Distribution

Thanks to the rise in the crop outturn from 13,761 maunds to 14,698 maunds as well as in the average price realised from Rs 4.83 to Rs 5.15 per kg, the Choonabhutti Tea Company Limited has been able to report a slightly higher net profit of Rs 3.66 lakhs for 1960 as against Rs 3.26 lakhs for 1959. Apart from maintaining General Reserve at Rs 50,000, Depreciation is raised to Rs 1.02 lakhs from Rs 74,409; Taxation to Rs 2.42 lakhs from Rs 2.36 lakhs and Development Rebate Reserve to Rs 10,945 from Rs 2,864. The dividend on the Ordinary shares is increased from Rs 30 to Rs 32.50 per share, subject to deduction of tax.

Birpara Tea Reduces Dividend

The Birpara Tea Company Limited has reduced the dividend from 22½ to 17½ per cent, taxable, for 1960 due to a marked decline in the net profit from Rs 4.18 lakhs to Rs 2.98 lakhs. Apart from providing Rs 5,000 for Investment Reserve, all other allocations have been reduced:—Depreciation to Rs 87,276 from Rs 93,075; Taxation to Rs 2.50 lakhs from Rs 2.90 lakhs and General Reserve to Rs 1.25 lakhs from Rs 1.75 lakhs. The crop outturn is lower at 543,381 kgs against 603,301 kgs; but the average price realised is higher at Rs 5.32 against Rs 4.96 per kg.

Dividends Halved by Jaybirpara and Hoolungoorie

Following a decline in the net profit from Rs 1.14 lakhs to Rs 81,016, the Jaybirpara Tea Company Limited has halved the dividend Re 1.00 per share, taxable, for 1960. Apart from providing Rs 12,000 for Taxation, the sum provided for Depreciation is reduced to Rs 20,876 from Rs 23,490 and development Rebate Reserve to Rs 260 from Rs 600. The crop outturn is shown at 5,928 maunds against 6,711 maunds and the average price realised at Rs 4.91 against Rs 4.78 per kg.

Also, the Hoolungoorie Tea Company has halved the dividend to Rs 10 per share, taxable following a decline in the net profit from Rs 2.05 lakhs to Rs 1.06 lakhs. A

THE BANK OF RAJASTHAN LTD.

Registered Office:
UDAIPUR

Central Office:
JAIPUR

Condensed Balance Sheet as on 31st December, 1960.

1959 Rs.	ASSETS	1960 Rs.
1,18,29,306.05	Cash, Bank Balances & Money at call.	1,15,56,768.44
2,29,54,003.09	Investments.	2,01,76,648.43
1,90,86,624.84	Advances.	2,63,29,001.64
37,44,353.26	Contra items.	43,99,974.79
19,75,089.21	Other Assets.	22,91,414.28
5,95,89,376.45	Total.	6,46,63,807.58
LIABILITIES		
9,23,700.00	Paid up Capital.	9,23,850.00
7,09,625.00	Reserve fund & other Reserves.	8,00,764.00
4,92,22,426.95	Deposits & other accounts.	5,36,25,830.09
37,44,353.26	Contra items.	43,99,974.79
49,89,271.24	Other Liabilities.	49,13,388.70
(2,80,415.00)	Net Profit.	(3,36,203.00)
5,95,89,376.45	Total.	6,46,63,807.58

B. L. SETHI,
General Manager.

sum of Rs 1.03 lakhs (Rs 75,611) is provided for Depreciation; Rs 80,000 (Rs 98,000) for Taxation; Rs 25,000 (same) for General Reserve and Rs 2,958 (Rs 21,203) for Development Rebate Reserve. The crop outturn is lower at 12,772 maunds against 14,619 maunds, while the average price realised is higher at Rs 5.65 per kg against Rs 5.40.

Higher Profits for Bombay Suburban Electric

The Bombay Suburban Electric Supply Company Limited has reported satisfactory results for the year ended 31 March 1961. The number of units sold is higher at 144.82 million against 121.27 million, while realisation from sales of energy have risen from Rs 125.74 lakhs to Rs 147.97 lakhs. During the year, 11,567 new connections were made to the mains, bringing the total number to 91,966, representing an increase of 14.39 per cent over the previous year.

The net profit, after providing for Depreciation and Taxation, amounts to Rs 26.57 lakhs as against Rs 23.82 lakhs for the previous year. After setting aside Rs 1.02 lakhs for Tariffs and Dividend Control Reserve and Rs 1.04 lakhs for Reserve to augment production, the Depreciation amount is raised to Rs 13.04 lakhs from Rs 11.59 lakhs; Development Reserve to Rs 6.54 lakhs from Rs 6.32 lakhs and Contingency Reserve to Rs 1.42 lakhs from Rs 1.01 lakhs. The provisions for Taxation are, however, lower at 6.87 lakhs against Rs 7.38 lakhs and Dividend Equalisation Reserve at Rs 1.65 lakhs against Rs 2.50 lakhs. The directors have proposed a final dividend of Rs 5.50, making a total of Rs 8.50 per share, taxable, for the year as against Rs 8.00 per share, taxable, for 1959-60.

Minerva Mill Skips Dividend Again

The Minerva Mills Limited has reported a net profit of Rs 55,978 for 1960 as against a loss of Rs 14,285 incurred in the preceding year. These figures are arrived at after providing Rs 6.37 lakhs (Rs 3,678) for Depreciation. The directors have transferred Rs 1.09 lakhs from General Reserve and Rs 60,000 from Investment Reserve to provide Rs 2.16 lakhs for arrears of octroi duty and cess on cotton and Rs 8,632 for arrears of bonus. The dividend has been passed over again.

The company has been granted a loan of Rs 45 lakhs by the NIDC to finance the second phase of renovation and modernisation.

India Cements Pay One per cent More

India Cements Limited has earned a net profit of Rs 42.48

lakhs for the year ended 31 March 1961 after providing for Depreciation of Rs 30.10 lakhs. In 1959-60, the net profit was Rs 48 lakhs after setting aside for Depreciation of Rs 18.68 lakhs. A transfer of Rs 24 lakhs from the Mortgage Loan Redemption Reserve, no longer required, has been made to the profit and loss account. This has enabled a credit of Rs 30 lakhs to be given to the General Reserve.

Development Rebate Reserve gets Rs 2.74 lakhs. On the last occasion, the charge on this account was as much as Rs 33.37 lakhs. The Gratuity Reserve got besides Rs 50,000. There was no provision for Taxation. The latest allocation on this account is Rs 9.20 lakhs. The directors have proposed a final dividend of 6 per cent, making 12 per cent, taxable, as against 11 per cent, taxable, paid for 1959-60.

Balanoor Tea Reports Higher Profits

The tea crop of Balanoor Tea and Rubber Company Limited in the year ended 31 March 1961 was larger at 4.96 lakh pounds as against 3.38 lakh pounds in 1959-60. The rubber crop was, however, slightly smaller at 38,362 pounds against 42,719 pounds. With the realisation of better prices, the net profit, before providing for Depreciation and Taxation, is higher at Rs 3.84 lakhs as against Rs 2.54 lakhs for 1959-60.

The provision for Depreciation is Rs 39,126 (Rs 39,542) and Development Rebate Reserve Rs 3,725 (Rs 4,380). Taxation claims Rs 1.45 lakhs (Rs 40,000), while the transfer to General Reserve is Rs 13,990 (nil) and Dividend Equalisation Reserve Rs 50,000 (nil). A taxable dividend of 12 per cent is recommended on a capital increased by the issue of equity shares as against 15 per cent paid on the original capital.

Lakshmi Mills Fare Well

In its Golden Jubilee year, Lakshmi Mills Limited has reported a sharp increase in the net profit, before providing for Depreciation and Taxation, to Rs 90.12 lakhs from Rs 66.55 lakhs in spite of higher prices paid for raw cotton, higher wage costs and a cut in the prices for yarn. It is stated that the better working results were made possible on account of judicious purchases of cotton and suitable changes in the spinning programme.

The amount provided for Depreciation is Rs 18.18 lakhs (Rs 16.64 lakhs) and Development Rebate Reserve Rs 2.09 lakhs (Rs 3.75 lakhs). The transfer to Gratuity Reserve is Rs 5.50 lakhs (Rs 1.00 lakh). The Depreciation Reserve got Rs 3.20 lakhs and the Contingency Reserve Rs 1.00 lakh in 1959-60. To mark the occasion of the Golden Jubilee, a dividend of 10 per cent on the Ordinary capital

was paid in April. A final dividend of 20 per cent is to be paid, making the total distribution for the year 30 per cent as against 20 per cent previously.

The company has a large renovation programme on hand. The two units in Coimbatore are being modernised at a cost of over Rs 60 lakhs. Apart from changing the draft systems and installing other new types of machinery, it is also proposed to replace the existing 200 ordinary looms with automatic looms. Besides, a staple-fibre unit with 24,000 spindles is being constructed at Palladam, while permission has been received to establish a waste spinning unit.

In the weaving section in Coimbatore, an additional 96 automatic looms are expected to be installed before the end of 1962 at a cost of Rs 16.20 lakhs.

Devon Tea Pays 12 per cent on Increased Capital

The Devon Tea & Production Company Limited has also recorded an increase in the net profit from Rs 67,398 to Rs 2.52 lakhs for the year ended 31 March, 1961. The provision for Depreciation is Rs 27,079 (Rs 23,733) and Development Rebate Reserve Rs 1,152 (Rs 411). After providing a sum of Rs 24,000 (same) for Taxation, the directors have recommended a taxable dividend of 12 per cent on the increased capital as against a taxable dividend of 15 per cent on the original capital.

The outturn of tea is lower at 2.98 lakh pounds against 3.02 lakh pounds, while the coffee crop is weighed 111 tons against 38 tons.

Kailas Rubber Pays 25 per cent

The Kailas Rubber Company Limited has earned a higher net profit, before taxation and depreciation, of Rs 7.81 lakhs for the year ended 28 February 1961 as against Rs 6.36 lakhs. The provision for Depreciation is Rs 60,387 (Rs 51,378) and Taxation Rs 3.20 lakhs (Rs 2.25 lakhs). The transfer to Debenture Redemption Reserve is Rs 1 lakh (same). The directors have recommended a final dividend of 15 per cent, making a total of 25 per cent as against 22½ per cent, both taxable.

A rubber crop of 10.18 lakh pounds was harvested against the estimate of 9.35 lakh pounds. The estimate for 1961-62 provides for a crop of 9.35 lakh pounds.

Western India Plywoods Pay 2 per cent less

The Western India Plywoods Limited has reported a slight increase in earnings for the year year ended 31 March 1961 to Rs 18.16 lakhs from Rs 16.09 lakhs for the previous year. The provision

for Depreciation is higher at Rs 10.05 lakhs against Rs 2.02 lakhs; but the amount set aside towards Development Rebate Reserve is small smaller at Rs 35,520 against Rs 11 lakhs. There is a transfer of Rs 1.50 lakhs (nil) to the Reserves. The dividend on the Ordinary shares is reduced to 10 from 12 per cent.

THE PUNJAB NATIONAL BANK LIMITED

(REGD. OFFICE: PARLIAMENT STREET NEW DELHI),

Capital Department,

Parliament Street,

New Delhi.

July 24, 1961/Stravan 2, 1883

(Saka).

The Directors of the Punjab National Bank Limited have decided to issue 7,50,000 shares of Rs 10/- each at a premium of Re 1/- per share in the proportion of 3 shares for every 5 shares held for which consent of the Controller of Capital Issues has been received. They have also decided to pay an Interim Dividend for the current year @ Re 1/- gross per share, to its shareholders whose names appear in the books of the Bank as on 2nd September, 1961. The Share Transfer Books will be closed from 18th August to 2nd September, 1961 both days inclusive, for both the purposes.

The Interim Dividend will be payable at the registered office of the Bank at New Delhi on or after 11th September, 1961.

By order of the General Board of Directors,

A. M. WALKER

GENERAL MANAGER

Note:—Shareholders are requested to intimate change of addresses, if any, to the Bank immediately.

THE TITAGHUR JUTE FACTORY COMPANY LIMITED.

In view of the uncertain position of the Jute Markets the Directors have decided to defer consideration of any dividend of the ordinary shares for 1961 until the results of the full year's working are available.

The Directors have declared on the preference shares the dividend at the rate of 6% per annum for the half year ended 30th June 1961. This dividend will be paid on 25th August 1961, less Income Tax at 7/9d per £ and the Transfer Books will be closed from 1st to 25th August 1961, both days inclusive.

J. G. WALTON,

Secretary

DUNDEE, 25th July, 1961.

29 July 1961

Quoted Shares

Preference Shares

CALCUTTA

NAME	Paid-up per Share.	Quotation as on 22-7-61
BANKS		
Allahabad 6% ...	100	96.50
Bank of India 5% ...	50	16.00
COAL		
Asso. K'pura 4½% ...	100	50.50
Bharat 5½% ...	100	34.00
Borrea 6½% ...	100	66.55
Burrakur 7% ...	100	99.00
Burrakur 6% ...	10	7.25
Equitable 6% ...	100	80.00
Ghustick & Muslia 5% ...	100	100.00
Gourangdi 5% ...	100	40.00
Karapur 5½% ...	100	55.75
Khas Kajora 5½% ...	10	6.95
N. Beerboom 7% ...	10	10.50
N. Churulia 5% ...	10	5.08
N. Huntodih 6% ...	100	45.00
Ondal 6½% ...	100	64.10
Parasea 5½% ...	100	44.50
United Colliery 5% ...	100	64.50
COTTON		
Basant 6½% ...	10	8.37
Bengal-Nagpur 7% ...	100	75.00
Bharat Commerce 9% ...	100	100.00
Bowreah 8% ...	100	94.80
Bowreah 7% ...	100	71.00
Edwin 8% ...	100	100.00
Edwin 5% ...	10	6.97
Jagatjit 5½% ...	100	73.75
Jiyajerao 5½% ...	100	88.50
J. K. Cotton 6% ...	100	86.80
J. K. Rayon 6½% ...	100	100.00
Kesaram 7% ...	100	104.00
Kesaram 5½% ...	100	86.00
Muir 6% ...	100	73.75
N. Victoria 3% ...	5	3.50
Orissa 5% ...	100	65.00
Shree Madhusudan 4½% ...	100	79.00
Shree Niwas 4% ...	100	48.80
Shree Bhawan 6% ...	100	69.00
Swadahi 6% ...	100	73.23
JUTE		
Agarpara 7% ...	100	91.00
Alexandra 7% ...	100	88.00
Alliance 6% ...	100	66.00
Anglo-India 7% ...	100	92.50
Auckland 6½% ...	100	72.00
Auckland 4½% ...	100	58.00
Bally 7% ...	100	93.25
Barnapore 5% ...	25	39.50
Balvedere 7% ...	100	90.00
Bengal 5½% ...	100	53.00
Birsa 7½% ...	100	90.00
Birsa 5½% ...	100	91.00
Budge-Budge 7% ...	100	81.93
Calcutta 6½% ...	100	50.50
Chandonian 7% ...	100	80.00
Cheviot 7% ...	100	95.43
Chitavalah 7% ...	100	77.90
Clive 6% ...	100	66.00
Clive 7% ...	100	66.00
Dalhousie 7% ...	100	77.00
Dalta 5% ...	100	86.00
Empire 7% ...	100	69.25
Fort Gloster 7% ...	100	50.50
Fort Gloster 5% ...	100	98.00
Fort William 7% ...	100	64.00
Ganges Mfg. 5% ...	100	92.00
Gourepore 6% ...	100	102.00
Hartings 6% ...	100	82.00
Highly 6% ...	10	10.12
Howrah 'A' Pref. ...	100	10.12
Howrah 7% ...	100	90.50
Hukumchand 7% ...	100	93.00
Kamardhubi 6% ...	100	92.00
Kankarabari 6% ...	100	67.30
Kankarabari 6% ...	100	91.00
Kedarnath 6% ...	100	68.00
Kedarnath 7% ...	100	90.50
Kalyan 7% ...	100	92.00
Khardah 6% ...	100	79.50
MININGS		
Asso. Mining 5% ...	50	27.50
Ch. Mica 5½% ...	100	48.00
Metal Corp. 5% ...	100	99.00
CEMENT		
Dalmia Bharat 6% ...	10	7.16
Jaipur Udyog 3% ...	100	37.00
Kalyanpur Lime 7% ...	100	80.00
Kalyanpur Lime 6% ...	100	100.50
K'dhubi Fire 6½% ...	100	58.20
Orissa Cement 4½% ...	100	35.08
CHEMICALS		
Alkali 5% ...	100	92.00
Bathgate 6% ...	100	19.00
Bengal Chem. 7½% ...	10	12.31
Bengal Chem. 4½% ...	100	66.00
Calcutta Chemical 6% ...	10	7.50
Frank Ross 4½% ...	100	51.00
Smith Stanistreet 10% ...	50	63.12
ELECTRICS		
Calcutta 5% ...	£1	9.06
Dishergarh 5% ...	100	69.00
Dishergarh 4½% ...	100	69.20
ENGINEERING		
Arthur Butler 7% ...	10	10.75
Br. Building 6% ...	100	50.00
Br. Engineering 7% ...	100	100.00
Burn & Co. 7% ...	100	110.00
Burn & Co. 6% ...	100	103.00
India Iron 5% ...	100	90.00
India Machinery 7% ...	100	63.00
Ind. St. Wagon 7% ...	100	113.00
Jessop & Co. 5% ...	100	80.25
J. K. Steel 7% ...	100	100.00
Kumardhubi 5% ...	100	80.00
R. Cruddas 5½% ...	100	84.00
Steel Products 5% ...	10	7.22
Texmaco 5½% ...	100	79.15
Texmaco 5½% ...	100	57.50
Texmaco 6½% ...	100	81.00
MISCELLANEOUS		
Alum. Corp. 6% ...	200	99.50
Alum. Corp. 5% ...	100	70.00
Amal. Dev. 5% ...	100	37.00
Asso. Hotel 7% ...	100	52.75
Bharat Nidhi 6% ...	100	44.87
Birds Investment 5½% ...	100	56.50
Br. Biscuits 8% ...	10	8.68
B. I. Corporation 8% ...	100	108.75
Cal. Cr. Corp. 6% ...	100	34.50
Cal. Cr. Corp. 5½% ...	100	23.50
Calcutta Gas 5½% ...	100	52.14
Calcutta Silk 5% ...	100	49.12
Calcutta Trams 5% ...	£1	7.81
Duncan Bros. 4% ...	100	50.55
Dunlop 6% ...	100	109.00
Dunlop 6% ...	100	79.00
Eastern Inv. 5% ...	100	67.44
Gillanders 5% ...	100	66.00
Godfrey Phillip 5½% ...	100	52.50
Greaves Cotton 5% ...	100	33.86
Greaves Cotton 6% ...	100	48.43
Hindustan Alum. minium 6.3% ...	25	24.37
Hindustan Motors 6% ...	100	214.00

NAME	Paid-up per Share.	Quotation as on 22-7-61
Hindustan National		
Glass 8% ...	100	93.00
Indian Alum. 5% ...	100	66.20
Indian Cables 6% ...	10	34.00
Indian Plastics 5½% ...	100	40.50
Indian Rubber 5% ...	100	59.75
James Wright 6% ...	50	19.75
J. Henderson 5½% ...	100	57.00
K. Bullen 5½% ...	100	57.50
K. Bullen 4% ...	100	55.75
Kusum 5½% ...	100	64.00
Macneil & Barry 5½% ...	100	51.57
Madhya Pradesh Ind. 6% ...	100	93.00
Martin Burn 5% ...	100	86.00
McLeod & Co. 5% ...	100	47.78
1st Pref. ...	100	57.00
McLeod & Co. 5% ...	100	84.00
2nd Pref. ...	100	76.00
Metal Box 6% ...	100	76.00
National Rubber 6% ...	10	2.35
National Tannery 5% ...	100	74.00
National Tobacco 5% ...	10	66.23
National Tobacco 4½% ...	100	75.00
Nav. Bharat Vanija 100	100	73.00
Rallis 6% ...	100	117.00
Rohas Indus 7% ...	100	57.00
Rohas Indus. 4½% B ...	100	150.00
Sen Raleigh 5% ...	100	67.50
Shaw Wallace 6% ...	100	5.37
Spencer 6½% B ...	10	7.25
Spencer 6½% B ...	10	90.50
Standard Vacuum 6% ...	100	13.50
Union Tobacco 5% ...	100	
OILS		
I. B. Petrol 7% ...	100	89.50
PAPER		
Ballarpur 5% ...	100	112.00
Bengal Paper 7% ...	50	48.50
Bengal Paper 7% ...	100	102.00
Bengal Paper 6% ...	100	61.95
Orient 5½% ...	100	81.00
Orient 5½% ...	100	63.75
Shree Gopal 6% ...	100	95.20
Shree Gopal 7½% ...	100	91.90
Sirpur Paper 6% ...	100	85.00
Star Paper 5% ...	100	65.90
Star Paper 6½% ...	100	85.40
Star Paper 7% ...	100	62.80
Star Paper 7% Con. ...	100	89.00
Titagarh 8% ...	100	99.00
Titagarh 4½% ...	100	73.00
PRESSING		
Bhagwati 5% ...	100	28.00
REAL PROPERTY		
Humayan 6% ...	10	7.00
Regent Estate 4% ...	100	33.50
SAW MILLS		
Bengal Timber 5% ...	100	7.75
SHIPPING		
B-A Steam 7% ...	60	43.87
L.G. Navigation 6% ...	£10	77.00
India Steam 5% ...	100	76.00
SUGAR		
Carew 6½% ...	100	90.00
Cawnpore 8% ...	100	108.00
Jarwant 5½% ...	100	85.00
Mohini 5% ...	100	70.00
New India 7½% ...	100	137.79
Purnabore 10% ...	10	8.85

NAME	Paid-Quotation up per Share.	as on 22-7-61 Rs pP	NAME	Paid-Quotation up per Share.	as on 22-7-61 Rs pP	NAME	Paid-Quotation up per Share.	as on 22-7-61 Rs pP	NAME	Paid-Quotation up per Share.	as on 22-7-61 Rs pP
COAL											
Amalgamated	10	24.50	Auckland	100	158.00	ELECTRICS			Calcutta Silk	10	7.12
Asso. Karanpura	10	5.50	Bally	100	217.00	Agra	100	123.00	Calcutta Trams	10	11.75
Asso. Laikidh	10	5.50	Barnagore	25	127.00	Aligarh	10	8.80*	Cambay Invest. Corp.	100	95.00
Bagdigi Kujama	10	6.50	Belvedere	100	155.00	Bareilly	10	11.37	Cherra Chhatk	5	5.30
Bengal	100	390.00	Bengal	10	10.50	Benares	10	12.62	Clive Row Inv.	10	8.37
Bengal Bhatdee	10	3.48*	Bharat	25	6.12*	Bhagalpur	10	7.00	Darjeeling Rope	10	7.12
Bengal-Nagpur	10	20.19	Birla	100	27.00	Bhagalpur	8	7.00	Duncan Bros.	100	150.00*
Bhagalpore	10	5.00	Budge-Budge	100	124.00	Calcutta	10	15.00	East Anglia Rubber	10	50.55*
Bharat	10	3.94	Calcutta	10	10.58	Cuttack	10	7.62	East Anglia Plastics	10	12.50
Bhowr? Kankanee	10	7.94†	Caledonian	100	142.00†	Dharwar	50	41.80*	Eastern Invest.	100	137.00
Bhulanbararee	10	7.40	Champdany	100	123.00	Disbargarh	100	95.00	Elec. Const.	10	13.87
Bokaro & Ramgur	10	18.00	Cheviot	10	16.69	Jubbulpore	10	11.50	French Motor	20	40.00
Burea	10	24.00	Chitavalsah	10	11.56	Jhansi	10	5.92	Ganges Rope	100	236.50
Burrakur	10	19.87	Clive	10	9.00	Mirzapore	9	6.50	General Tyres	5	6.81
Central India	10	13.44	Dalhousie	100	106.00	Muzaffarpore	10	11.37	Gillanders	10	14.31
Central Kurkend	10	7.00	Delta	100	160.00	Patna	10	10.00	Godfrey Phillips	10	21.75
Churulia	4	2.75	Empire	10	17.50	Shahjahanpur	10	10.75	G. E. Hotel	250	233.00
Dhemo Main	10	7.00	Fort Gloster	100	303.00	Sijua Jherria	10	9.37	Greaves Cotton	100	175.00
East Indian	10	35.50	Fort William	10	25.06	United Provinces	100	122.00	Gwallor Rayon	10	52.50*
Equitable	10	32.12†	Ganges Mfg.	10	11.06	Upper Jumna	10	16.00	Hindus. Alum.	10	14.00
Ghusick & Muslia	10	14.00x	Gondalpara	10	40.00				Hindusthan Develop.	10	8.44
Gourangdi	10	8.50	Gourepore	100	372.00				Hindusthan Gas	7	16.94
Guzdar Kajora	10	6.00*	Hastings	100	119.00	ENGINEERING			Hindusthan Ice	5	1.05*
Hurrididh	10	14.37*	Hooghly	10	19.25	Arthur Butler	10	10.50	Hindusthan Lever	10	47.75
Jainty Central	24	0.44	Howrah	10	20.25	Bhartha Elec.	10	11.87	Hindus. Motors	10	21.94
Jogta	10	1.78	Hukumchand	10	19.50	Braithwaite & Co.	10	35.62	Hind. Nat. Glass	10	8.33*
Karanpura	100	190.00	Indi	124	15.94	Bri. Bldg. & Iron	10	6.08	Hindus. Pilkington	10	27.37
Katras Jherria	10	50.00	Kamarhaty	100	136.00	Bri. Eggs	10	12.19	Hindusthan Twyford	5	11.00
Khas Kajora	10	18.70	Kamarhaty (B)	100	129.00	B. I. E. Consn.	10	33.19	Hindusthan Wire	10	6.82
Kuardi	10	8.75	Kankannarrah	100	72.00	Bridge and Roof	10	52.25†	Hoare Miller	10	5.77*
Lakurka	10	14.00	Kankannarrah (B)	100	68.50	Burn & Co.	100	529.00	Impl. Tobacco	10	12.00
Mahabir	10	11.00	Kedarnath	10	6.62	Calcutta Steel	10	18.00	Indian Alum.	10	35.06
Mundulpore	10	2.62	Kelvin	100	152.00	Chase Bright Steel	10	13.37	Indian Cable	10	37.00
Nazira	10	7.25†	Khaddah	10	17.12	Dalmia Iron	10	10.25	Indian Oxygen	10	39.12
New Beerbhoom	10	24.69	Kinnison	100	180.00	Escorts Ltd.	10	24.69	Indian Plastic	10	9.56
New Churulia	10	5.25	Lansdowne	100	107.00	Guest Keen	10	41.00	Indian Rayon	50	51.00x
New Huntodh	10	5.00	Lawrence	100	168.00	Hindusthan Wire	10	10.00	Indian Rubber	10	16.75
New Manbhoom	10	15.75	Mahabir	100	85.00*	Hooghly Docking	50	118.50	Indian Wood	10	31.62
North-West (F.P.)	10	20.09	Megna	10	12.12	Indian Iron	10	27.82	Isaac Holdens	2	1.25
North-West (P.P.)	74	17.87	Nahati	100	112.00	India Machinery	10	5.87	Ivan Jones	5	2.75
Ondal	10	14.40†	Naskarpura	10	8.84†	Indian Mail Casting	5	4.44	James Wright	1	0.43
Parasea	10	18.00	National	10	18.94	Defd.	1	3.00	James Wright Defd.	100	69.00
Pench Valley	10	19.87	Neilmaria	10	9.62	Ind. St. Wagon	10	99.50	J. Henderson	10	9.50
Pure Sitalpore	10	9.87	New Central	10	19.00	I. Steel Wire I.P.	1	13.94	Jeewanlal	10	2.25
Raneegunge	10	19.12	North Brook	10	26.12	Jay Engineering	10	20.00	John Paterson	10	1.50
Rewa	10	31.00	Nudea	50	46.00	Jessop & Co.	10	20.75	Kalimpong Rope	100	139.00
Samia	10	9.62	Presidency	5	4.94	J. K. Steel	10	38.25	Khandelwal Ferro		
Searsola	24	1.72	Rameshwara	10	8.00	Kumardhubi	3	6.31	Alloys	50	88.06
Seebpore	7	38.00	Reliance	10	5.94	Marshall	2	4.41	Kishore Trading	100	70.00
Sendra	10	8.19	Shree Ambica	10	22.69	National Engg.	10	3.25	Kusum Products	10	10.00
Shree Mahakali	10	3.25	S. Luchminarayan	10	7.00	National Engg.	10	6.37	Macfarlane	5	8.19
South Karanpura	10	9.06	Soorah	10	20.12	National Iron	10	9.06	Macfarlane Defd.	1	1.75
Standard	10	14.00	Union	100	160.00	National Screws	10	6.19	Macneill & Barry	100	103.00*
Union	10	11.62	Waverley	1	4.75	Raymond Eng.	10	8.19*	Madhya Pradesh Ind	10	11.12
United Collieries	10	12.75				Richard Crudas	10	7.50	Martin-Burn	10	27.87
Western Bengal	10	10.44				Saran	4	2.19	Mahindra and	10	19.62
West Ghusick	10	14.00x				Steel Products	34	2.19	Marwar Trading	100	160.00
West Jamuria	10	7.00				Textile Machinery	10	19.00	McLeod & Co.	100	213.00
West Laikidh	10	5.69				Wm. Powell	10	6.50	Metal Box	10	51.15†
COTTON											
Basanti	10	8.37	Assam Sillimanite	10	10.47	FLOUR MILLS			Noradabad Water	10	4.96
Bengal Fine Spg.	10	6.25	Asso. Mining	10	9.27	Bengal	10	44.62	N. I. Cables	10	38.62
Bengal Laxmi	40	26.00	Asso. Mining Defd.	5	4.90	Delhi	10	14.00†	National Pipes and	10	28.56
Bengal-Nagpur	10	4.25	Bisra Stone Lime	10	47.00	Hooghly	10	19.75†	Tubes	10	23.37
Bharat Commerce	10	27.31	Burna Stone Lime	10	0.53	United	10	43.50†	Nat. Rubber Mfg.	10	12.19
Birla Cotton	10	20.00	Christina Mica	10	11.75				Nat. Tannery	10	7.00
Bowrah	10	25.00	Christina Mica Defd.	5	7.75	INSURANCE			Nat. Tobacco	10	20.87
Cawnpore Textile	5	8.75	Indian Copper	35h	5.56	Concord of India	5	10.75†	Nav Bharat Vaniya	10	7.50
Century Spinning	100	587.00	Kangra Valley	100	99.00*	General	25	19.25*	New I. Invest	75	41.50†
Dunbar	10	27.44	Karanpura Devel.	10	17.00†	Hercules	10	24.00	Pearl Invest	10	7.00†
Elgin	10	20.12	Metal Corporation	10	10.12	India Trade	40	29.25	Phillips Carbon	74	20.37
Jagatjit Cotton	10	18.75†	Orissa Minerals	10	45.87	National Insee.	100	344.00*	Phillips India	10	32.87
Jayashree Textile	10	16.00	Sutna Stone Lime	10	16.19	New Asiatic	5	5.84	Publicity Society	4	20.00
Jiyayeeao Cotton	10	12.35				Ruby General	8	9.81	Railis	100	123.50
J. K. Cotton	100	80.00	CEMENT, POTTERY & FIRECLAY			Standard	10	5.00	R. B. Rodda & Co.	10	8.40
J. K. Rayon	10	20.94	A-B. Cement	10	5.00	Triton	25	132.75†	Rohtas	10	19.31
Kesoram	10	37.12	A-B. Cement Defd.	1	0.50				Sahu Properties	5	2.45
Maharaja Shree	100	166.00	Ashoka Cement	10	9.37	Airways (India)	10	5.37	Sen Raleigh	10	24.75
Umaid	100	58.00	Bengal Potteries	24	6.81†	Albion Plywood	10	11.31	Shaw Wallace	10	24.75
New Victoria	24	1.75	Dalmia Bharat	10	11.06	Alum. Corp.	10	16.12	Spencer's Hotel	2	1.56
Orissa Textiles	10	9.37	Dalmia	24	2.06	Amalgam. Devel.	100	50.00	Spencer & Co.	10	18.60†
Rampooria	10	10.81	Dalmia Defd.	1	2.25	Associated Battery	10	34.87	Star Co.	100	80.50
Rampooria Defd.	1	2.50	Shree Madhusudan	10	13.12	Asso. Hotel	10	5.12	Star Trading	25	8.00*
Shree Madhusudan	100	265.00	Shree Niwas	10	8.87	Balmer Lawrie	100	22.25	Siralk	10	9.31
Shree Shwani	10	100.00	Sudaj Cotton	10	12.12†	Bararee Coke	10	15.19	Union Co.	100	76.00
Sudaj Cotton	10	100.00	Swareshi Cotton	10	9.25	Bharat Nidhi	10	8.87	Union Carbide	10	55.12
Swareshi Cotton	10	9.25	Victoria Cotton	10	17.62	Bhartia Co.	100	45.00†	Union Tobacco	10	0.25
Victoria Cotton	10	17.62				Bhartia Sons	10	7.31	Union Tobacco Defd.	5	2.00*
JUTE											
Asarpura	10	10.56	Alkali	10	40.00	Bikar Gypsum	10	15.21	Usha Martin Black	5	7.31†
Alexandra	100	199.40	Bathgate	5	0.87	Birds Investment	10	13.12	Walfords	1	3.19†
Alliance	100	88.00	Bengal Chemical	100	108.00	Bihar Rice	10	2.81	Walfords (P.O.)	1	2.34
Anglo-India	100	183.00	Bharat Starch	10	8.06*	Bri. Blacuts	10	60.25	W. Stockholder	1sh	1.69
			Burna Lime	10	8.50†	B. I. Corps.	5	7.91			
			Calcutta Chemical	10	18.75	British Paints	10	27.00			
			Dharangdhara	100	116.00	Cal. Credit Corp.	10	12.00			
			Frank Rice	6	3.24*	Calcutta Gas	10	4.70			
			Phosphate Co.	100	328.00	Calcutta Investment	100	40.75*			
			Smith Stanistreet	5	15.35	Calcutta Sale	10	7.37			

NAME	Paid-Quotation up per Share.	as on 22-7-61 Rs pP	NAME	Paid-Quotation up per Share.	as on 22-7-61 Rs pP	NAME	Paid-Quotation up per Share.	as on 22-7-61 Rs pP	NAME	Paid-Quotation up per Share.	as on 22-7-61 Rs pP
PAPER MILLS											
Ballarpur	25	38.25	Brooke Bond	10	17.19	North-West Cachar	100	200.00	Coffee Lands 5%	100	71.08
Bengal Paper	25	90.00	Dejoo Valley	10	30.75	Pathemara	10	7.25	Cons. Coffee 6%	25	20.37
India Paper	10	18.94	Dessal and Purbat	100	154.00	Koopacherra	10	15.69	Coonor Tea 6%	100	83.14
Mysore Paper	10	29.87	Unelakhat	10	20.56	Kungamatiee	50	55.00*	Coorg Tea 7½%	5	4.14
Orient Paper	10	35.30	Dhunsari	10	16.44	Sonai River	10	9.12*	Cottanad 7½%	10	10.06
Seshasayee	7½	6.12	Dibrugarh	10	39.62	Tea Producing Co.	10	10.37*	Devon 7½%	100	85.17†
Shree Gopal	10	25.37	Dimakusi	10	27.25	Tilkah	10	10.00*	Heileyburia 5%	100	72.50†
Sirpur Paper	10	14.62	Dudlaghur	10	33.25				Highland 6%	10	7.25
Star Paper	10	12.59	East India	10	20.12	Chittagong Gardens			Kadur Coffee 6½%	10	6.50
Straw Products	10	9.62	Gillapukuri	10	26.37	Kodaia	10	9.25	Karikode 6%	10	6.99
Titagur P.O.	24	3.87	Gohpur	10	16.94	Kornafuli	10	8.06	Kil Kotagiri 7%	10	8.37
Titagur Ordy.	10	36.87	Grob	5	11.19	Oodaleah	10	8.00	Kurchermalia 6½%	10	5.88
U. I. Couper	100	50.00	Hapjan Purbat	10	13.50				Malabar Agri. 6%	20	14.93
West Coast	100	188.00	Hoograjuli	10	25.25				Manimala 5%	10	9.00
PRESSING											
Bhagwati	10	4.87†	Hoolingorie	100	195.00	Baitakhal	10	6.69†	Mer. Rubber 6%	10	7.10
Camperdown	100	101.00	Jayshree	10	24.62	Chundeecherra	10	24.94	Midlands 6%	10	7.20
Hooghly Ganges	10	5.62	Joonkollie	10	20.50	Dauracherra	10	8.44	Miamallay 7½%	25	24.75
REAL PROPERTY											
Bengal Bonded A	500	530.00	Jutibari	10	39.00	Hattikhira	10	9.81	Mysore Amal. 6%	10	6.25
Bengal Bonded B	62½	58.93*	Kyang Tea Seed	10	7.56	Kaliti	10	7.37	Mysore Plan. 6%	10	7.00
Bengal Bonded C	100	96.00*	Kingaley Golaghat	100	157.00*	Lackatoorah	10	18.25	Neelamalal 5%	10	6.05
Bengal Bonded D	12½	12.14*	Krishnabehari	10	10.56	Loobah	10	4.50	Nelliampathy 6%	10	7.28
Clive Bldgs.	150	150.00	Ledo	10	17.00	New Samanbagh	10	19.25†	Nemmeny 7%	10	8.86†
Hindusthan Bldg.	10	3.69	Maud	10	14.00	Patrakloe	100	161.00	Nilambur 6%	10	8.65†
Humayan Prop.	10	11.00	Methoni	10	18.56	Rajnar	10	9.56	Pilgriti Tea 6½%	5	3.80
Humayan Defd.	1	2.19	Moheema	10	11.50	Talapara	100	112.00	Peermade 6%	100	87.50
Midnapore Estate	85	13.62	Mothola	100	445.00†				Pullangode 6%	10	7.75
Regent Estate	10	1.00*	Murphulani	10	24.50	South Indian Gardens			Rajagiri 6%	10	6.45
SAW MILLS AND TIMBER											
Andaman Timber	10	8.87	Murphulani P.O.	10	12.24†	Kotamullai	5	10.50	Rajendra 6%	10	6.48
Assam Saws	3	2.53	Naga Hills	10	19.00				Rajendra 5½%	10	6.48
Bengal Timber	100	14.00	Namburnadi	10	12.87	Terni Gardens			Sangameswar 7%	10	9.75
SHIPPING											
B. A. Steam	100	104.00	New Cinnatollah	100	105.00	Atal	10	7.87	Talayar Tea 6%	10	7.05
Calcutta Landing	10	14.25	New Monkhooshi	7½	19.60†	Belgachi	10	21.12†	Teekoy 6%	10	6.80
Calcutta Steam	10	11.87	Rajgarh	10	23.37	Gungaram	100	165.00	Thamarapally 6½%	5	3.82†
Fraser & Co.	10	10.00	Sadol	10	20.87	Hansqua	10	16.31	T. R. & T. Co. 6%	10	8.89
I. G. Navigation	10	69.00	Seafuji	10	27.12	New Chumta	10	34.75*	Udayagiri 7%	10	9.11†
India Steam	10	8.56	Setolian	10	33.56	New Terai	10	31.00	Velmalai 7%	10	8.20
Port Shipping	10	11.06	Tengpani	10	36.00	Pahargomiah	10	28.00	Waterfalls 6%	10	8.40
SUGAR											
Bairampur	24	2.56	Tezpore	10	18.87	Putinbarae	10	45.00	Woodcote 6½%	5	2.94
Belsund	8½	11.31	Tongani	10	6.44	Tirrihannah	10	60.00	Woodlands 6½%	10	7.45
Bharat	10	16.50	Tycoon	10	39.00				Woodlands 6½%	10	7.22
Basti	100	105.50*									
Carew	10	13.00	Darjeeling Gardens								
Cawnpore	10	13.25	Bloomfield	10	4.06						
Champaran	10	16.94	Chamong	10	9.19	Preference Shares					
Darbhanga	10	14.00	Darjeeling	100	142.00†	MADRAS					
Deoria	10	8.71	Dilaram	100	108.00						
Dyer Meakin	5	33.12	Gleila	10	10.94						
Ganesh Sugar	10	19.22*	Lingia	10	16.62						
Jaswant	10	5.25*	Longview	10	11.25						
Mohini	10	2.12	Margaret's Hope	10	15.56						
Nawabganj	100	60.00*	Mim	100	191.50†						
New India	10	32.00	Nagri Farm	10	26.00						
New Savan	10	5.69	Okayti	100	600.00						
Punjab	100	50.00†	Pashok	10	30.00*						
Purtapore	10	11.65†	Poobong	10	7.37						
Ramnugger Cane	10	30.25	Pussimling	10	8.75						
Ratna	10	1.45*	Runglee Rungliot	100	385.00						
Raza Buland	10	11.75	Seeyok	10	10.87						
Ryam	10	11.75	Singell	100	37.25						
Samastipur	10	10.44*	Singtom	10	5.87						
Shree Ananda	10	10.50†	Seom	10	45.00						
Sitalpur	10	6.44	Sungma	10	15.25						
South Behar	10	3.87	Teesta Valley	10	15.75						
South Behar (Defd.)	2	0.25*	Tukvar	10	7.20						
Sri Hanuman	10	17.00									
S. K. Gyanoday	10	11.56	Dooars Garden								
Shree Sitaram	10	7.12	Banarhat	100	330.00						
Tulsiapur	5	5.06	Baradighi	10	26.75						
Upper India 'A'	100	102.00*	Bhatkora	10	22.50						
Upper India 'B'	25	8.75*	Birpara	100	176.00						
Upper Ganges	10	69.00	Carron	100	145.00†						
United Province	10	15.50†									
TEA											
Assam Gardens											
Amiuckie	10	25.94									
Anand Assam	10	16.50*									
Ananda Bag	10	26.50									
Baghmari	10	24.62									
Barduar Tea	6	8.50									
Basmatia	10	28.58†									
Bateli	5	20.12†									
Betian	10	35.50									
Bishnauth	10	26.00									
Bokakhat	10	13.70									
Bornah Jan	10	19.94									
Borpukhuri	10	15.06									
Cachar Gardens											

NAME			Paid-Quotation			NAME			Paid-Quotation			NAME			Paid-Quotation		
up per as on			up per as on			up per as on			up per as on			up per as on			up per as on		
Share. 22-7-61			Share. 22-7-61			Share. 22-7-61			Share. 22-7-61			Share. 22-7-61			Share. 22-7-61		
Rs. nP			Rs. nP			Rs. nP			Rs. nP			Rs. nP			Rs. nP		
AUTOMOBILES, CYCLES & ACCESSORIES						Ordinary Shares (Non-Cleared)						DYES, CHEMICALS & PHARMACEUTICALS					
Hind Cycles 5% ... 100 65.00*						BOMBAY						Adarsh Chemicals ... 75 96.00					
Hind Cycles 5 1/2% ... 100 75.00*						COTTON TEXTILES						Alembic Chemical ... 100 243.75					
Hind Cycles 5 1/4% ... 25 25.00*						Adoni ... 10 8.20*						Amar Dye Chem. old ... 100 350.00					
Hind Cycles 6% ... 100 78.50						Bradbury ... 50 150.00						Amar Dye Chem. new ... 100 392.50					
Hindustan Motors 6% ... 100 212.00						Burhanpur Tapti ... 100 108.00						Anuh Pharma ... 5 5.00					
Sen Raleigh 5% ... 100 145.00						Coorla ... 100 135.00						Chemo. Pharma ... 25 26.25					
Standard Motor 6 1/2% ... 100 103.00*						Davangere ... 100 116.50						Citric India ... 50 51.00					
Standard Motor 6 1/4% ... 100 103.00*						Dawn ... 50 136.25						Colour Chem. ... 100 332.50					
Standard Motor 6 1/2% ... 100 103.00*						Gaekwar ... 100 205.00						Dharamsi Chem. ... 50 281.25					
Standard Motor 6 1/4% ... 100 103.00*						Gold Mohur ... 100 262.00						Dhrangadhra Chem. old ... 100 129.00					
Standard Motor 6 1/2% ... 100 103.00*						Hindustan F.P. ... 1000 5200.00						Dhrangadhra Chem. new ... 100 111.50					
Standard Motor 6 1/4% ... 100 103.00*						Hindustan P.P. ... 250 992.50						Indian Dyestuff ... 100 466.25					
Standard Motor 6 1/2% ... 100 103.00*						Hukumchand ... 100 170.00						Kemp ... 200 305.00					
Standard Motor 6 1/4% ... 100 103.00*						Induian Manfg. ... 1000 2500.00						Poly Chem. ... 50 217.50					
Standard Motor 6 1/2% ... 100 103.00*						Indian Manfg. ... 500 1050.00						Sirdar Carbonic Gas ... 100 421.25					
Standard Motor 6 1/4% ... 100 103.00*						Jam. Ranjit ... 1000 1500.00						Tata Chemical (new) ... 10 18.08					
Standard Motor 6 1/2% ... 100 103.00*						Jiyajee Rao ... 10 12.00						Ultramarine & Pigments ... 50 109.00					
Standard Motor 6 1/4% ... 100 103.00*						J. K. Cotton ... 10 21.00						Zandu Pharmaceutica] ... 100 111.00					
Standard Motor 6 1/2% ... 100 103.00*						Khandesh ... 1000 1200.00											
Standard Motor 6 1/4% ... 100 103.00*						Khandesh ... 250 375.00											
Standard Motor 6 1/2% ... 100 103.00*						Kothari ... 10 10.00*											
Standard Motor 6 1/4% ... 100 103.00*						Lakshmi ... 250 608.00											
Standard Motor 6 1/2% ... 100 103.00*						Mafatali ... 100 850.00											
Standard Motor 6 1/4% ... 100 103.00*						Mahendra ... 100 315.00											
Standard Motor 6 1/2% ... 100 103.00*						Mahendra (New) ... 40 40.00*											
Standard Motor 6 1/4% ... 100 103.00*						Model ... 250 70.00											
Standard Motor 6 1/2% ... 100 103.00*						Modern Mills ... 50 80.50											
Standard Motor 6 1/4% ... 100 103.00*						Navsari Cotton ... 100 216.25											
Standard Motor 6 1/2% ... 100 103.00*						New City ... 100 145.00											
Standard Motor 6 1/4% ... 100 103.00*						N. Kaiser-I-Hind ... 100 62.50											
Standard Motor 6 1/2% ... 100 103.00*						Phoenix ... 100 154.50											
Standard Motor 6 1/4% ... 100 103.00*						Pulgaon ... 10 11.00											
Standard Motor 6 1/2% ... 100 103.00*						R. Motilal ... 100 107.00											
Standard Motor 6 1/4% ... 100 103.00*						Ruby ... 25 62.00											
Standard Motor 6 1/2% ... 100 103.00*						Sassoon Spinning ... 10 62.50											
Standard Motor 6 1/4% ... 100 103.00*						Shree Bhawani ... 10 10.00*											
Standard Motor 6 1/2% ... 100 103.00*						Shree Shubhalaxmi ... 100 125.00*											
Standard Motor 6 1/4% ... 100 103.00*						Swadeshi (Kan.) ... 10 12.00*											
Standard Motor 6 1/2% ... 100 103.00*						Swadeshi (P.O.) ... 10 10.40*											
Standard Motor 6 1/4% ... 100 103.00*						Victoria ... 100 461.25											
Standard Motor 6 1/2% ... 100 103.00*						Vishnu ... 100 155.50											
Standard Motor 6 1/4% ... 100 103.00*						Western India ... 1000 375.00											
Standard Motor 6 1/2% ... 100 103.00*																	
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Standard Motor 6 1/4% ... 100 103.00*																	
Standard Motor 6 1/2% ... 100 103.00*																	

NAME	Paid-up Share	Quotations as on 22-7-61 Rs pP
Laxmi Starch	100	213.75
Madhya Pradesh Ind.	10	14.76
N. I. Fisheries	100	105.00
New India Indus.	100	392.50
Ogale Glass Works	5	5.52
Permanent Magnet	50	87.00
Phillips Carbon	7½	20.00
Rohtas Indus.	10	20.00
Selected Satgram Col- leries	100	135.50
Supreme Industries	100	153.75
Synthetics & Chemis.	100	200.00
Thacker & Co.	50	40.00

Ordinary Shares (Cleared) COTTON TEXTILES

Ahmed Advance	100	191.00
Apollo	2	1.70
Azam Jabi	100	70.50
B. R. Cotton	100	48.00
Bombay Dyeing	25	67.30
Central India	100	122.50
Century	100	682.50
Edward Textile	200	297.50
Edphinstone	50	76.50
Finlay	100	317.00
Gokak	100	185.50
India United	10	15.32
India United (Debt)	1	1.84
Indore	100	158.00
Khatav	100	568.75
Kohinoor	100	292.00
Minerva	100	80.00
Morjee	100	410.00
Mysore	50	71.00
New Great	100	214.50
Osmanshahi	100	65.00
Podar	100	144.00
Shrinivas	100	254.00
Simplex	50	198.00
Standard	100	1322.00
Swadeshi	100	286.25
Swan	100	600.00
Tata	25	66.50

ELECTRICS

Ahmedabad	100	87.50
Andhra Valley	100	101.25
Bombay Suburban	100	97.50
Tata Hydro	100	108.00
Tata Power	100	1080.00

CEMENT

Andhra 'B'	10	11.04
A-C-C	100	161.75
Orissa	10	14.64
Shree Digvijay	100	155.00

STEEL

Indian Iron	10	27.70
Mukund	10	27.40
Tata	75	157.25

ENGINEERING

Alcock	100	272.00
Cooper	100	175.00
Larsen and Toubro	10	38.50
Tata Engg. and Loco- motive	100	361.00
Tennaco	10	19.88
Volta	100	287.50

SHIPPING

Great Eastern	10	13.88
Scindia	20	14.00

SUGAR

Belapur	50	253.00
Bhopal	10	24.52
Phaltan	50	128.00
Shree Chango	124	25.25
Walchand	100	170.00

MISCELLANEOUS

Bombay Burmah	125	589.00
B. B. Petrol	1½h	1.24
Hindustan Motor	100	21.88
Indian Copper	2½h	5.56
I. Inv. Trust	100	76.50
National Rayon	100	542.50
Alcon	100	165.50
Union Auto	100	161.00
Union Const.	10	188.00
Ujjainpur	10	88.00
rupur Paper	10	14.60
Sta Chemical	10	74.92
Sta Oil	25	74.50
Imco	100	268.00

For the Investor

INVESTMENT GOSSIP Fresh Doubts

Even after the announcement of a higher dividend by the Indian Iron and Steel Company, the stock market has continued to rule quiet. News came on Tuesday that IISCO has decided to raise the dividend by 10 nP per share, as compared to previous distribution, to Rs 1.60 taxable. The fact that the company has chosen to distribute a higher dividend for the second time in succession for the accounting year ending March 61 seems to have been ignored. According to the preliminary figures released along with the dividend announcement, net profit has increased to Rs 2.23 crores from Rs 2.04 crores. Some of the more important appropriations are depreciation Rs 2.96 crores against Rs 3 crores, taxation Rs 1.66 crores against Rs 64.28 lakhs and reserves Rs 3.11 crores against Rs 2.93 crores. There is still the retention price to be taken into account and when it becomes possible to do so when the appropriate announcement is made by Government, the results may show further improvement. The company's production during the past year reflects the effect of expansion as improvement is discernible in all departments. Production of pig iron, steel ingots and saleable steel has been higher as compared with the previous year. The output of pig iron has increased from 10,53,612 tons to 11,60,576 tons, that of steel ingots from 8,27,072 tons to 9,14,159 tons, while the output of saleable steel has gone up from 6,62,113 tons to 7,18,684 tons. Despatches have increased from 6,67,048 tons to 7,12,1881 tons.

If the stock market has not been able to steady up on this undoubtedly good news, it is perhaps because it has some other matters to worry about. In the first place, there is still the lurking fear that any vigorous onward march of the market will be the signal for the Government to impose some more restrictions which it is said to be keeping ready. Secondly, the austerity measures including a stiff rise of two per cent in the Bank Rate announced this week by the UK, though it is not believed that these measures will have any serious repercussion in India, are nevertheless casting their shadow on the markets presumably in view of the belief that India may have to pay an increased interest on its loans from the UK. Thirdly, the conflagration in Tunisia, the stiffening of the attitudes of both the

US and Russia on the Berlin question and nearer home, Mr Nehru's frequent reference to Kashmir in the past few days consequent on President Ayub Khan's campaign of hatred against India do not seem to augur well for world peace. Although corporate news continued to be quite good, operators perhaps are wondering what the repercussions on the country's economy of the widespread floods will be. Power shortage in some important industrial regions has also made prospects look gloomy.

NEW ISSUE NOTES

Camphor & Allied Products

A new company known as Camphor & Allied Products Limited is being floated with an authorised capital of Rs 1 crore in order to manufacture synthetic camphor. The plant will be located near Bareilly in Uttar Pradesh. It will have a capacity for producing 900 tons of synthetic camphor annually. The company also proposes to manufacture progressively 60 tons of thymol. A technical collaboration agreement has been concluded with the well-known US firm Du Pont with the approval of the Central Government and the Reserve Bank of India. An initial payment of \$25,000 will have to be paid with a royalty for a period of 8 years at the rate of 1.4 cents per lb of camphor produced. The overall capital outlay on the project is estimated at Rs 1.30 crores, which is proposed to be found to the extent of Rs 60 lakhs in the shape of paid-up capital; Rs 48 lakhs by way of long-term loans and Rs 22 lakhs as deposits and loans on raw materials from the banks. The company may come on the market for raising capital sometime next month. It has obtained sanction from the Industrial Finance Corporation for a loan of Rs 18 lakhs. Negotiations are in progress with the Industrial Credit and Investment Corporation for a loan of Rs 30 lakhs.

Air Control & Chemical Engineering

Air Control & Chemical Engineering Company, a new company, is being set up to manufacture the complete range of equipment for industrial air-control, refrigeration and ventilation. The company will have an authorised capital of Rs 5 crores, of which Rs 1.50 crores to Rs 2.00 crores is proposed to be issued. The company expects to enter the market for raising the capital in the last quarter of the current year. The total outlay of the plant, to be located at Siddhpur (North Gujarat) is esti-

mated around Rs 189 lakhs, including a foreign exchange component of about Rs 60 lakhs.

Hindustan Aluminium

The directors of the Hindustan Aluminium Corporation Limited have decided to make a first call of Rs 25 per preference share of Rs 100 on holders of such shares whose names appear on the share register on 18 July, payable on 10 August; and a second and final call of Rs 50 per share on shareholders whose names appear on the register on 21 August, payable on 15 September, 1961.

Jagajit Cotton

The Jagajit Cotton Textile Mills Limited has decided to offer 26,950 forfeited equity shares of Rs 10 each and 1,470 forfeited preference shares of Rs 100 each for reallocation, at par, to the existing equity and preference shareholders respectively, whose names appear in the company's register on 7 August, pro rata on an equitable basis.

Hindustan Wires

The Hindustan Wires Limited has extended the last date for payment of the first and final call on 4,50,000 equity shares of Rs 10 each to 15 August 1961. An interest at the rate of 9 per cent per annum will be charged if the said call is not paid on or before that date.

Blue Mountain Estates

The Blue Mountain Estates Limited has completed the allotment in respect of the issue of 10,50,000 equity shares of Rs 2 each at Rs 2.45 per share. This issue was made in the proportion of one share for every three shares held. The total number of shares available for allotment for those who applied for additional shares was 83,312. These had to be allotted, in terms of the Capital Issue Controller's order, in proportion to the original holdings of the applicants for additional shares. The share certificates will be sent to the shareholders before the first week of August, 1961.

Prakash Spun Pipes

A new company under the name of Prakash Akers Spun Pipes Limited will be formed shortly. Prakash Engineering Company and Rolling Mills, Agra, has finalised collaboration arrangements with the Swedish firm of Messrs A. B. Akers Styck bruk for the manufacture of spun pipes by a new method patented by the Swedish company. This Swedish firm is expected to subscribe to the capital of the new company. A small percentage of the share capital will be issued to the public shortly.

INVESTMENT NOTES

Chemical Plant

A collaboration agreement has been entered into with a leading German designer and manufacturer in the chemical plant industry for the manufacture in India of equi-

ment of sulphuric acid and super phosphate plant. Orders for a sulphuric acid plant have already been obtained and are under execution.

Utkal Machinery

Progress is reported to have been made with regard to Utkal Machinery Limited. Plans for the construction of the factory have been completed. Shipments of machine tools, to be imported, are under way. It is expected that the plant will commence production early next year. Larsen & Toubro Limited has been appointed as sole selling agents for the products of the company.

Audco (India)

A new company under the name of Audco (India) Limited is being formed to undertake the manufacture of lubricated taper plug valves required for the chemical industry. The initial paid-up share capital will be Rs 10 lakhs and the parent company will hold 50 per cent of the shares. The remaining 50 per cent will be held by Audco Limited, Newport, England. The plant will be located at Powel. Production is expected to commence during 1962.

Sayaji Mills

The Sayaji Jubilee Cotton & Jute Mills at Siddhpur in Gujarat is expected to be re-started after a lapse of four years. The mill is now stated to be in a position to operate economically. The Gujarat Government is reported to have accepted the recommendations for putting the mill back into commission.

INVESTMENT BRIEFS

Indian Iron & Steel Company Limited has announced a taxable dividend of 16 per cent for the year ended 31 March 1961. This gives a net dividend of Rs 1.12 as against Rs 1.05 per share for the previous year. Transfer Books will remain closed from 5 August to 28 August, 1961. The annual general meeting will be held on 5 September 1961.

Forest Industries Limited, Madras has reduced the dividend from 20 to 12 per cent, taxable, for the year ended 31 March 1961.

Puththottam Rubber has recommended a taxable dividend of only 7½ per cent for the year ended 31 March 1961 as against as much as 12 per cent paid for the preceding year.

STOCK EXCHANGES

Markets Demoralised

Watch-Dog Writes:

In general, stock markets are filled with a sense of demoralisation. There is indecision in the minds of the operators, who are inclined to restrict commitments. Sentiment, which has already been affected by various uncertainties, has deteriorated further following the dis-

appointment over the moderate increase in the Indian Iron dividend and the subsequent news about the rise in the British Bank Rate. But for some bear-covering and replacement buying at the lower levels, the markets would have witnessed a veritable landslide in values.

Renewed offerings in the speculative issues caused a sharp setback in the values of other shares on the Calcutta Stock Exchange.

After ruling weak till Wednesday, the Bombay Stock Exchange displayed a slightly steadier tendency due to some bear-covering coupled with replacement buying.

Business on the Madras Stock Exchange continued to be restricted in the absence of any incentive.

CALCUTTA

THE local stock market continued to present a sluggish front. With the speculative issues steadily losing ground on renewed offerings, other shares developed a sagging tendency due to sustained liquidation. Apart from the fact that conflicting rumours with regard to the likely announcement of Government measures to check unhealthy speculation retarded any recovery in prices, the decision to offer higher yields on the recent Government borrowing gave rise to a feeling that it would be more expensive to finance trading in stock markets. There were also indications that the Government might not announce the new steel retention prices in the near future.

Technical considerations were an additional factor to induce caution among the bull operators, who preferred to lighten commitments. With the announcement of book closing by the Indian Iron & Steel Company Limited, many operators were anxious to release a part of their holdings in preference to paying the carry-over charges. It, however, looked as if the market might taken a turn after the announcement of the Indian Iron dividend.

But, when the actual announcement of the increase in dividend from 15 to 16 per cent was made, it had only a temporary effect on sentiment, as operators seemed to have been disappointed over the increase in the net dividend by only 7 nP per share. There was, therefore, heavy bull liquidation, resulting in a steady decline in prices. The downward trend in prices was accelerated by the subsequent news of the increase in the British Bank Rate on the thought that India would have to pay more by way of interest charges for any loans that she would take in future from the UK for the Third Plan. Towards the close of the week, however, the market staged a mild recovery, thanks to some bear-covering and replacement buying.

The general tendency in the Gilt-edged market was lower, presumably as a result of the necessary process of adjustment to the new pattern of interest rate, set in motion by the new loans. Short-dated issues and State Loans, however, continued to be in demand and ruled generally

steady. 3 per cent 1986 Conversion Loan was quoted at Rs 71.90.

Bank shares continued to display a firmer tendency following the satisfactory working results released by some of the banks. Punjab National had buyers at Rs 23.50 to Rs 23.87 and United Commercial at Rs 90.75 to Rs 91.50.

In the week's dealings, speculative issues were the worst affected under the lead of Indian Irons which, in turn, were subjected to heavy selling pressure following the disappointment over the nominal increase in dividend for the year ended 31 March, 1961. After opening steady at Rs 27.82, Indian Irons slipped down to Rs 27.48. At this level, the emergence of bull support pushed up the scrip to Rs 27.80 immediately after the announcement of the dividend. But, the subsequent selling pressure brought down the scrip to Rs 26.78 before finishing the week at Rs 26.92. In sympathy, TEXMACO were marked down at one time to Rs 18.40 from Rs 19.05, to finish at Rs 18.50. Britannia were comparatively steady at Rs 12.75, while Jessop were on offer at Rs 19.69 against Rs 20.75. Thanks to the issue of bonus shares, J. K. Steel were the only scrip to remain active throughout. After being marked up to Rs 40 from Rs 38.25, the scrip closed finally at Rs 38.87.

Jute shares continued to remain depressed in view of the obscure outlook for the industry. It was thought that a long period of waiting might be necessary before the industry was able to recoup past losses and stand on its own legs. The only shares, which remained unaffected and continued to rule steady, were Anglo-India quoting Rs 183.50; Ganges Rs 11.06; Kelvin Rs 153 and Nuddea Rs 45.75. Birlas were, however, depressed to Rs 26.75 from Rs 27.06. Howrah to Rs 19.87 from Rs 20.25 and New Central to Rs 18.62 from Rs 19.00.

Coal shares turned rather quiet under the mixed impact of the Plan target, official apathy to make production remunerative and transport bottlenecks. Burrakur were on offer at as low as Rs 19.56 against Rs 19.87; Central India at Rs 13.19 against Rs 13.50 and Western Bengal at Rs 10 against Rs 10.44. The closing rates were slightly better at Rs 19.62; Rs 13.37 and Rs 10.06 respectively. Equitable had sellers at Rs 30.62 against Rs 32.12 and so also New Beerbhoom at Rs 23.87 against Rs 24.69.

Although Tea shares continued to meet with selective buying, there was not a marked increase in the volume of turnover. There was an anxiety to await the statement to be made by Mr Macmillan about the European Common Market at the end of this month.

Textile shares, which had been faring exceedingly well during the past many weeks, had to share the general trend of the market due to general profit-taking. Jay Shree eased off to Rs 15.56 from Rs 16; Bowreah to Rs 24.12 from Rs 25; Dunbar to Rs 26.87 from Rs 27.44; J. K. Rayon to Rs 19.62 from Rs 20.19 and Elgin to Rs 19.87 from Rs 20.12.

Little or no interest was shown in the Sugar section, where dealings remained restricted and prices displayed an easier tendency. Raza-Buland were quoted at Rs 11.25 against Rs 11.75; Carew at Rs 12.94 against Rs 13; Cawnpore at Rs 13.12 against Rs 13.25 and SKG at Rs 11.25 against Rs 11.50. Ramnugger Cane met with some enquiry up to Rs 30.06 from Rs 29.81.

Lack of fresh support and a general disposition to book profits at the recent high levels were reflected in the Miscellaneous section. Following were the price trends of a few selected shares:—

	Week's High	Week's Low	Week's Closing
Orient Paper	35.30	34.90	35.00
Shree Gopal	25.37	24.87	25.00
Sirpur	14.69	14.50	14.50
Asso. Battery	35.00	34.75	34.75
Rohtas	19.44	19.00	19.12
Dunlop Rubber	51.87	50.62	50.87
H. Motor	21.94	21.37	21.69
Alkali Chemicals	41.12	39.75	40.00
Aluminium Corp	16.50	16.19	16.19
I. Oxygen	39.19	38.75	39.15
I. Cable	37.00	36.08	36.37
I. Aluminium	35.08	34.25	34.44
I. Steamship	8.56	8.50	8.53
I. Copper	5.57	5.36	5.36
Isaac Holden	18.44	18.00	18.06
General Tyres	6.81	6.66	6.69
Goodyear	38.87	38.00	38.19

THE INDIAN IRON AND STEEL COMPANY LIMITED

NOTICE

At a meeting of the Board of Directors held today the Directors have recommended payment of a gross dividend for the year ended 31st March 1961, of 16 %, or Rs. 1.60 per share, on the Ordinary Share Capital, subject to deduction of tax at the appropriate rates. This dividend awaits sanction by the shareholders at the Annual General Meeting to be held on Tuesday the 5th September, 1961.

The net profit after provision of Rs. 2,96,46,835 for depreciation, Rs. 1,66,00,000 for taxation and net transfer of Rs. 3,11,13,302 to Reserves is Rs. 2,22,68,363. For the previous year the net profit was Rs. 2,04,23,465 after provision of Rs. 3,00,00,000 for depreciation, Rs. 64,28,000 for taxation and net transfer of Rs. 2,92,92,880 to Reserves.

The Ordinary Share Register and Transfer Books of the Company, as already announced will be closed from the 5th August, 1961, to 28th August, 1961, both dates inclusive, and the dividend if sanctioned will be paid on or after the 6th September, 1961, to those shareholders whose names appear on the Register of Members on the 28th August, 1961.

By order of the Board,
MARTIN BURN LIMITED
F. G. LIVERSEDGE
MANAGING DIRECTOR
Managing Agents.

Registered Office,
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25th July, 1961.

STATE BANK OF PAKISTAN
ISSUE DEPARTMENT:
(In 000's of Rupees).

	Week Ending		
	16-7-61	7-7-61	8-7-61
LIABILITIES:			
Notes in Banking Dept. .	15,50,56	12,63 53	9 64,
Notes in circulation ...	561,91,24	563,90,15	559,38,
	376,69,80	376,60,68	368,02,
ASSETS:			
(A) Gold Coin & Bullion	24,93,90	24,93,90	24,66,
Approved Foreign Exchange	80,95,18	80,95,18	70,66,
India Notes receivable from Reserve Bank ...	43,01,64	43,01,64	43,01,64
(B) Rupee Coin	3,49,45	3,40,33	4,09,32
Govt. of Pak. Securities held with Reserve Bank of India pending transfer	218,39,57	218,39,57	219,60,80

Gold coin & Bullion ...	19.02	19.02	19.02
Starling Securities ...	4,40.63	4,40.63	4,40.63
Govt. of India Securities ...	1,00.90	1,00.90	1,00.90
Rupce coin ...	29.51	29.51	29.51
Total ...	376.69.90	376.69.90	376.69.90

BANKING DEPARTMENT:

LIABILITIES:			
Capital Paid-up ...	8,00.00	3,00.00	3,00.00
Reserve Fund ...	4,15.00	4,15.00	4,15.00
Rural Credit Fund ...	1,00.00	1,00.00	1,00.00
DEPOSITS:—			
(a) Central Govt. ...	13,70.86	2,19.71	13,92.38
(b) Provincial Govts... ..	50.65	3,68.30	...
(c) Banks ...	18,02.67	19,34.39	27,42.97
(d) Others ...	132,23.54	121,75.01	81,32.30
Total ...	163.57.12	146.97.41	163.57.12

Bills payable	...	50.91	...
Other Liabilities	18 67.95	15 78.35	15 22.10
ASSETS:	181,65.18	171,29.78	146,61.10
Notes	...	...	...
Ruppes Coin	15,50,56	12,62,58	9,64,41
Subsidiary Coin	67	66	38
Bills purchased & discoutd.	41	41	28
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. Treasury Bills	...	7	...
Balances held outside Pk.	...	...	...
Loans & Adv. to Govts.	19,00,88	19,17,70	28,05,34
Provincial Governments	7,17,00	3,02,00	12,65,00
Debtor Balances	...	...	...
Other Loans & Advances	34,84	...	7,94,90
Investments	42,68,48	35,29,51	3,74,35
Other Assets	86 15.68	89,65.68	73,49.16
	10,76,66	11,51,17	10,97,40

Total	...	181,65,19	171,29,73	145,61,12
Ration of Gold Coin and Bullion, Silver Bullion, Sterling securities and approved Foreign Exchange of Banks' notes issued, 41'00 per cent.				

SCHEDULED BANKS IN PAKISTAN (In 000's of Rupees).	
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DEMAND LIABILITIES :	30-6-61	33-6-61	30-6-60
(a) General ...	199,07.01	191,86.95	207,30.66
(b) (i) Deposits from Banks	4,43.46	3,59.77	5,73.75
(ii) Borrowings from Banks ...	10,92.67	9,27.14	10,43.35
TIME LIABILITIES :			
(a) General ...	123,74.73	125,27.08	92,34.04
(b) (i) Deposits from Banks	3,88.09	3,38.83	3,95.63
(ii) Borrowings from Banks ...	6,53.70	6,64.58	4,99.01
Borrowings from the State Bk			
(a) Against Usance Bills promissory notes ...	30,37.00	28,98.45	5,78.00
(b) Other Borrowing ...	3,38.96	2,11.56	55.11
CASH IN PAKISTAN :			
(a) Pakistan Notes ...	7,60.78	7,00.30	7,68.91
(b) Pakistan Rupee Coins ...	37.07	33.07	59.08
(c) Pak. Subsidiary Coins ...	12.62	12.15	10.64
BALANCE WITH THE STATE :			
BANKS :			
(a) Principal Office ...	10,99.74	10,30.73	10,10.39
(b) Other Offices and Branches ...	7,40.31	6,79.79	7,15.30
Balances with other banks in Current Account in Paktn.	5,41.33	4,67.46	5,23.33
Money at call & short notice in Pakistan ...	15,17.00	13,62.50	13,32.50
INVESTMENT (AT BOOK VALUE) :			
(a) In Central Govt. Securities including Treasury Bills ...	108,63.07	108,75.15	102,61.68
(b) In Provincial Govt. Securities including Treasury Bills ...	19,17.15	19,17.39	17,54.93
(c) In Others ...	3,41.48	3,33.00	3,12.11
ADVANCES IN PAKISTAN ...	203,00.58	199,75.08	169,81.83
BILLS DISCOUNTED IN PAK.	5,94.94	5,61.49	4,94.58
FOREIGN BILLS DUE. PK.	11,32.09	11,79.49	11,01.01

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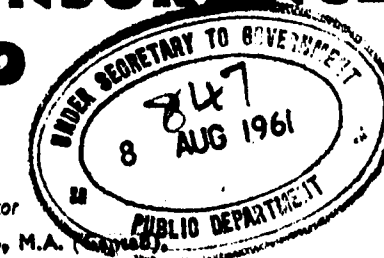
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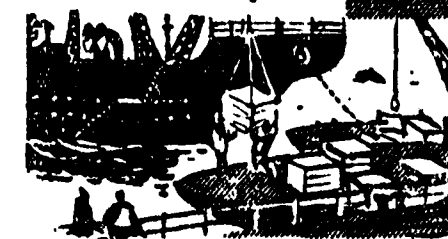
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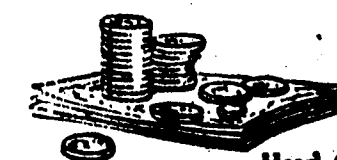


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The Grammar of Development

IN welcoming Ambassador Galbraith to these shores, this journal had expressed the hope that there will be much friendly picking of his brains for our own benefit. We are gratified to find that Mr Galbraith has met us more than halfway in this endeavour by acting on Mr Chagla's suggestion of making diplomacy an instrument of surreptitious education. In three lectures, all delivered within a fortnight at the three oldest seats of modern learning in the country, Professor—rather Ambassador—Galbraith has expounded certain first principles of development that tend to get forgotten in academic and other kinds of narcissisms. We also suspect, despite polite avowals to the contrary, a certain design in the planning of the lectures by which much in-between-the-lines wisdom has been packed for the benefit of Indian planners. Most of such wisdom has been silyly reserved for the last lecture, the first two being, more or less, the thin end of the wedge. Ambassador—rather than Professor—Galbraith may have been responsible for this innocent ruse, though we readily admit that the exigencies of the general argument may have been equally responsible for this ordering of the discussion. However that may be, these three lectures constitute in their sum an important contribution to the grammar of planning.

Professor Galbraith's argument can be briefly summarised as follows: Economic development should be conceived not as jumps across chasms, but as a linear progress along a line "along which the nations of the world are spaced, in their various stages of development." The sharp polarisation between developed and undeveloped nations with an unbridged gulf is factually wrong and psychologically damaging. At one end of the spectrum, if another analogy is permissible, there is the traditional society of the Rostowian model whose needs are—if economic development is at all considered a worth-while ideal—the nucleus of an administrative elite, a minimum programme of education that will spark the 'divine discontent' and a reasonably wayward passion for social justice. These three will lead inevitably to planning of some kind and planning need not be the dirty word it has become in some circles. Capital and technical knowledge and managerial sophistication find their optimum use in societies that are at the other end of the spectrum, where capital is accumulated without much pain, appetite for technical complexity grows by what it feeds on and new managerial skills are acquired and used without tears. In between are nations in various stages of development which need capital but do not have it; have achieved a degree of technical maturity that merely underlines its backwardness and accentuates its hunger for more technology without any ready means of satisfying it; are in a betwixt-and-between situation in managerial needs and fulfilment. These nations are best placed to be helped by imports of capital, technology and organisational techniques, though, here again, the needs and capacity for absorption vary from country to country. Lines of least resistance are a terrible temptation for nations

thus situated and thoughtless imitation of nations further along in the line of development a constant snare. From the point of view of friendly assistance, there is none so poor that he cannot give. Indeed, in many respects, it is the poor that best help the poor.

The most valuable suggestions made by Professor Galbraith relate to what he calls the "unfinished business of modern development planning." He desiderates three aspects of this lacuna in current thinking. First among these is what he calls "a strategy of economic advance." By this he means a preoccupation with the central rather than peripheral urgencies, an imperviousness to importunities of various sorts that are not part of the central strategy of development. "Pressure of individuals, departments and regions" have to be withstood and not the merely useful but the indispensable things should be aimed at. Indian planning has not always stood this test well.

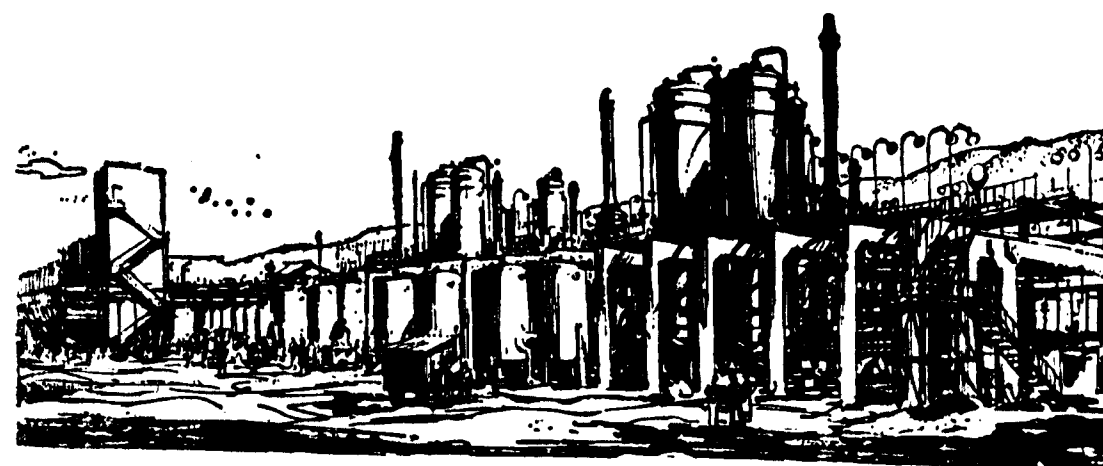
The second requirement is a preoccupation with the "invisible dimensions of achievement." Targets of achievement should be not only in terms of end-products, but in terms of productivity-coefficients, that is to say, in terms of manhour productivity, and cost accounting. Such an auditing provides a more continual scrutiny of our efforts and a continual challenge to our ability. It also performs the task of locating areas of failure contemporaneously and helps efficient use of resources.

The final lack is a theory of consumption. What are the criteria that should govern the quantum and kind of current consumption that ought to be planned for? Since the market mechanism for regulating these is, for good and sufficient reasons, to be abrogated, some other frame of reference for them should be devised. On the face of it, the problem is not formidable for most poor countries. At one end, there are the necessities which are in pitiful short supply, and are easily named as of over-riding importance. But even here how much present self-denial can be demanded in lieu of future felicity is a heart-breaking question. At the other end, there are certain things—Professor Galbraith named Television—which are automatically jettisoned as belonging to another day. But in between these is an area where the choice is not so easy, even if we are unimpressed by theories of consumption as the only true begetter of production.

But any valid theory of consumption should take note of geographical, sociological and even historical factors. It is a particular weakness of Indian planning that it has not done this. Quantitative modes of reckoning growth and the rather insistent peddling of the material rewards of planning have gratuitously thrown away much aid for the Indian temperament and outlook. For instance, the ideal of self-denial and non-attachment could, with advantage, have been grafted into a theory of consumption. This would not only have helped—pace Veblen—better mobilisation of savings, but given a desirable orientation to our planning. Good life rather than good time would then have been the end of planning much to the enrichment of everybody's life.

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MINOR IRRIGATION

Diminishing Returns

THE importance of Minor Irrigation, which has been recognised for a long time, has received added emphasis during the two Plan periods, perhaps as a reaction from the big multipurpose projects which take years to complete and are only partially utilised for many years after their completion. The percentage of area irrigated by minor sources has increased from 59 per cent of the total irrigated area in the year 1920-21 to 65 per cent in 1956-57. In the latter year, out of 55.68 million acres of total net irrigated area, 36.12 million acres derived their irrigation from minor sources.

Minor Irrigation sources are classified under wells, tanks, private canals and other sources. The last item includes small *anicut*s, in the South, *kuhls* in the hilly areas *bandharas* in Gujarat, Maharashtra and Mysore, *ahars* and *pyms* in Bihar and various types of lift irrigation devices. The following table gives the break-up of the area of 36.12 million acres under Minor Irrigation in 1956-57 according to their source of supply.

(In million acres)		
	Area	per cent
Wells ..	16.23	45
Tanks ..	11.10	31
Private canals ..	3.35	9
Other sources ..	5.44	15
Total ..	36.12	100

There are indications that Minor Irrigation has reached its limit and expert opinion is now swinging in a different direction. At least the study of Minor Irrigation by the Programme Evaluation Organisation of the Planning Commission (PEO) suggests the need for caution in drawing up programmes for the Third Five Year Plan.

Even during the Second Plan, Minor Irrigation had reached the stage of diminishing returns. As against the target of 11.2 million acres for Minor Irrigation in the First Plan, the target for additional area to be irrigated during the Second Plan was fixed lower at 9 million acres. But, on the other hand, against the outlay of Rs 85 crores for Minor Irrigation in the First Plan the total outlay envisaged under the Second Plan was Rs 121 crores (Rs 66 crores under agricultural programmes and Rs 55 crores under Community Development programmes.) When the Plan was reappraised in 1958, the outlay under agricultural programmes (GMF) was raised to Rs 92.64 crores, increasing the total to Rs 147.64 crores, without any change in the physical targets. This is an indication of the steady increase over the years of the cost of Minor Irrigation. The cost per acre irrigated in terms of targets of outlay has increased from Rs 75.9 in the First Plan to Rs 164 in the Second. When considering the costs, the high proportion of area under Minor Irrigation should also be kept in view. Minor Irrigation may be less costly than big and medium projects in terms of initial capital outlay. But the operating expenses amount to a substantial figure, especially in the case of wells and tubewells, and this expenditure should be capitalised, in reckoning comparative capital costs. This point is also of relevance in considering the problem of under-utilisation to which the PEO report has devoted considerable attention.

Against the target of 11.2 million acres, the area actually benefited during the First Plan

is estimated at 9.5 million acres. Under the Second Plan, it is estimated that the overall target of 9 million acres will be achieved, the shortfall of 1.5 million acres under the Community Development programmes being compensated by excess of the same order under the GMF (agricultural programme) schemes. It has been suggested that insistence on certain percentage of cost as people's contribution has held up CD programme schemes while the GMF schemes do not call for people's contribution. The rationale of this dual approach to the same problem is not very evident.

Achievement during the first four years of the Second Plan has been of the order of 86 per cent for the country as a whole; this figure covers the wide variation among the States, ranging from 31 per cent in Kerala to 176 per cent in Rajasthan. The following table shows the targets and achievement of the different States during the first four years of the Second Plan period.

State	Second Plan target lakhs acres	Achievement in 1st 4 years lakhs acres	% achievement of target
Andhra Pradesh	4.5	4.3	95.6
Assam	12.1	8.1	66.9
Bihar	17.4	18.8	108.0
Bombay	10.3	6.1	59.2
Madhya Pradesh	7.8	3.4	43.6
Madras	5.0	2.3	45.1
Orissa	3.0	1.2	40.0
Punjab	2.7	4.1	151.9
Uttar Pradesh	12.9	19.2	148.8
West Bengal	3.9	3.1	79.5
Jammu & Kashmir	1.2	N.A.	N.A.
Mysore	3.2	1.3	40.6
Rajasthan	2.0	3.7	176.2
Kerala	2.9	0.9	31.0
Union Territories	1.1	0.5	46.7
Total	90.0	77.0	86.5

(or 88.2 after excluding the target for Jammu and Kashmir)

After drawing attention to the risks of generalising on different aspects of Minor Irrigation, in view of the wide disparity in conditions from State to State as well as among the different regions of the same State, the PEO report has suggested certain issues for consideration. One of these relates to the "under-utilisation of irrigation potential". It is reported that 54 per cent of the irrigation potential of the works in the sample villages taken up for collection of field data remained unutilised in the Kharif crop of 1959-60 as compared to 31 per cent in the Rabi.

In the absence of any precise definition of the concept of under utilisation in relation to different sources, the significance of the conclusions remains largely elusive. The confusion is aggravated when we are told that one of the main reasons for under-utilisation is the lack of water in the irrigation sources. In the case of tanks that have silted up, de-silting operations may cost as much as, or even more than, the original construction. In such cases there is no point relating utilisation to a theoretical estimate of irrigation potential which has nothing to do with the existing state of affairs. The same applies to wells which have gone dry because the water table has gone down or turned saline or kutcha wells which have caved in. Another reason for under utilisation, it is stated, is inadequate rainfall. Surely it is not suggested that the cultivator should irrigate his fields by lift irrigation even during the rainy season! Nor can it be said that supplementary sources of irrigation, like wells or tanks, are superfluous in regions where the annual rainfall is more than adequate. Though the source may be

Indian Finance

utilised only for a few days or weeks, just before harvest or for raising seedlings, they play a crucial role in the agricultural economy in maintaining the level of output.

In the case of tube wells, and pumping sets which have increased to a phenomenal extent in recent years, there appears to be heavy incidence of under-utilisation and a tendency to over-capitalisation and creation of surplus capacity. Most of these are set up with loans from Block Development funds. As the PEO report points out, there is need for correlating the capacity of the pump sets and tube-wells to the irrigational needs of farmers and for a more cautious approach to the sanctioning of loans. The State-owned tube wells also present problems of their own. Most of them have been running at a loss in recent years. While the average hours worked per tube well is below the level required for economic operation, the culturable command area is fixed at too high a figure, resulting in inconvenience to farmers whose fields are situated in outlying parts of the command area. Cultivators also complain about high water charges and inadequate supervision and maintenance of field channels. The report has stressed the need for better public relations and for fixing the command area well within the limits which could be actually irrigated by it.

The problems brought out by the study underline the need for close and careful examination of the programmes for extension of Minor Irrigation in relation to possibilities and requirements of each particular region. Though the need for systematic surveys of the scope for Minor Irrigation has been emphasised by the Planning Commission both in the First Plan as well as in the Second, it is a matter for surprise that few States have undertaken or completed such surveys, or drawn up an order of priorities.

Australia's Changing Financial Structure—I*

AUSTRALIAN monetary policy in the post-war period has emphasized the need for trading banks to concentrate on the provision of working capital only. Over the years, one of the features of Australian development has consistently been reliance upon the banking system for the provision of important capital requirements of industry and commerce. While technically, overdrafts are repayable at call and are therefore of a relatively short term nature, in effect, over a very long period, the traditional position had been for the Australian banking system to provide funds on overdraft on a continuing year-to-year basis. This meant that, although there were fluctuations from season to season, the hard core of the overdraft tended to remain as a relatively long term loan. Emphasis on the need for trading banks to restrict their lending activities to working capital purposes only was a fundamental alteration in what had been a long established practice.

THE SCOPE OF BANKING

It might be argued that the modification to banking controls and the tendencies to concentrate loans on working capital were logical developments in a maturing economy. Be that as it may, the effect of these basic alterations could be seen in the limitation of the scope and activities of the trading banks, which restricted them to a narrowing sector

*Courtesy: A. N. Z. Bank Quarterly Survey, July 1961.

5 August 1961

of the financial field. This took place, and became increasingly effective, at a time when the Australian economy was expanding rapidly and demands for capital, both fixed and working, were rising dramatically.

It appeared that official policy took the view that it was only necessary to control the volume of money through the banking system and there would be little need to bother about developments outside the banking system. This argument was apparently based on a strict interpretation of the theory that "banks create credit".

In a recent article in "The Banker" March 1960, Mr Harold Rose, in analysing the report of the Radcliffe Committee, appointed in the United Kingdom to report on the Working of the Monetary System, under the heading of "liquidity", devoted some time to a discussion of the capacity of banks to create credit, in the following terms:—

"For it is evident from the tone of certain passages in the Report that the concept of 'money' itself is regarded as unsatisfactory in an advanced financial system, presumably because of the existence of highly liquid assets that, although undoubtedly not the medium of exchange, are regarded by the public as very close substitutes for money as a store of value. It is partly because of this reasoning that the Committee prefers to regard the banks not as unique 'creators of money', but rather as a highly important group of lenders, differing not in kind but only in degree from other institutions that lend by creating assets only slightly inferior in liquidity, i.e. in the facility with which they can be exchanged for the medium of exchange without inconvenience and capital loss."

The Radcliffe Committee has thus raised serious doubts as to the complete validity of the theory that banks create credit and therefore are the only section of the financial system which requires full control in the furtherance of monetary policy. Perhaps the most complete acceptance of the "creation of credit" theory has been seen in Australia in the requirement that, while banks must restrict their lending to working capital purposes, businesses must raise their fixed capital by borrowing from the market. In this way, it can be argued, the banks are refraining from adding to the total volume of "money" and the financing of business is being placed on a non-inflationary basis by raising funds from other sectors of the market. By this means, the theory runs, the borrower uses funds which have been made available to him by a lender direct, without influencing the level of bank money and therefore without adding to inflation.

SERIOUS DOUBTS

For some time, serious doubts have been held in Australia as to whether the old theory of control of the volume of money is the complete answer. There has been a growing realization of the need for some form of control of the outside money market and the fringe institutions instead of the placing of all emphasis on control of the banking system.

In his R. C. Mills Lecture, April 1958, Dr H. C. Coombs, Governor of the Central Bank in referring to the expansion of capital raisings, stated "This great flow of funds directly from those holding stocks of money was largely financed by a more frequent use of the existing money supply rather than from an increase in the volume of money itself".

Again, in his Address to the Fifth Summer School of Business Administration, University of Adelaide, 1960, Dr Coombs made the following comment: "A general limitation upon the effectiveness of monetary policy in Australia lies in its inability to exert suffi-

cient influence over the non-banking financial sector of the economy. Monetary policy is not effective in influencing substantially the rate of turnover of the money supply but only its level".

There are clear indications that the Australian pattern of controls has failed to provide the required direction for a rapidly growing economy. These controls have included; monetary control through the banking system, physical control over the balance of payments, through supervision of imports, and fiscal controls through budget and taxation policy, with concentration of the main weight rather on the latter, provided banking expansion can be held in check.

The stage of rapid growth in Australia has been accompanied, not by any dramatic rise in the volume of money but rather by an increase in its activity. This has come about through the proliferation of financial activity outside the banking system, in hire purchase finance, development finance, real estate finance, investment trusts of a multitude of types, and similar activities. This rapid upsurge of financial corporations of one kind and another appears to be no accident. It is the result of the urgent need for capital in a rapidly expanding economy, coupled with concentration on the volume of money theory in the conduct of monetary controls.

The dominance of the volume of money theory is exemplified even in the recent development of a short term money market in Australia. The market dealers obtain funds direct from the trading banks themselves, and from customers of trading banks. Such funds are lost immediately to the banking system, and represent an equivalent loss of cash to the trading banks because money market dealers bank with the Reserve Bank. Payments to these dealers through the trading banks thus involve a debit to those trading banks' accounts at the Reserve Bank, and consequently an immediate loss of liquid funds.

To the extent that the dealers obtain securities direct from the Reserve Bank in the investment of their funds, this loss of liquid resources takes on a relatively permanent nature for the trading banks. This is because there is no compensating disbursement of funds by the government with a wide spread through the community and ultimate return of the funds to the banking system to restore deposits and liquidity. It is only if the dealers purchase their requirements of government securities on the market, or invest in issues of new government securities, that the relevant funds and liquid resources are restored to the banking system. Thus, even this most recent development of the Australian money mechanism involves a measure of control over the trading banks, which the Reserve Bank can exert as and when it wishes to do so.

CANADIAN COMMENT

It would seem to be no accident that informed criticism of the monetary system and monetary controls is appearing also in Canada, another area of rapid development, such as Australia is. The address of the President of the Bank of Montreal in 1960 makes interesting reading, and particularly the section relating to monetary policy. "Last year I raised the question of how long a virtually unchanging money supply should be considered appropriate to, and sufficient for, a period of expanding business activity."

Perhaps it is not too much to state that economic thought tends to follow fashion. To an extent, these fashions may be swayed by the circumstances of the particular times. The fashion of thought that banks create credit, that control of the volume of money through the banking system is virtually all

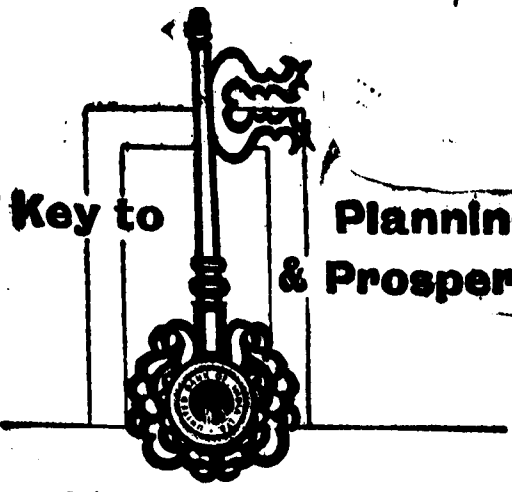
that is required to achieve a stable monetary policy, appears to have run its course in the new countries of rapid development, and to be coming under increasing fire in such countries as Australia and Canada. There are now similar doubts arising in the older established economy of the United Kingdom where any weaknesses in such a policy might be expected to take longer to appear. These doubts have, of course, been raised in a most striking form in the report of the Radcliffe Committee.

There has been much criticism of the rather revolutionary approach of the Radcliffe Committee to the concept of money and credit, broadening the latter to embrace trade and business credit, as being of similar relevance to bank credit in the modern economy. It is therefore interesting to note some of the views of Professor R. S. Sayers, a prominent member of the Radcliffe Committee, in his presidential address to Section F (Economics) at the 1960 Cardiff meeting of the British Association.

"It is this wide concept of liquid assets that we must put, in the place conventionally occupied by 'the supply of money', as the monetary quantity influencing total effective demand for goods and services.

"When all the assets included in this class are reviewed in detail, we find that they include not only the deposit liabilities of banks but also the readily-callable liabilities of a large and widening range of other financial intermediaries. The ease with which these intermediaries enlarge their 'balance-sheet totals' is as relevant to the monetary situation as is the behaviour of those financial intermediaries we call 'banks'. Nor should we limit the range to firms ordinarily regarded as financial intermediaries."

(To be concluded)



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NEW LOAN

RBI Buys Rs 45 Crores' Worth?

IN the returns of the Reserve Bank for 28 July, some indications are available about the kind of success achieved by the second tranche of the Centre's borrowing effort for 1961-62. The first inference is that the Reserve Bank has been called upon to support the new loan in heartier fashion than we had anticipated. The second inference is that its subscriptions are smaller than they have tended to be in recent years. The third inference is that the Centre, its balances replenished with the proceeds of the new loan, has been able to institute reverse ad hocs in sizable sum: that is to say, ad hoc Treasury Bills held by the Reserve Bank have been cancelled before their maturity. The fourth inference relates to the subscriptions of Scheduled Banks, in so far as member banks have drawn down their Reserve Balances for this purpose. The fifth inference is in respect of the strain that the banking system has experienced as a result of Deposits being drawn on by such institutional investors as the Life Insurance Corporation. The clues are culled from the following data taken from the Reserve Bank returns:

- Deposits of the Central Government have risen by Rs 24 crores.
- Rupee Securities in the Issue Department are lower by Rs 10 crores, Investments in the Banking Department by Rs 7 crores and the Reserve Bank's portfolio of Treasury Bills purchased and discounted by Rs 12 crores. In addition, the fact must be borne in mind that, in the same week, the State Bank has sold securities for Rs 7 crores to the Reserve Bank.
- Reserve Balances of member banks stand reduced by Rs 22 crores.
- The Other Loans and Advances of the Reserve Bank are unchanged.

Cash subscriptions, in round figures, have amounted to Rs 105 crores. Of this, immediately traceable is the element of Rs 24 crores represented by rise in the Centre's Deposits. Similarly, item (b) discloses a reduction in Rupee Securities held by the Reserve Bank and relates, we may take it, wholly to Treasury Bills cancelled. The relevant item totals Rs 36 crores. What remains is Rs 45 crores, and this in our view is the magnitude of the Reserve Bank's subscriptions to the new loan. The Reserve Bank would have purchased securities in such an amount; and the Centre would have proceeded immediately to institute countervailing, reverse ad hocs. Thus, the total of ad hocs cancelled during the week may be placed at around Rs 80 crores.

In broad terms we may put Scheduled Banks' subscriptions to the new loan at Rs 20 crores. Unexpectedly, the State Bank has not subscribed; unless this has been concealed by sale of other securities and substitution by 3½ per cent 1968. In the event therefore the

support from the banks (excluding the State Bank) is of commendable proportions. We may presume that the State Bank will, as and when resources gather with it, relieve the Reserve Bank of its holdings of 3½ per cent 1968. Excluding bank subscriptions, but including cash put in by the Reserve Bank, what the public subscribed is seen to be around Rs 40 crores. Of this, the generally held view has been that the LIC would have been responsible for around Rs 20 crores, and the balance from other investing bodies. But it is clear, in any case, that the pressure upon the Deposits of the banking system may have been as high as a drawal amounting to Rs 40 crores. And yet, the banks were able largely to avoid recourse to central banking credit. Why?

The explanation lies in the "easy" conditions that banking is now seen to experience. In the week ended 21 July, net Deposits rose by Rs 9 crores, and Advances fell by over Rs 12 crores. Borrowings from the Reserve Bank were at the nominal figure of Rs 1.92 crores. The inflow of "new" Deposits would partly have offset, and now serve partly to conceal, the magnitude of decline in Deposits owing to the new loan subscriptions. For the rest, apparently cash balances were "expedient"; and temporary recourse to inter bank call money is quite possible. The experience of the State Bank in the new loan week is significant: Deposits are lower by Rs 4 crores, but Advances have declined by like sum. It is possible that the return of Scheduled Banks for 28 July reveals a fall of something like Rs 25 crores in Deposits—though drawals for subscription may have been much more at Rs 40 crores.

Since the new loan, and interrupted again by the demand consequent upon month-early disbursements, money has turned easy. As we had fully anticipated, the Treasury Bill rate at the auctions has declined to 2.4 per cent, and prospects are that it will go down further. Call money after temporarily rising to 2-3 per cent or thereabouts is in sight of finding a new low level. In the face of such easy money conditions; with the certainty that, with industrial production failing to keep up its pace of growth, the contraction in Advances during the slack season will be considerable; and in the light of the clearly discernible upward trend in bank Deposits, a hardening of the gilt-edged market can be confidently expected. Despite the Reserve Bank (or Central Government?) action to push up gilt-edged yields, it is likely that there will be week-by-week appreciation in prices of Government securities.

STATE LOANS

4 per cent 1971— or 4½ per cent 1973?

Thoughts will now be turning to the impending State loans. Their announcements can be expected around the middle of the month, with lists opening toward the end of August. In view of the favourable terms to

the investor of the Central loans, the public will expect a perhaps higher interest coupon from the States. Though a 4 per cent loan should suffice, a 4½ per cent issue is not unlikely. The choice seems to be between a 4 per cent 1971 series, at a discount, and a longer dated loan—perhaps 1973—at 4½ per cent, at a nominal discount. Maharashtra and West Bengal may be emboldened to seek their money at par, or to set their maturity two years longer than the other States. But the success of the State loans, too can be taken for granted—whether 4 per cent or 4½ per cent. And, in either case, whatever the discount, a quick climb to par is to be anticipated. For, such is the kind of easy conditions that the money market is in process of building up.

Then would follow, we expect, the third tranche of the Centre's borrowing effort for the year. Around the end of September, Government may "create" an issue, selling the whole of it to the Reserve Bank for sale through the tap. Such a third tranche would naturally be directed principally at the banking system. The present fashion is for such issues to be re-issues of existing loans. And the state of the money market might persuade the Reserve Bank to think that a short-dated is quite unnecessary. That would be a mistake. As happened in 1959, banks have been coerced into supporting the 3½ per cent 1968; their preference would be for a five—or at the most a six-year loan. We repeat here our suggestion that banks would take kindly to, and buy considerably of, a 3.4 per cent 1966 at par. With decimals part of the economic system, we are no longer compelled to space out the interest rates in intervals of quarters. Divisions of tenths are possible, and hence our suggestion that the third tranche be an innovation: just what the banks want (for a change), instead of just what the monetary authorities think the banks want; an interest coupon in alignment with the existing structure of interest rates; and an avoidance of the instrument of discounts for making the new loan attractive. We would therefore prescribe, as the third tranche, a created issue of a 3.4 per cent 1966 for Rs 40 crores, to be sold to the Reserve Bank at the end of September, and to be made available immediately thereafter from the Reserve Bank tap.

One result of relative stagnation in industrial production has been that governmental borrowing, in the first year of the Third Plan, will have got off to a good start.

SLACK SEASON

Deposits Rise, Advances Fall

According to the Reserve Bank returns for 28 July, the slack season return of funds continues. Active Note Circulation has gone down by Rs 21.19 crores to Rs 1,990.76 crores, and there has been inflow of Rupee Coin in an amount of Rs 1.75 crores. Currency has been contracted against Rupee Securities for Rs 10 crores, and as a result the Reserve Bank's cash in the till has improved by Rs 13.10 crores to Rs 31.15 crores.

Changes in the Banking Department relate mainly to the impact of new loan subscriptions. Thus, the rise in the Centre's Deposits, fall in Reserve Balances of member banks and declines in Investments and in Treasury Bills purchased and discounted by the Reserve Bank are all to be explained in terms of the

new loan. The fall of slightly over Rs 10 crores in State Governments' balances may be attributed partly at least to payments to the Centre. One point remains, and that is the further drain in foreign balances. As shown in the return for the Banking Department, Balances Held Abroad have again moved down by Rs 3.44 crores to Rs 5.03 crores, and thus, for the first time, the Reserve Bank's holdings of Foreign Balances, in both Departments, have fallen below the Rs 100 crore mark. However, the next returns should reflect the purchase of \$250 million of currencies from the International Monetary Fund.

The slack season rather than the new loan has made its impress felt upon the return of the State Bank for 28 July. The total of Advances has shrunk by Rs 4.14 crores to Rs 250.69 crores. New loan drawings have apparently caused a fall of Rs 3.82 crores to Rs 527.49 crores in Deposits. There has been disinvestment in gilt-edged for roughly Rs 7 crores, with the intention probably that parcels of the new loan will be taken from the Reserve Bank tap in the coming weeks. Thus, cash balances are practically unchanged, though Other Assets have moved up by roughly Rs 8 crores. But the State Bank, it is certain, will be making sustained purchases of gilt-edged during the rest of the 1961 slack season.

The return of Scheduled Banks for 21 July shows that there has again been some element of switch from Demand to Time Deposits. The former head shows a drop of a little over Rs 3 crores to Rs 817.51 crores, while net Time Deposits have moved up by Rs 11.81 crores to Rs 1,123.30 crores. Besides, Advances have contracted substantially by Rs 12.22 crores to Rs 1,251.06 crores. The rise of Rs 23 crores in gilt-edged holdings is mostly (Rs 19 crores) on account of the State Bank, but other Scheduled Banks have also started to put their free resources into Government securities. There is but Rs 1.92 crores of debt owing to the Reserve Bank, and balances with the Reserve Bank have shot up by Rs 9.23 crores to Rs 100.09 crores.

BANKS

Earnings Threatened?

There is, we understand, to be a meeting of the Indian Banks Association called for next week. We are of course not aware of what the agenda is. But we are hoping that, whether the agenda includes it or not, the matter of interest rates will be taken up. The evidence about the slackness of the 1961 slack season is too powerful to be disregarded. The return of seasonal money has been consistent, and already adds up to a considerable figure, with the prospect that further contraction in bank Advances will take place during the rest of the slack season. The resumption of the up-trend in bank Deposits is also clear beyond all doubt. Hence automatically, while higher-costing liabilities are on the increase, the quantum of higher-earning assets has been going down.

One hedge available to banks is investment in gilt-edged. As it is, the last week's Treasury Bill auctions has evoked sharp response, with the rate sizably pushed down. Also, the support from Scheduled Banks for the new loan has exceeded earlier expectations. Thus despite reluctance for gilt-edged banks have more or

less been compelled to hedge against the cost of their Deposits.

We would therefore call upon the next week's meeting of the IBA to revise the terms of the inter-bank agreement on interest rates. The possibility of a standing charge on unutilised limits of overdrafts should also be explored. Unless banks in such wise seek to restrict expenditure and add to earnings, the stagnation in the economy during 1961 may well mean a not inconsiderable drop in bank profits during the current year.

The prospect of earnings, during the second half of the year, is downward. There is a limit to what the banks can put by in gilt-edged. We feel banks will inevitably have to think in terms of reducing banking interest rates, particularly on Deposits. With both gilt-edged yields and call and Treasury Bill rates on the decline, banks' self-interest demands action on such lines.

Treasury Bills

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Monday, 31 July 1961. Total amount offered was Rs 3,49,00,000. Tenders at Rs 99.410 per cent and above were accepted in full and those at Rs 99.400 per cent were allotted approximately 96 per cent. Lower tenders were rejected. Total amount accepted was Rs 2,00,00,000 the average rate of accepted tenders being Rs 2.398 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, 7 August 1961. Successful tenderers should make payment on Friday, 11 August 1961. Other conditions are as usual.

During the week ended 28 July 1961 Government of India Treasury Bills for Rs 23,94,75,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from 1 to 5 August 1961 at Rs 99.416 per cent. Sales can be stopped at any time without notice if Government think it necessary.

91 days' Intermediate Treasury Bills sold from 24 to 29 July 1961 amounted to Rs 1,26,00,000.

Sterling is Now Safe

By Paul Einzig

THANKS to Mr Selwyn Lloyd's measures sterling may now be considered to be reasonably safe during the rest of this year. There can be no question of its devaluation, unless of course the trade unions should respond to the measures in the wrong way. It is just conceivable that they might adopt a truculent

attitude persisting in the aggressive demands and trying to enforce them by means of major strikes. A series of such strikes might more than offset the beneficial effects of the proposed defensive measures. Fortunately, thanks to the high Bank rate and the credit squeeze, the trade unions are not likely to be in a fighting mood just now, knowing as they do that as a result of the disinflationary monetary measures their chances of a victory have considerably diminished.

The adoption of the conventional monetary devices makes some difference also from the point of view of the effect of the surcharges. I pointed out in previous articles that if surcharges should be adopted against an inflationary background they would accentuate the wage-price spiral. But if the disinflationary monetary measures, in addition to the other measures, succeed in checking the inflationary trend, then surcharges would also operate in a disinflationary sense, by mopping up consumer purchasing power.

In the circumstances it seems doubtful whether the arrangement of drawing facilities with the International Monetary Fund was really necessary. If the measures taken by Mr Lloyd are effective in checking the wage inflation there is no need for such drawing facilities. On the other hand, if these measures are ineffective the drawing facilities will not be able to save sterling in the long run. It may take some months before it becomes evident whether the trade unions are prepared to respond to the measures in the right sense. Indeed borrowing from the International Monetary Fund may even weaken the chances of a success of the scheme, because the resulting increase of the gold reserve with the aid of borrowed funds will tend to maintain that feeling of complacency brought about by the influx of hot money and the special arrangement under which Central Banks have acquired sterling balances. In face of a real danger to sterling and to the national economy the trade might respond in the right sense. But if they feel that, thanks to the drawing facilities, sterling is now absolutely safe they might be inclined to persist in their present attitude.

The Government's decision to introduce some form of limited capital gains tax next year is hailed by the Labour Party as a vindication of its policy jangling that measure. Actually Socialists have no right to criticise the Government for its delay in resorting to that measure, or for its limited scope, seeing that it was not adopted between 1945 and 1951 during which period the Socialist Chancellors of the Exchequer presented nine Budgets. The fact that it is a Tory Government with a safe majority that is adopting it confirms the impression that whichever political party is in office the policy it pursues must contain a strong element of Socialism.

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Notes

TORES PURCHASE Iniform Policy

The one-day conference of representatives of Central and State Government purchasing agencies held at New Delhi last week, has recommended some important measures to make the stores purchase policy of the Government a more effective instrument in fostering the growth of indigenous industries. It has been found that though the aim of gearing purchase policy to development of indigenous industries has been accepted by the Government and being put into effect within the framework of the existing policy, there were serious defects in existing practices. It was for example pointed out by Mr B. Jopala Reddi, Union Minister for Works, Housing and Supply that purchasing agencies specified different specifications for the same type of equipment, the variations being, often, of a minor character. Clearly standardisation of equipments in such cases would contribute a great deal to economies of manufacture and lower costs.

The multiplicity of rules, procedures, and conditions of contract being presently followed by the purchase organisations at the

Centre and States and semi-Government commercial undertakings had presented great difficulties to trade and industry which are called upon to supply the goods required by Government Departments. One of the important advantages of uniformity in rules and purchase procedures is that it would facilitate a greater measure of centralisation in purchasing policy and thus stimulate development of indigenous industries. The decision taken at the conference to consolidate the requirements of the various Government Departments and to enter into long-term contracts with industry will therefore be welcomed. The problem posed by the existence of independent purchasing agencies in the realm of public sector undertakings could also be solved by the enforcement of uniformity of procedures and standard specifications. It is noteworthy that a sixteen-member committee has been set up to study the purchase practices of various Government agencies and evolve as far as possible uniform procedures, terms and conditions of contracts, keeping in view the specialised nature of purchases made by certain public sector undertakings.

An important matter raised at the conference was the need for issuing global tenders presently being issued by Indian Store Department London and the Indian Supply Mission Washington, from New Delhi. It was explained that such a step would encourage foreign manufacturers to have their own agents in India with whom it would be easier for the Government to negotiate.

TEXTILES

Complex Motives

A reversal of trend in cloth production in order to increase yardage has been decided. The gradual decline of coarse cloth output has helped to raise mill profits and in fact the best mills have long held that coarse stuff does not sell. It is largely with a view to saving on cotton imports that the idea of producing more coarse cloth has been propounded. The changes in public taste are ignored so also the probable loss in excise revenue. Whether exports will not suffer by any change ordered to provide a larger domestic market for Indian cotton is hardly examined. Of course, there is a demand in Lancashire for grey goods, but thick stuff does not

sell well abroad, and the reported cloth shortage is partly due to the rise in wages and the power cuts. The Government has missed the point that the mills do not operate to capacity just because cotton prices declined only after the decision to limit exports and the US cotton surplus appearing bigger than ever.

The Geneva conference on textile problems will have a bearing on a decision to raise coarse cloth production. Defeatism is not dormant at present and a fear of reduced exports owing to quota regulations is presumably at the base of an official decision. But it may also be due to a covert desire to let the handloom industry get a bigger share of the home market for fine fabrics. The complex motives need to be analysed only to suggest that the ostensible reason may not be the genuine one. Though savings on chemicals, dyes, and colours could be secured, the export trade in textiles may not be seriously compromised and the second largest textile industry in the world will try to live mainly on its home market. In a sense, this is a return to the pre-protection position, though one difference may be noted. Cloth and yarn imports had disappeared before the war. But the deprotected industry bears an excise higher than any imposed in the past and the consumer in India can save on tax by buying coarse goods that may be reckoned cheaper. However, the change may help rayon and more rayon goods, with a bigger output of yarn in sight, are assured of a bigger domestic market. That too may help the export trade to some extent, if designs are appropriate. In any case, rayon finds a place in the export trade and what is lost on the swings may be made up on the roundabouts.

SEEDS PROGRAMME Sterile!

The Third Plan banks heavily on the programme for the multiplication and distribution of improved seeds, for the attainment of what Mr S. K. Dey had described as a spine-breaking target of food production. The basic policy in this respect, as well as the contents of the programmes, were laid down in detail at the beginning of the First Plan. After ten years of implementation, a study by the Programme Evaluation Organisation (PEO) of the Planning Commission has highlighted serious deficiencies in the formulation, implementation and achievement of the programmes. In many regions new varieties have been introduced replacing those adopted a few years earlier, without any improvement in the total yield. On the contrary, the proportion of high-yielding varieties of paddy and wheat seems to have declined during the Second Plan. The estimates of increased yield expected from the

new varieties lack a firm basis established by controlled field trials. It has also been found that in only five per cent of the seed farms were all necessary precautions being taken for maintaining the purity of the seed, and ninety per cent of the seed farms were running at a loss. And most remarkable of all, targets have been fixed for distribution of improved seed without caring to fix corresponding targets for their production! Seed farms are not receiving in many cases adequate supplies of breeding stock in adequate quantity and in a few States not even every year.

Owing to lack of comprehensive data, which by the way provides another instance of the failure of planning, this study, like other PEO reports, is based on sample surveys. The findings mentioned above are based on field data collected from 183 villages in 61 blocks selected from 32 districts in 14 States. As for the overall achievement, nothing can be more frustrating than to find, after an elaborate review of the progress under the two Plans with statistics for the concluding years of the First and Second Plans, the following statement: "The figures for the two years as well as for the different States are not comparable, because, firstly, the sources of information are different and relate to different categories. Secondly those for 1955-56 contain a large element of error and possible guess-work". After this one is prepared for anything—even the following: "The question that arises and has often been asked is whether the individual yardsticks of production potential attributed to different programmes are additive or not." Certainly there is no harm in asking!

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ENGINEERING GOODS Export Prospects

One of the new lines of Indian manufactures which has also fairly quickly found an increasingly important place in the export lists is engineering goods, especially light engineering goods. Light engineering goods like fans and sewing machines have established themselves in markets not only in the East but in some of the highly developed Western markets such as the US from India. A delegation of the Engineering Export Promotion Council visited some months ago some of the West Asian and European countries and its findings are that there is ample scope for increasing sizably our exports of engineering goods even in a highly developed country like the UK. Prospects for goods like sewing machines, CI pipes, machine tools, internal combustion engines, and auto engines are particularly good. Although the UK is a highly industrialised country, it imports quite a large number of engineering goods. A fairly large export business in Indian castings can also be built up in the UK. The delegation points out that conditions are conducive to an expansion of our exports of engineering goods in the UK because there is a considerable amount of goodwill in that country toward Indian trade and industry in every possible manner. The fact that imports from India enjoy special preference in tariff will also go a long way toward making Indian goods competitive in the UK market, though this particular advantage will disappear if Britain joins the ECM.

The delegation has also found that there is ample scope for promoting the export of Indian engineering goods in each and every country visited by it—Iran, Greece, Yugoslavia, Italy, Spain and the United Arab Republic. The last mentioned country has recently embarked upon big development projects like the building of the Aswan Dam and there is a growing demand in that country for all types of light and heavy engineering goods. India is in a position to supply a number of items and with the fund of goodwill in Egypt and other Arab countries toward India, it should not be difficult to improve the position of our engineering goods in this region.

But in order to maximise the exports of our engineering goods to West European and Asian countries, concerted action is needed. There are some handicaps like the absence of regular shipping from Indian ports to Greek ports. If we are to compete with other suppliers who are nearer to Greece, our goods must be ensured regular and quick transport. Other handicaps are the high shipping freight from Indian ports to European ports, inadequate publi-

city, absence of bilateral agreements and the absence of a provision for our manufacturers to offer long term credit to importers. This last is particularly required in Iran where the general practice amongst exporters is to give credits varying from six months to six years for almost all engineering products.

The delegation also reports that good business in a number of engineering goods can be built up even in the comparatively developed countries of Europe. The fact that these countries are within easy reach of the big manufacturing centres of Europe should not discourage us from exploring the markets in these countries because, as the Delegation has found, our products have advantages which render them competitive.

COMMERCE EDUCATION A Liberal Bias

Commerce education in the country has grown apace in the course of the past seventy or eighty years. Today there are as many as 400,000 persons either taking instructions or appearing for one type or another of commerce examinations. Over and above this, about 200,000 persons are studying in private commercial institutions, while about 100,000 students are studying in the recognised commerce institutions at the school and higher secondary level and preparing themselves for examinations recognised by Government. Commerce as a subject is taught in 35 universities with an annual intake of about 22,000 pupils for the B.Com course and about 2,000 pupils for the M.Com. course. The professional institutions have over 18,500 students appearing for their examinations.

The very fact of the rapid growth of institutions imparting commerce education and the increasing number of students seeking a degree or diploma in commerce is indicative of the growing demand for persons with commerce qualifications from industrial, trade and commercial institutions. Even so, it cannot be gainsaid that the general feeling among employers is that there would have been little difference in the position if there were no commerce education as obtaining now in the country. For while a specialised education in some commerce subject is certainly considered useful, a liberal education is deemed quite essential. It will be no exaggeration to say that employers who, for all practical purposes, are the final arbiters, think that the various courses conducted especially at the pre-university and university levels are not so designed as to produce persons who will readily fit in the various cadres in business and Commercial organisations.

In recent years some attempts have been made to assess the value of commerce education as it obtains in this country. Perhaps the Radhakrishnan Report on University Education is the first to point out that the objectives of the commerce courses in the universities are not clear. The special committee for Commerce Education whose report was recently published was appointed in 1958 by the Minister for Scientific Research and Cultural Affairs in his capacity as Chairman of the All-India Council for Technical Education. This committee comprised of 16 members and was headed by Dr V. K. R. V. Rao. Two of its terms of reference were to enquire into and report on the present position of commerce education in India in all its aspects and suggest measures for its re-organisation and improvement. The aim of instituting this enquiry was to find out how to provide sound and reasonably uniform system of commerce education suited to the needs and resources of India's developing economy.

The recommendations of the committee are based mainly on this is that the primary objective of commerce education must be the imparting of liberal education of the kind as is available to graduate in other subjects. As a matter of fact it wants the B.Com. to be less of a specialised degree. Specialisation in particular subjects should begin only in the post-graduate stage. As far as the B. Com. is concerned it should be a degree "which without losing its basic utilitarian character of commerce education, increases the commerce graduate's ability to express himself lucidly and with logic and at the same time, stimulate in him initiative, confidence and analytical ability, as also build up his character and make him aware of his social responsibilities." A B.Com. degree based on a liberal education but having a strong bias toward some knowledge of business and commerce will meet the requirements of employers who are looking for personnel capable of assuming positions of responsibility. The committee has not ignored the need for the commerce education to meet the demand for clerical and other personnel at the lower levels. This demand is best met by a proper course of commerce education at the pre-university level. The Committee has rightly set its face against introducing what may be called the commerce stream in secondary education and its recommendation is that commerce as a subject should be begun only in the 11th class. For meeting the personnel requirements in the lower levels of the government administration and business the institution of a new diploma termed the National Diploma in Commercial Practice is recommended. This is not however to be competitive with or imitative of the B.Com. examinations.

SUGAR Surfeit

While the sugar mills believe that a surplus is hard to sell now, the Food Minister is pleased that India has renewed export business. The issue now is whether a target of 3.5 million tons a year is justifiable, having regard to current experience and costs of production. The expansion of capacity and the licensing of new factories has produced pessimism which Mr Patil could not remove. Three more co-operative factories in Madras are promised. But why, it has not been asked, when the State can buy the surplus sugar available from Andhra.

The point about falling consumption of sugar should perhaps be linked with the fall in jaggery prices this year and the proportion of tax to the actual cost of sugar. Consumer resistance in such cases can develop easily, and it is patent that the huge prospective carry-over has not depressed retail prices. Flood and other factors cannot be ignored nor can one fail to see that in some areas cane supplies will be larger in the season. Rationalisation in the industry by keeping down the cost of cane or using by-products to advantage is distant, for one thing is known to all. Protection has placed the cane grower in a position to limit profit margins for manufacturers and the consumer is only an object of taxation: instead of paying import duty on Java sugar, he is forced to pay excise duty and sales tax.

The Indian tariff problem once was examined from the aspect of burdens on the consumer and the finding was unfavourable to the official policy adopted after 1932. But that does not concern the Indian sugar mills which have not yet surveyed concentration possibilities by a new look at location. The more efficient and bigger units can work well if cane cultivation in unsuitable areas is reduced steadily. The sugar industry was fostered without regard to the fact that cane is wholly a tropical crop. The continual review of costs and prices can help the consumer more than the manufacturer today. But much depends on the growth of the soft drink habit and the extension of confectionery manufacture, assured of locally made essences and cordials. The solution appears to be larger offtake at home, not casual quota for export, even as in the case of groundnut oil which cannot be sold abroad at present prices.

Calculations Gone Away

The prospect for the sugar industry has become a subject of anxious concern for the country in view of the embarrassing problem of undisposible stocks which the

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industry is facing owing to the excess production of sugar during the 1959-60 season. In his address to the 28th annual general meeting of the Indian Sugar Mills association held in New Delhi, early this week, Mr D. D. Puri, Chairman of the ISMA gave pointed expression to such concern and called for adequate measures to help the industry toward stabilised growth. Mr Puri developed his theme, which was the need for a revised policy on the part of the Government toward the sugar industry, in the light of the factors that have led to excess production of sugar during the 1959-60 season and the adverse consequences that this spelt to the sugar mill industry.

Production of sugar at 2.42 million tons during the 1959-60 season represented an increase of 500,000 tons or 26 per cent against production in the previous season. As compared with the Second Plan target of 2.25 million tons, this represented excess production of the order of 170,000 tons. The extent of excess production was further enlarged by the behaviour of consumption which has remained practically stagnant. Though the consumption target fixed in the Second Plan was 2.25 million tons, it has been found that consumption during 1959-60 amounted to only 2.05 million tons.

In the light of the difficulties experienced by the sugar industry in disposing of the production of the 1959-60 season, the signs of production that are developing for the 1960-61 season have ominous forebodings. It has been estimated that at the present rate of crushing, production of sugar during 1960-61 will shoot up to nearly 3.0 million tons. Already production is estimated to have reached a level of 2.95 million tons and a further addition of 25,000 tons is expected before the year comes to a close. The problem of the carryover of stocks that is inherent in this is of graver magnitude than that posed by the record production at the end of the Second Plan. Prospects for any help from increase in consumption can, for all practical purposes, be discounted in view of what Mr Puri has stated to be the lethargic pace of current off-take of sugar from the factories. On the basis of a consumption 2.04 million tons which is considered realistic on the basis of the current off-take, the stocks with the sugar mills out of the current season's production, at the time of the next crushing season is placed at 1.47 million tons.

While the immediate problem before the sugar industry is that of disposal of this production, the manner of its emergence and the consequences it has led to, raise some vital questions about Government planning in the sugar industry. One vital defect of such planning was the erroneous basis of calculation of sugar production capacity in the mill sector. The

fact that with an officially estimated capacity of 2.15 million tons, the sugar mills should have produced sugar of the order of 2.42 million tons lends validity to Mr Puri's argument about the erroneous basis of the Government's calculation of the production capacity in the sugar industry. What seemed to have upset the calculations of the Government was the underestimate of the duration of the crushing season for the Second Plan period. It has been pointed out by Mr Puri that while the duration of the season to form the basis of the Plan calculations was fixed at 120 days, the average duration during the last five years was 136 days. In view of the embarrassing overproduction of sugar that has been experienced, there is clear need for a reassessment of the production capacity in the sugar industry.

The difficulties now being experienced by the industry in disposing of the excess production also raise questions about the validity of fixing the Third Plan target for the sugar industry at the high level of 3.5 million tons. The stagnant nature of sugar consumption has, for one thing, rendered the assumptions behind the fixation of the Third Plan target for the sugar industry extremely dubious. The Plan target of 3.5 million tons also include a quantity of 500,000 tons for export. How far exports are feasible is also a question that has to be answered in view of the high cost of production of Indian sugar and the loss that subsidised exports would involve to the exchequer.

One thing about which there can be no disagreement of views is the need to improve the cultivation of sugarcane the yield per acre of which in India compares very adversely with yield in the foreign countries. Exports of Indian sugar cannot be sustained on a permanent level without raising the competitive strength of Indian sugar in the world market. This calls for imparting greater vigour and energy into the implementation of development schemes for sugarcane.

LABOUR

An Unusual Strike

The strike last week by the employees of the oil companies in Calcutta holds a lesson for the Labour Ministry. The proposal to transfer the provident fund of the employees from Burmah-Shell to the Regional Provident Fund Commissioner was probably well-meant but the employees' reaction was definitely adverse. That a strike could arise from a change, meant to bring Burma-Shell employees into line with others contributing to provident funds, may cause surprise but for the fact that employees consider administration by an established and disinterested employer superior to Governmental control. In a sense, the

employees' strike is a real compliment to Burmah-Shell though considerable inconvenience was caused both to the Company and its customers. The remedy that may ultimately be adopted is to exempt certain categories of provident funds now administered privately, because of the employees' own well-founded objections. The employer will probably co-operate in securing such exemption at the express wish of the employees, although employees in many industries today might prefer the security of official administration.

That employees of other oil companies decided to help the Burmah-Shell Union in making a stand against the Bengal Government's proposal may prove only that trade unionism has become stronger and solidarity happens to be the watchword. Perhaps there is also a desire to secure the same advantages available from private administration of provident funds on the part of many outside the Burmah-Shell Union at present. It is now established that in regard to certain points, the assent of employers or submission is not enough and the Labour Department must be cautious in dealing with entrenched employees who are aware that in regard to getting loans or repayment of contributions, the employers achieve standards of efficiency unknown to and perhaps unattainable by Government.

The possibility of an increase in the rate of contribution was probably kept in view by the employees who have now made sure that the transfer of funds would not take place as proposed and the responsibility of private trustees in whom the employees have confidence would be retained. Other strikes in Calcutta might appear to have less justification than that undertaken by Burma-Shell employees, because the latter could cite good reasons for the continuance of private administration. Moreover, the private trustee would be able to employ the funds to the greater advantage of the contributors, as compared with the Provident Fund Commissioner and self-interest, if no other motive, goes far to explain the employees' objections to any change.

EXPANSION

Voluntary Restraint

In his address to the Indian Chamber of Commerce at its quarterly meeting, Mr S. P. Jain, the President of the Chamber, touched on the problems of unemployment and economic concentration and of ways of tackling them. These two are problems which have evoked some amount of discussion in recent times especially in the light of the policies laid down by the Government

and therefore call for some comment.

In respect of the problem of unemployment, Mr S. P. Jain was somewhat critical of the policy indicated in the Draft Outline. It may be readily agreed that the assumptions underlying the Government's policy as laid down in the Draft Outline have been rendered untenable by the findings of the 1961 census, which has revealed an increase in total population which is 7 million more than the projected estimate of 431 million which provided the basis for the Draft Outline. With the increase in the total population revealed in the census, the estimate of new entrants into the labour force given in the Draft Outline has also gone awry. It is now estimated that against 15 million of new entrants into the labour force assumed in the Draft Outline, the actual number of new entrants will be somewhere near 18 million. In these circumstances, the employment policy outlined in the Third Plan will be found to be quite inadequate to cope with the problem of providing jobs to all the new entrants in the course of the Third Plan. It may be pointed out that the employment target in the Draft Outline is of the order of 14 million including 10.5 million in the non-agricultural sector and 3.5 million in the agricultural sector. In the light of upward revision of the figure for unemployment at the end of the Third Plan, the employment policy of the Government would also call for proper revision.

In a way, the solution of this problem will be rendered somewhat less difficult by a policy of greater decentralisation in industrial growth. Mr Jain has also referred to the need for encouraging smaller entrepreneurs, though the context for this particular idea in Mr Jain's speech was provided by the Government's recent concern over concentration of economic power. Mr Jain has suggested a scheme of voluntary self-denial by big business. It should not embark upon projects in conventional industries and smaller size undertakings in areas already developed. Restraint is also desired in the development by the big business, of ancillary industries in fields which can conveniently be developed by the large number of smaller entrepreneurs. It may be pointed out that Mr Jain's suggestion in respect of the development of ancillary industries by the smaller entrepreneurs is accepted Government policy though in actual implementation there is considerable scope for improvement. The automobile industry in which the manufacturing firms still account for a major part of the automobile components may be cited as an example. Also smaller enterprises are being actively encouraged by the Government by denying licences for setting up

for example, a trend toward small sized firms is being actively encouraged by the Government in its Third Plan schemes for the industry and a major part of the plan target for additional production is envisaged to be contributed by the smaller firms.

CEYLON

An Imposing Array of New Levies

The drastic tax measures announced by Mr Felix Dias Bandaranaike, Ceylon's Finance Minister, last week could not have come entirely as a surprise to the Ceylonese and many others outside the country, as there have been ample advance warnings of the shape of things to come. One however wonders whether the Finance Minister could not have thought up more effective and generally acceptable remedies other than those he has designed. The latest Budget has disclosed a deficit of Rs 701 million which compares with the deficit of Rs 75 million in 1960-61. A glance at Ceylon's Budgets for the past few years will show that deficit has been progressively increasing. But the anticipated deficit for 1961-62 is quite enormous by any reckoning. The main trouble is that revenue is lagging far behind expenditure. And it is a pity that the Finance Minister has not been able to think up any other way of filling the yawning gap than in imposing array of taxation without due regard to the future development of the economy.

Perhaps the most startling of the new measures is the ceiling on income. The ceiling will be so fixed as to leave a single person after all taxation with a net income of not more than approximately Rs 37,000 per annum. For persons with dependents, the ceiling would vary between Rs 40,000 and Rs 54,000. It is poor consolation that half of the excess income taken away will be returned to the taxpayer in the form of development bonds bearing a tax-free interest of about 5 per cent. All wage earning and salaried persons will now have to pay a development tax of 4 per cent. Self-employed persons will have to pay a registration tax under a graduated scale ranging from Rs 50 to Rs 350 if they are Ceylonese. Self-employed Indians will continue to pay the existing rate of Rs 1,000. The surcharge of 15 per cent on income tax enforced last year continues unchanged. There is a change in respect of the level of tax exemption. The first Rs 2 lakhs of net wealth which is now exempted from the wealth tax is to go. That is to say, any person who is liable to pay wealth tax will hereafter have to pay half per cent

on the whole of his net wealth. Besides, import and excise duties have been enhanced. Import duty has been raised on tobacco, cigarettes and liquor. Beer, motor spares and some other sundry items have to bear additional import and excise duties. A tax on agricultural income from holdings above 20 acres is proposed. A kind of sales tax payable at some point of wholesale has also been proposed by the Finance Minister. The additional revenue expected from the changes in import and excise duties and income tax is Rs 52.5 million—Rs 43 million from import and excise duties and Rs 9.5 million from income tax. Other proposals are the nationalisation of the Bank of Ceylon and the placing of restriction on Ceylonese accounts in foreign banks in the country.

The fact that Indian fiscal policy has long influenced Ceylon deserves mention, though the development loan proposal, linked now with a ceiling on incomes, is unknown even to India. The withdrawal of food subsidies from certain affluent classes is not unexpected. Ceylon is going in for an agricultural incometax because Ceylonisation of estates has resulted in a new pattern of small holdings. Planting companies are not likely to be unaffected, but the Budget of Mr Bandaranaike, with its ban on Ceylonese accounts in foreign banks, is likely to cause much discomfort to sterling companies. The nationalisation of the Bank of Ceylon is a fleabite in the eyes of most, but a direction to patronise local banks only will appear as rank discrimination for which the only excuse is an emergency arising from the fall in external assets.

Whether the Ceylon rupee will depreciate is not a problem. It is whether Indian banks can maintain branches in Ceylon while depending wholly on non-Ceylonese accounts. That the Banking Inquiry Committee in India deprecated all discrimination against British exchange banks and advised Indian banks to go in for exchange banking (in 1951, it may be added) will be only of historical interest to Ceylon which hopes, perhaps, that the profits of the Bank of Ceylon will go up sharply. The welfare State is to be paid for by the wealthy; soaking the rich (especially the non-Sinhalese) is both easy and popular. The curbs on banking spell some danger to foreign capital and disinvestment may retard the rated development desired by the Ceylon Government. The problem of satisfying national aspirations with safeguards needed for foreign investors is virtually ignored by Mr Bandaranaike, because the Ceylon Government is looking towards socialism plus neutralism and means to ignore what the future may hold. The Sinhalese majority will be pleased, because the Co-operative Wholesale Establishment will get more

business and foreign firms will lose their share of the limited market. One should add here that the development levy now offered is different from what Mr C. Loganathan suggested in his scheme for promoting capital formation in Ceylon for enlarging investment.

USSR

News from Nowhere

Both bread and circuses are offered to the people of Russia by the new Party manifesto. Of course, it is a case of jam tomorrow, because free food and other benefits will be available only by 1980 and a good deal of hard work will have to be undertaken to increase the supplies of consumer goods which are known to be both expensive and of poor quality. Even the promise of a 36-hour working week after twenty years might be regarded as the Russian version of pie in the sky. But the proposals will suggest that the whole era of socialistic construction has ended and the discrimination in income as between the New Class and the masses would be withdrawn gradually. Since Mr Khrushchev spoke of very substantial tax relief even last year, the manifesto is not so revolutionary as supposed.

Comparisons between the USA and Russia are inevitable in discussing the possibilities of co-existence. But it is also clear that expenditure on defence is not likely to go down and the Russian aircraft will probably be improved when faster planes are on the stocks. Two new types have been mentioned, namely, the Bear and the Bounder, and the names alone will probably suggest that they are not meant for peaceful purposes. Another type, the Blowlamp has also been mentioned to prove that it could fulfil the purpose of quick extinction. Russia's desire for greater security explains the desire for a bigger navy and better planes. In a way, the manifesto is an answer to Mr. Kennedy's proposals for improving and extending America's defence equipment.

For the outside world, the manifesto's emphasis on the international aspect of communism and the stimulation of the revolutionary impulse contains a clear indication of Mr Khrushchev's trying to keep in step with China in spite of all that has been said about Moscow's superiority to Peking. It is evident that Russia is not quite willing to let China assume leadership easily but if China were to reach a satisfactory compromise with Formosa by a promise of autonomy, one consequence might be that Peking would find a place in the Security Council at no distant date and the privilege of speaking for the Socialist sixth of the world would

go probably to Marshal Chen Yi. This possibility has its own implications for India at present and any settlement over Ladakh will probably be conditioned by the strength of China in relation to India's neutralism, even though modified by improvements to the country's defence. The manifesto may not be historically important like that of 1848, but it too conveys in unmistakable terms the purpose of Russia to remain strong and to let go no opportunity of fighting in the Cold War. From that point of view, the manifesto is unpromising, especially, when Berlin has assumed greater importance as an outpost of Western Europe.

US

The Defence Bill

President Kennedy's stepped-up defence programme to bolster the forces of freedom around the world and help meet the communist threat to Berlin presents another new challenge to the US economy. But it is a challenge which the experts, in and out of the government, believe the economy can take in its stride.

The fact is, as the President noted in his address to the American people last week, that the US economy has been in the midst of a strong, sound and essentially non-inflationary upturn. Thus, this new defence burdens, while not particularly welcome and certainly not needed from an economic point of view, are clearly sustainable.

Nevertheless, the government's stepped-up defence spending will have its effects on the economy. Its most obvious consequences will be a larger budget deficit for the government, higher incomes and more jobs for the people.

Of the \$3,500 million defence spending increase—a moderate enough sum, and a far cry from an all-out military build-up—some two-thirds, or about \$2,740 million, is expected to fall in the current 1962 fiscal year that began July 1. This would lift the government's total fiscal 1962 expenditures, including both defence and non-defence items, to \$87,723 million.

By their very nature, these added outlays also will help stimulate business activity, leading to increased private hiring, spending and incomes. The probable added government revenue from the anticipated income rise is figured at about \$1,000 million under existing tax rates. On this basis, federal budget receipts for fiscal 1962 would come to \$82,433 million. This would leave a budget deficit of about \$5,290 million under current administration programmes, a figure somewhat in excess of the deficit previously estimated.

Even this increased deficit falls within the moderate range; certainly, it is a long way from the \$12,400 million deficit run up in fiscal 1959, also a year of recovery

from a brief and mild recession. From this, it would appear that the government's financial position, present and contemplated, is sound enough.

Nevertheless, it can be assumed that the administration would not want that kind of a budget deficit to continue indefinitely. And this, in turn, has raised the question of whether to boost taxes sufficiently to cover the increase in spending.

The decision, as noted by the President has been not to raise taxes now. The theory, apparently, is that as time goes on the US economy may well be able to generate sufficient tax revenues at existing rates to match the higher spending.

Thus, the President has indicated that a balanced budget is in prospect for fiscal 1963. He has signified his intention, however to ask for tax increases if that course appears necessary to assure the budget balance he desires. In any case, the need to boost defence spending seems to have required

tighter budget planning than might otherwise have been the case, and to have shelved for the time being any thoughts about possible tax cuts next year.

Another big question mark is the possible inflationary consequences of the government's increased spending. The general feeling, as the President has indicated, is that inflation can be averted and price stability maintained. This is on the assumption, of course, that the international situation will not deteriorate seriously.

It is pertinent to note that the classic inflationary pressures are not evident in the United States today. Plant capacity is not strained, there is no shortage of goods, there is no pent-up consumer demand to satisfy, and business competition seems strong enough to hold down prices. These conditions are considered rather potent restraining forces as far as inflation is concerned, even though there is plenty of money

and credit in the hands of businessmen and consumers.

The thought is that it would take a senseless consumer spending spree of some proportions, abetted by attempts by business, and labour unions to push prices and wages up needlessly, to upset the basic equilibrium of the current US Economic scene. Neither of these eventualities appears likely now.

EGYPT

Socialism in Instalments

Colonel Nasser's faith in Socialism led to the closure of the Alexandria Cotton market last month. The State fixes prices and deals in cotton. The next instalment of Egyptian socialism is the takeover of banking, insurance and most big firms. The Egyptian Government can argue that the people's good can be secured only by the restraint of private capi-

talism and the Egyptian people approve of all proceedings after the nationalisation of the Suez Canal. Paying for the ten-year plan is a problem, even after assurance of foreign aid for neutral Egypt. And the means to pay can be found by limiting the income of rich Greeks and Copts.

After the land reforms that put the Turkish aristocracy out of the picture, it was easy for Nasser to declare that the ideals of Tito, neutralism and Socialism, suit Egypt also and the banks in Alexandria or Cairo should loyally help the State by submitting to semi-nationalisation. The nationalised Central Bank cannot object and Egypt can stop the leakage of gold to Beirut by a simple decree bringing banking like the cotton trade under strict supervision. The British or French cannot say anything, because of the Suez Canal affair and Col. Nasser can argue that many measures are needed to integrate Syria fully with Egypt, called the Southern region in official parlance. The rise of modern industry including tyres and rayon demands more money and the Minister for Economy has argued that public control is desired because economic democracy is vital. Public outlay on a large scale is held necessary because Syria is backward and the Government now means to tax the rich heavily in order to get money for the people's welfare. Respectable, if not convincing, arguments have been adduced. But Socialism in Egypt is likely to cause ferment in Arabia and the 20th century revolutions can cross frontiers easily. There is a curious parallel with Israel, a strongly socialist country and Col. Nasser may be annoyed that Israel has tried out already all his schemes from irrigation to State trading. The regulation of urban banking may cheapen credit for the Egyptian cultivator who, from the time of the Pharaohs, has toiled and never asked questions.

PERSONAL

Sir C. V. Raman, has been nominated for election to the Pontifical Academy of Sciences.

Mr Amitava Chowdhury, Assistant Editor of the Calcutta Bengali daily JUGANTAR has been named recipient of the 10,000 dollar Magsaysay Award for Journalism and Literature.

Mr G. K. Singhanla has been elected Chairman of the Committee of the Federation of Woolle Manufacturers of India. Mr V. Calloway has been elected vice chairman of the Federation.

Dr S. Chandrasekhar, Director of Indian Institute for Population Studies, Madras, has been invited to be the president of the Demographic Section of the tenth Pacific Science Congress to be held in Honolulu this month.

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"

—As You Like It.

THE nation has received with profound relief the news of the President's complete recovery from his recent illness. Dr Rajendra Prasad has, despite strenuous effort to involve him in constitutional controversies, given the office of the President its tone and vested it with just the right degree of mystique and practical effectiveness. In a young republic, this is the most important service that can be rendered. One has only to compare him with President Kasavubu, a by no means unusual example of an adorning of high office, to take a measure of our good fortune. Good governance, even when hamstrung (or well-defined, if you so prefer it,) by a written Constitution, is largely determined by the development of the right conventions, for politics is as much an affair of manners as of morals and the rules of the game (largely unwritten and probably continually evolving within a recognisable code) are very important. A written Constitution is easily torn: nor is, as Queen Victoria demonstrated, an unwritten one an obstacle to real and beneficent use of power by an admittedly nominal head of State. We shall never know the hundred occasions when Dr Prasad exerted his influence effectively, though unsubstantiated stories of his alleged feeling of ineffectiveness on some occasions got aired quickly enough. It owes much to the President's and the Prime Minister's sense of proportion and propriety that these ripples were allowed to spend themselves in inconclusiveness. Though the President has declared his intention of retiring from office at the end of the present term and devote himself to his first love of Sarvodayan experiments, his benign influence can never cease to be of use to those in the power game. Let us hope it will be available for many years to come.

It is remarkable how the eighties have been the seed-time of greatness in India in general and in Bengal in particular. Rabindranath, Motilal, Vivekananda, Malaviya, Ashutosh, Gokhale, Sastri and Gandhiji (in chronological order) were all born within a maximum of ten years of one another. Surely this constitutes an expense of the plan vital of staggering proportions for a decade and only the famed inexhaustibility of the Life Force makes us reconcile ourselves to

such improvidence. Not only the quantum but the versatility of the greatness sown during this decade is astonishing. Acharya Prafulla Chandra Ray whose birth centenary this week offers an occasion for piety and gratulation, was a scientist by profession and possibly by vocation, though he laid both aside for the more urgent calls of patriotism and distress. "Research can wait, Industries can wait, but Swaraj cannot wait" is a dictum that is arguable but not to Acharya Ray. But, for a man who kept science and industry waiting in the ante-room, his achievement in both spheres are truly remarkable. He chose to express himself through his students and his institutions, rather than by his own work. The Chemistry Department of the University College of Science was his home literally and figuratively and he was bachelor-father to many who were great scientists in their own right. But as a student, he readily put away his researches in Edinburgh for competing for a prize essay on "India—before and after the Mutiny", in which he was adjudged as having "indulged in many bitter diatribes against the British Rule." Equally characteristically, he plunged into flood relief work in North Bengal in 1922, and floods are very much on our minds at the moment. This won him a remarkable tribute from the Manchester Guardian:

"Hundreds of young men volunteered to go down and carry out the distribution of relief, . . . a task that involved a considerable amount of hard work and bodily discomfort in a malarious country. The enthusiasm of the response to Sir P. C. Ray's appeal was partly due to the Bengal's natural desire to score off the foreign government, partly due to genuine sympathy with the sufferers, but very largely due to Sir P. C. Ray's remarkable personality and position. He is a real organiser and a real teacher. I heard a European say: 'If Mr Gandhi had been able to create two more Sir P. C. Rays he would have succeeded in getting Swaraj within this year. . . .'" But, if the choice had been open to him, Acharya Ray would have been content to be a teacher and organiser of scientific endeavour. When as a young man with a D.Sc. from Edinburgh he went asking for a teaching job in the education department, some pompous jackass taunted him saying "If you are

such a brilliant chemist why don't you start some industries?" Acharya Ray took him at his word and did start the Bengal Chemical. We, who have come a hundred years after Acharya Ray, have a greater sense of urgency about an indigenous chemical industry and technology than his own contemporaries did and perhaps a more favourable climate of opinion. It is entirely fitting therefore that the Government of India should have offered to contribute rupees one lakh for the founding of a Chair on Industrial Chemistry at the Calcutta University in his memory.

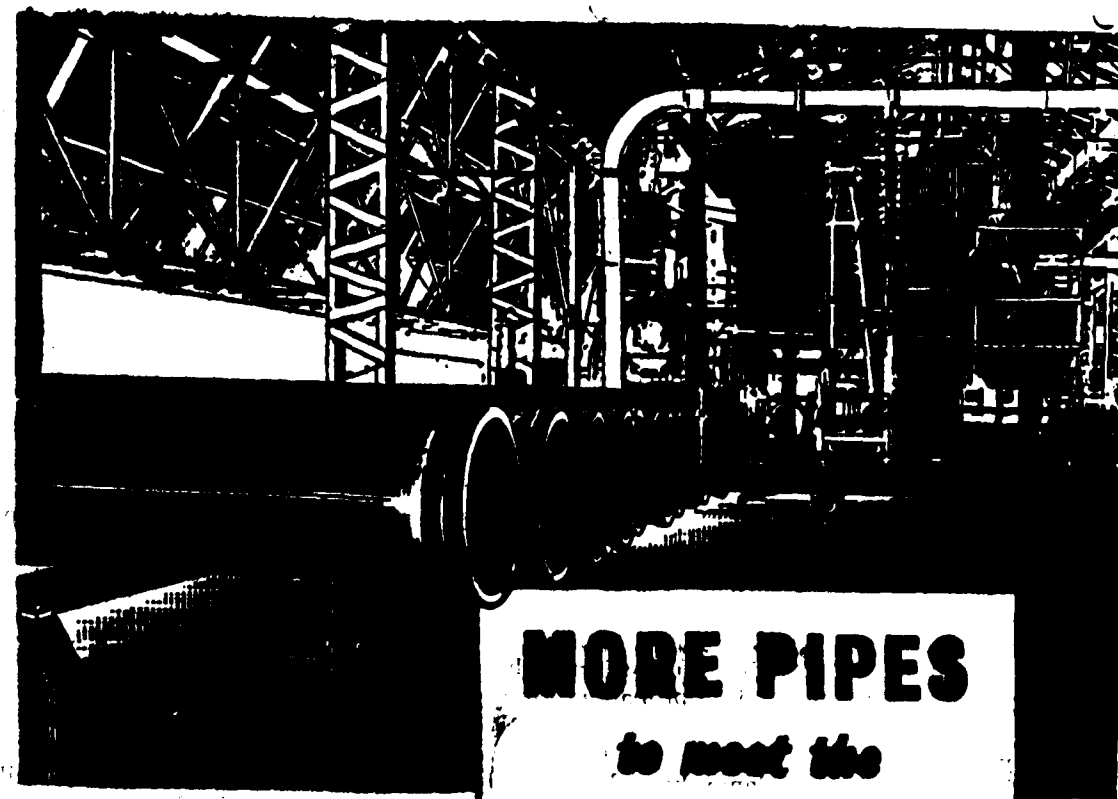
There was a certain inevitability about Mr B. K. Nehru being named as Mr M. C. Chagla's successor at Washington. Mr Nehru's antecedents have been economic rather than political and his choice as our envoy in Washington reflects to some extent the change in emphasis in the relationship between the two countries. As Commissioner-General of Economic Affairs, Mr Nehru is no stranger in Washington, where he has spent some most useful time in shaping the Foreign Aid policy of the US. I think India can take legitimate pride in having supplied, over a period of years, the basic formulations of a world-wide policy of development aid. And in this task, the role played by the persuasiveness of Mr Nehru has been significant. In personal discussion, in speeches at the special agencies of the UN, in interviews and other public occasions, Mr Nehru has been quietly transforming the rigidities of a policy of reluctant and suspicious aid. The clearly articulated desiderata of a rational Aid policy that Mr Kennedy presented to the US Congress early this year are the culmination of the patient work of Mr B. K. Nehru spread over several years. The orderly flow of aid for the Third Plan is of crucial importance for its success and the chief initiative in this has been taken by the United States. As our ambassador to the US, Mr Nehru will be able to co-ordinate our efforts at obtaining aid from friendly countries. Mr Nehru's efforts will also be directed at interesting foreign private capital into a readier flow into India where, so far, its role has been not as spectacular as it could have been.

Mr Bijayananda Patnaik is certainly buckling down to it. He has got on to an idea that this journal has been pegging away at for years now—the tremendous possibilities of iron ore export. Characteristically, he has chosen to make it a "purely Orissa project as far as execution is concerned" and is not going to ask

for financial assistance from the Centre. At the moment of writing, details are scanty, but the broad outlines are known. The capital outlay is estimated at Rs. 41 crores and Paradip port is to be used for export of ore. Rs. 28 crores are to be spent on the road from the mines to the port and on development and mechanisation of mines and Mr Patnaik expects to get exports of the order of 2 million tons going by about 1964-65. This is to go up to nearly five million tons by 1967-68. A series of blast furnaces for producing and exporting pig iron are also part of the plan. The raising of the capital needed has, as I have already noted, been taken on by the State itself, which expects to interest foreigners in tie-up arrangements against future exports. The example of Kiruburu in which Japanese collaboration has been obtained for keeping the Japanese steel mills fed with ore is already there. The Orissan, especially, Sukinda, ore is well known for its high iron content and it is not difficult to obtain foreign collaboration on acceptable terms. The fact that the projects are outside the Plan would certainly offer some difficulties in the matter of arranging the resources, especially of the foreign exchange component thereof. But Mr Patnaik's scheme is one designed to earn foreign exchange of significant proportions—his expectations are modestly put at Rs. 20 crores annually by about 1970-71—and it is therefore something for which acceptance should be readily forthcoming. Indeed, press reports speak of official blessing from the Centre for the scheme. As one who believes that a well-thought-out scheme of ore export may be the most important answer to our problem of foreign exchange shortage, I welcome Mr Patnaik's initiative.

Rains have at long last caught up with Calcutta and once again water-logging and flooded roads are in circulation as useful coins of small talk. Inhabitants of other cities work themselves up into civic fury for lesser misfortunes, but Calcutta takes its calamities with philosophical resignation. Mr Galbraith who bestowed on it the compliment of adopting it as his home city the other day, would perhaps be inclined to regret his impetuosity if he saw Tollygunge Bridge this P.M. But then, the monsoon clouds are wonderful to watch and theurchins that play with abandon in the rain-water and the Rickshaw pullers that gather a few extra rupees reconcile you to your temporary inconvenience. And the thought that the same rains are probably an answer to a peasant's prayer, our pitiful whinnings die, so to speak, in their track. And for the opportunity, after many years, of cycling in the rain they gave me, I will be grateful.

EAVERSDROPPER



MORE PIPES to meet the nation's needs

With the addition of a second plant at the Kulti Works of The Indian Iron & Steel Co. Ltd., the production of spun iron pipes has increased from 60,000 to 150,000 tons per year. Besides helping to satisfy India's growing demands for large diameter pipe mains, the increased tonnage saves India many crores of rupees annually in foreign exchange. Employing latest techniques, the Kulti Works of IISCO is the first to produce 3" to 30" diameter spun iron pipes in the country.



THE INDIAN IRON & STEEL COMPANY LIMITED

WORKS AT BURNPUR & KULTI

Managing Agents:

MARTIN BURN LIMITED

Martin Burn House, 12, Mission Row, Calcutta 1
Branches at: NEW DELHI BOMBAY KANPUR

Agents in South India: THE SOUTH INDIAN EXPORT CO. LTD., MADRAS 2

Olympus

Priorities and Foreign Exchange

THE finalisation of the report on the Plan has taken much longer time than expected. The problem of deciding the order of priorities among the projects eligible for inclusion in the Plan is understood to have been responsible for a good part of the delay.

Priorities for the projects are intimately bound up with the pattern of foreign assistance. Though the Plan has been framed on the assurance that the foreign exchange required over the five years will be forthcoming, the picture still remains hazy. Its main features were indicated by a Finance Ministry spokesman last week.

A ceiling of \$5,500 million has been set for the external assistance that India will seek for the Third Plan. Out of this amount \$800 million represent the carry-over of aid committed during the Second Plan; \$300 million, the expected level of private foreign investment; and \$800 million, the amount of aid from the Soviet bloc that is likely to be utilised during the Third Plan period. The balance of \$3800 million has to be secured from other Governmental sources. This is the basis on which Government of India has presented its case before the World Bank Consortium.

While there is an assurance in broad terms that the balance of the requirements, after deducting the assistance obtained elsewhere, will be made available through the Consortium, the amount so far promised for the first two years of the Plan is \$2225 million. For the orderly implementation of Plan projects, it will be necessary to place orders involving a commitment of \$3285 million during 1961 to 1963. There is thus a shortfall of over \$1000 million in respect of the commitments that have to be undertaken during the first two years (the actual disbursements during this period may not amount to so much) and this introduces an element of uncertainty. But the Government does not propose for this reason to delay the placing of orders, though this will mean a change in the normal procedure followed in the past, when orders were placed for equipment for a project only after being assured of the entire foreign exchange required for it.

Government will go ahead with the execution of the Plan projects in the expectation that further

assistance to meet the balance of the commitments will be forthcoming before payments fall due in subsequent years. In this context it may also be noted that only the foreign exchange requirements of the first year of the Plan are covered in full by firm offers of assistance. Moreover the figure of US assistance indicated for the second year is conditional on matching assistance from other sources. As at present, there is a shortage of \$70 million in the assistance promised by other members of the Consortium. The Consortium will be meeting later in the year to review the position, when some other countries are also expected to join.

As regards the terms of the loans, the bulk of the loans have yet to be negotiated. A clear idea of the pattern of US assistance will emerge only after the US Congress has approved the foreign aid legislation. Only then will it be possible to say how much of US aid will be allocated to the DLF and how much EXIMP Bank. This is an important point, for the usual rate of interest on EXIMP loans is 5½ per cent and the periods are related to the particular projects. On the other hand, the DLF provides soft money. There is, however, a broad indication that the larger part of US loans will be routed through the DLF. Though these loans will be repayable in dollars, the repayment will be spread over a period of 50 years and the rate of interest (service charges) will be a nominal one per cent.

The question of terms is of vital importance for the future of democratic planning. It has been calculated that the burden of servicing such loans will be too heavy for developing economies, unless the repayment is spread over long periods, of say fifty years, and the rate of interest is nominal or nil. So far only the US Administration has appreciated this point. Government of India has met with only limited success in persuading the Governments of other donor countries to view the question from the standpoint of receiving country.

The UK loans for total \$250 million are for 25 years, repayment starting after seven years. Interest is charged at a quarter per cent over the rate at which the British Treasury is able to borrow funds for comparable periods. One West German loan of \$82½ million is for 20 years at 3 per cent interest, and two others are for 12 years and twenty years at 5½ per cent. The remainder of the West

German contribution of \$364 million is still to be negotiated. Loans from Japan totalling \$80 million (of which \$40 million is earmarked for the private sector) will be for 15 years and the rate of interest will be the same as that charged by the World Bank. The loan of \$30 million from France will be for the still shorter period of ten years. The rate of interest has yet to be negotiated. Out of the Canadian aid of \$56 million, \$36 million will be grants under the Colombo Plan. The terms for the balance, which will be mainly in the form of export credits, remain to be negotiated.

One indirect consequence of the informal understanding with the World Bank Consortium regarding the total quantum of aid for the Third Plan needs special mention. On the basis of estimates of total requirements and expectations of aid from other sources, the indication has been given that the balance required to meet the disbursements during the Plan period, namely \$3800 million, would be made available by the Consortium during the five year period. This means that, if additional aid is received from the Soviet bloc, or from Governments of countries which are not at present members of the Consortium, the amount provided by the latter will be reduced to that extent. If the additional aid, from whatever source, is for a project which is not included in the Plan, this may lead to a radical change in the order of Plan priorities. This restriction, it has been made clear, only applies to aid on Government to Government basis. If India is able to attract more private foreign investment, or is able to increase export earnings, the total quantum of Consortium aid will not be affected.

For instance, up to the time of writing, the question of including the Small Car project in the Plan is undecided. Simultaneously negotiations are also under way with representatives of Renault for technical and financial assistance. It appears that if Renault (a State-owned enterprise) provide the funds out of their own internal resources, the aid from the Consortium will not be reduced. But, on the other hand, if Renault provide the funds by borrowing from the French Government, the amount will be added to the \$30 offered by the Government of France and set off against the total Consortium aid for the Third Plan. Similar is the case of oil refineries other than those listed in the Plan. If these are set up with governmental assistance, either from communist countries or non-communist countries, it will be at the cost of Consortium assistance for other projects included in the Plan. This underlines the supreme importance of export promotion for the orderly implementation of the Plan without upsetting the order of priorities, a point which has been driven

home by the recent re-shuffle of portfolios in the Ministry of Commerce and Industry.

A stiff legislative programme lies ahead of the monsoon session of Parliament opening next Monday. Apart from amendment of the Indian Penal Code which seeks to list attempts to make disturbance of communal harmony or promotion of enmity between classes as specific offences, the Deposit Insurance Corporation Bill (to insure bank deposits), a Bill to regulate apprenticeship training in Industry and an amendment of the Indian Railways Act (to raise the maximum amount of compensation payable to victims of passenger train accidents from Rs 10,000 to Rs 20,000) are among the 16 new Bills that will be introduced during the ensuing session. The main subject of discussion will however be the Third Five Year Plan which will be presented to Parliament in the ensuing session.

The problem of effective implementation of the Third Plan schemes for promotion of tourism is the main topic on the agenda of the Tourist Development Council meeting in Chandigarh on August 4 and 5. The large number of agencies responsible for carrying out of the schemes of different types, has been responsible for the slow pace of implementation. There is clear need for setting up a co-ordinating authority in each State if the Third Plan provision for tourism is to be fully utilised within the Plan period.

The State Plans, which are largely intended for home tourists, aggregate to Rs 3.98 crores while the allocation for expenditure by the Centre stands at Rs 3.5 crores. The adequacy of the provision has to be judged against the fact that the much smaller provision in the Second Plan has not been fully utilised.

The ECAFE Seminar on Tourism, which met in New Delhi last May, has focussed attention on the vital aspects of tourist promotion; and many speakers also referred to the contribution that tourism could make to the growth of the national economy. Progress in this field is intimately bound up with the provision of adequate transport and residential accommodation. The problem of hotel accommodation in India has become very acute in recent years. While the tourist traffic has increased five-fold in the last decade, hotel accommodation has increased by barely 30 per cent. It is estimated that the present hotel accommodation of 7500 rooms will have to be increased by 50 per cent immediately, and doubled in the next five years, in order to deal with the expected growth in traffic. The main hurdle appears to be finance. So long as the hotel industry is not able to attract private investment, the targets for hotel accommodation will be reached only if hoteliers are considered eligible for loans by State lending agencies

5 August 1961

The Bengal Paper Mill Company Limited

Increase in Production and Gross Profit

Expansion and Modernisation being Implemented

Shri N. D. Bangur, the Chairman, on Price Policy

Presiding at the One hundred and thirtyseventh Annual General Meeting of the shareholders of the Bengal Paper Mill Co. Ltd., held at the Registered office in Calcutta, Shri N. D. Bangur, the Chairman, said:

I have great pleasure to welcome you to this Annual General Meeting of the shareholders of The Bengal Paper Mill Co., Ltd.

The Directors' Report, the Balance Sheet and the audited Accounts for the year ended December 31, 1960 have been in your hands and with your permission, I take the same as read.

During the year, the gross profit of your Company is Rs 50,83,093 against Rs 49,05,060 for the previous year and production also increased from 15,927 tons in 1959 to 18,105 tons during the year 1960, thus the progress of the working of your Mill can be considered quite satisfactory.

PRICE POLICY & COST OF PRODUCTION

I would like to emphasize the urgent need for the Government to review the present price structure which is followed on the recommendations of the Tariff Commission. The Tariff Commission decided that 12% would constitute a fair return on the industry's capital and stated that this return would be sufficient to cover the following items:—

- (1) Labour Bonus.
- (2) Interest on Debentures and Loans.
- (3) Managing Agents' or Secretaries and Treasurers' Remuneration.
- (4) Directors' Remuneration.
- (5) Taxation.
- (6) Reserves, including Development Rebate Reserve.
- (7) Interest on Working Capital.

After meeting the above liabilities, the surplus left with the Company will be hardly sufficient to make a reasonable return to the shareholders, and in my opinion the return of 12% allowed by the Tariff Commission is quite inadequate particularly when the new Preference Shares are being issued at 9% interest and the general tendency of the rate of interest being on the increase in the country. If the industry is to be kept in a position to meet all its liability and also provide for large scale expansion, modernization and rehabilitation involving either of ploughing back of retained profits or by attracting new capital, an allowance of a fair return to it is

not only desirable from the economic point of view but also essential for the industry's very survival.

The price of manufactured goods of those industries are regulated which are of basic importance to the national economy and it does not seem logical how the development of these industries could be promoted by the enforcement of such uneconomic prices on these industries which do not allow them to have necessary saving for their Modernization and Expansion. This matter of ensuring adequate and reasonable return to the basic industries, whose prices are controlled and regulated in the national interest, should be revised in a manner conducive to the proper growth and development of these industries.

There has been considerable increase in the cost of production due to fresh levies of excise on chemicals, viz, Soda Caustic, and Soda Ash, increase in the Railway freight, increase in the prices of raw materials and stores and a further increase in the cost of coal by way of fresh levy. Whereas the paper price has not been allowed to be increased correspondingly and the paper industry has to absorb these increases with adverse effect on its economy. It is suggested that the Government should evolve some formula whereby an increase in the cost of production due to reasons beyond the industry's control is allowed to the industry to be added to its selling prices. I may also mention that the cases of old mills whose cost of production is higher due to old and worn out machines have not been given due consideration by the Tariff Commission. Due to old and worn out machines your Mill is adversely affected. The profit level has, however, been maintained by increase in production and renovation of the machines.

A memorandum to the Government of India has already been submitted by the Paper Industry for upward revision of the price of paper. I hope the Government will give due consideration to the Industry's difficulties in deciding the new selling prices.

RAW MATERIALS

The year 1960 had been a difficult one as far as supplies of raw materials and their transportation was concerned. The widespread incidence of Bamboo flowering all over India has already affected

Bamboo supply position. The supplies of Sabai Grass were also not upto expectation and due to various development work going on in the country, the cost of exploitation also increased. Inadequate Rail transport facility resulted in depletion of Raw materials stocks at your Mills and it is hoped that the Railway will improve the wagon supply position to help the Paper Industry to attain increase in production.

Because of shortage of Bamboo and Sabai Grass, bagasse is becoming exceedingly important as a raw material for paper making. I am glad to say that your Company has successfully used bagasse in large quantity during the year and I trust the Government will make alternative fuel available to the sugar industry to enable them to release more bagasse to the Paper Industry.

SALES

I would like to point out that the increase in the levy of excise duty on certain varieties of paper is excessive. The incidence of excise duty on cheap varieties of packing and wrapping paper works out to about 32 to 35% of the prices of paper. In order to improve the general pattern of packing in the country, wrapping paper has been extensively used as raw materials by the various other industries and there should not be such a heavy excise duty on the low-graded varieties of paper.

You will be glad to know that the quality of various types of paper manufactured by your Company has been enjoying good response from the market. Your Company also undertook manufacture of special quality paper of different varieties and these special varieties too have been found quite popular with the consumers. It is the constant endeavour of your Company to maintain the high standard of quality of its products and further improvement will take place when the Multi-stage Bleaching Plant will be installed under the Expansion and Modernization Scheme.

EXPANSION

I have pleasure to inform you that satisfactory progress is being made in the implementation of Expansion and Modernization Scheme of the Mill. During the year Brown Stock Washing Plant was put into commission and in the current year a Recausticizing

Plant, Water Clarification Plant and other machines also started functioning. These new additions which have been installed at a cost of Rs 36 lakhs approximately have resulted in reducing washing losses and substantially improved Caustic Recovery.

Order for the sixth paper machine has already been placed with Messrs. Walmsleys (Bury) Ltd., of England, shipment of which is expected to begin from the second half of 1962. Orders for Multi-stage Bleaching Plant and other equipment from the U.S.A. will be finalized on receipt of approval of the D.L.F. Loan.

The Third Plan sets the industry targets of 900,000 tons and 700,000 tons for capacity and production respectively, or exactly double the targets in the Second Plan. The rate of industrial development, the growth of literacy and proposed implementation of free and compulsory education is expected to absorb the increased production.

FRESH ISSUE

I am glad to inform you that your Company has decided to issue bonus shares for Rs 9 lakhs in the ratio of 1 to 5 based on the existing equity paid up capital subject to the sanction of the Controller of Capital Issue. In due course the share of Rs 25 paid up of your Company will be subdivided into Rs 10 paid up share. To finance the expansion and modernization of the Plant additional capital will have to be arranged and further capital in the form of right shares and Convertible Loan Stock will be issued.

Messrs. Balmor Lawrie & Co., Ltd., resigned the office of Secretaries and Treasurers with effect from April 28, 1960 and I wish to place on record the valuable services rendered by them to the Company.

Our Mill Manager Dr. J. C. Aggarwala has been selected leader of the National Productivity Team on Pulp and Paper and the team is now on a foreign tour to study the development of Pulp and Paper Industry in the other countries.

The relation with the Staff and Workers remained cordial and I would like to express our appreciation of the services rendered to the Company by all of them.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

Indian Sugar Mills Association

Record Sugar Production and Stocks

Sugar Industry Faces Serious Problems of Storage and Finance

President, Shri D. D. Puri's Review

In his Presidential address at the 28th Annual General Meeting of the Indian Sugar Mills Association, held at New Delhi on the 31st July, 1961, Shri D. D. Puri, President of the Association said:—

RECORD PRODUCTION AND CRISIS OF SURPLUS

On the sugar front, we are meeting under the shadow of deep crisis. Every day that passes deepens the shadow. We have moved far ahead of the times when scarcity of sugar was the order of the day. With the shift of emphasis in the Government policy from mere regulatory and distributive measures to maximising production, adopted last year, we have not only turned the corner so far as the availability of supplies is concerned, but paradoxically enough, are now in the midst of what I have called a crisis of surplus.

In the current season production has almost reached the figure of 30 lakh tons. Here is the Third Plan target in the bag, five years ahead of schedule.

STATIC CONSUMPTION TREND

The consumption of sugar on the other hand has not shown the corresponding increase. In fact, contrary to the Plan premises, there was a slight fall last year. As against 20.66 lakh tons in 1954-59, consumption last year was only 20.24 lakh tons showing a decrease of more than 40,000 tons from the previous year. It was expected that this year with increased production and better availability, consumption would pick up. But these expectations have not materialised and the current rate of off-take is practically the same as last year. By the end of June, two-thirds of the current sugar season being over the off-take from factories for internal consumption has been 13.31 lakh tons against 13.28 lakh tons for the corresponding period last year.

HUGE STOCKS CREATE PROBLEMS OF STORAGE AND FINANCE

Increased production accompanied by lower consumption last year left the industry with a large carry over stock of 8.5 lakh tons on November 1st last; against only 1.55 lakh tons a year earlier. Production this year has reached 29.5 lakh tons and with further addi-

tion of about 25,000 tons before the year comes to a close, it will have reached about 29.75 lakh tons. After accounting for the off-take during the remaining part of the year, I do not expect consumption this year to exceed 20.5 lakh tons. This will leave the industry with an unmanageable stock of 14.75 lakh tons (less the quantity exported) at the time when the next crushing operations start.

Unless some satisfactory arrangement is made to solve this problem, the future prospects are indeed bleak. Obviously, at the moment export is the only solution. Exports are possible only at a heavy loss because the World Free Market prices are much below our cost of production. Exports can, therefore, be effected only if adequate compensation for the loss involved is provided, and without exports I shudder to imagine the consequences.

We are thankful to Government for having appreciated this position, as a consequence of which the Food Minister announced in the Lok Sabha in April last that the losses involved in further exports would not be borne by the industry. On our part, we have agreed to share a part of the loss on exports to the U.S.A. Earlier, we had to meet the total loss on the first one lakh tons already sold for exports. Besides in response to Governments appeal, the industry agreed to implement the Wage Board Award even though both the export loss and increase in wages were not provided for in the controlled price of sugar.

POSITION REGARDING EXPORTS

The actual exports that we have so far been able to contract for do not, however, give much cause for comfort. We have so far exported one lakh tons to Malaya and West Asian countries. On present indications, it may be possible to export another half a lakh tons this year, besides the U.S. Quota of about 2 lakh tons, bringing the total to about 3.5 lakh tons at the outside. This will hardly touch the fringe of the problem. After providing for a carry over of 8 lakh tons, there will still be an exportable surplus of 6.5 lakh tons. This is a burden too big to be carried by the industry and is beyond its maximum financial and storage resources.

Unless a sizeable portion of it finds an outlet and quickly, the survival of the industry will be in serious jeopardy. The position is getting so serious that the industry may be forced to curtail production in the next season. The next crushing season is due to start in another three months. According to the reports now available, the sowings are even better than last year's, and, if the present favourable trend continues till harvest time, we will have a bumper cane crop to take care of. And, unless a sizeable quantity of the surplus stocks is taken off from the factories through further exports etc., it may not be possible for them to be ready to start crushing in time. Such a development will cause grievous loss to the industry as well as to millions of cane growers who have been increasing acreage under cane in the belief that there will be a readily available market for their produce. It will also deal a blow to the developing economy of the country.

LOW PER CAPITA CONSUMPTION

But while exports might help in reducing excessive stocks, as a long term solution something has to be done so that the consumption rate internally moves up. It is a well-known fact that our per capita consumption is among the lowest in the World. Against 48.6 kilos in the U.K. and 43.4 kilos in the U.S.A., our per capita consumption here does not exceed 13.9 kilos. This is far short of the level achieved in other countries and is also much less than the minimum of 20.5 kilos considered necessary for a well-balanced nutritive diet for an adult person in this country. There is, therefore, considerable scope for improving the present low rate of consumption here.

While consumption did increase, though not to the estimated extent, till 1957-58, a contrary trend developed in the last two years to which I have already referred. This is due to the increase in the price of sugar occasioned by increase in the cost of cane and high taxation. That does not mean that the Indian consumer pays a higher price than is the position elsewhere. As a matter of fact the price of sugar in India is lower than in many leading sugar producing countries. The Indian prices are also lower than in most of the

neighbouring countries like Pakistan, Ceylon, U.A.R., Cambodia, Japan, Iran and Thailand. But the fact remains that the present prices have checked the rise in consumption and a time has come when it has become necessary to reduce taxation substantially to increase consumption. I venture to suggest that if properly handled, a substantial reduction in Excise duty would not result in loss of revenue to the extent as may appear at first sight. In a great measure it would be off-set by increase in internal consumption. I commend this suggestion for the immediate consideration of Government. Besides, there exist some irksome procedures and practices which tend to discourage consumption and create pockets of artificial scarcity in the country. The removal of these is already overdue. States are raising sizeable revenues from sugar distribution. I would respectfully submit that the time for this is also over and this practice should be stopped forthwith. Another matter demanding attention is the transport bottleneck. I urge greater attention to these problems. These matters if attended to, will improve consumption. But this will solve only a part of the problem.

INDUSTRY NEEDS CONDITIONS OF STABILITY

Another factor of major importance to the industry is stability. Prices of sugar must never be allowed to fluctuate violently, for many reasons. The most notable is that cane prices must inevitably move up and down with prices of sugar, for cane is the predominant content of the sugar price. Violent fluctuations in cane price and their effect on our rural economy are extremely undesirable. We must never forget that the cane grower has to plan his crop far ahead of its delivery to the factory. Once planted, cane yield more than one crop. So the grower, once he switches over to cane cultivation is committed to it for a number of years. Any violent fluctuation in the cane price would seriously disturb his economy. Variation in cane price should be carefully planned and announced very much in advance. Another reason for steering clear of violent fluctuations is that the industry at present is carrying heavy stocks. If prices vary by Re 1/- per maund, it would mean a difference of about Rs 8 crore

on the present stocks alone. This may wipe out of existence many marginal factories especially those placed in geographically weak areas.

BACKWARD STATE OF CANE CULTIVATION

With regard to cane price, this constitutes the highest single item of cost to the production of sugar. Much of its high incidence could be reduced if the present backward state of cane cultivation could be improved. Our average yield of 1.4 tons of sugar per acre makes a poor comparison with the yield of 5 to 8 tons of Hawaii, Java and Formosa. In fact, the yield in North India is about the lowest in the World, and yet covers the largest area in the country and, viewing it from the human angle, involves the largest number of canegrowers. The low yields in the North can be rectified if cane development is undertaken on the requisite scale. We have urged repeatedly that the cane cess realised by the States should be spent entirely on cane development. We have been harping on this theme in season and out. We must state once again in clear and unequivocal terms that if cane development is not undertaken seriously and with all resources at our command the industry in the North will go down and with it the millions of cane growers who derive their sustenance from sugarcane.

REASSESSMENT OF CAPACITY NECESSARY

Along with efforts to raise internal consumption we must try to adjust our production in future to our needs so as to avoid repetition of the critical situation that the industry is presently facing. This would underline the need for reassessing the present capacity and the targets for the future. The potential of sugar production in the World today is much greater than its consumption and a vast majority of the exporting countries, and even some of the importers, have regulated and curtailed sugar production. The largest importer of sugar, the U.S., had till recently, statutory restrictions on beet and cane acreages. As a matter of fact practically every importing country plans for self-sufficiency in sugar.

The Second Five-Year Plan estimated our consumption for the current year at 22.50 lakh tons whereas, as I have already pointed out, it would hardly reach a level of 20.5 lakh tons. Statistics for the last three years show that our consumption is static. We are now in the first year of the Third Plan, the draft outline of which mentioned a production target of 30 lakh tons. Subsequently, however, Government spokesmen stated that the target was being raised to 25 lakh tons. It came to us as a rude shock, as there have been no developments in respect of internal consumption which could justify a higher target. On the contrary, the trend of con-

sumption would call for a lower target. This trend indicates that even 28 lakh tons consumption will not be achieved by the end of the Third Plan period. It will be sound policy to let the consumption develop before expanding capacity, because capacity when once installed has to be kept going. We have enough stocks and are likely to have them over the next 5 years, to afford a safe cushion for a sudden spurt in consumption. Furthermore, capacity for manufacture of sugar machinery exists within the country. We could instal additional capacity without undue delay or difficulty. There is therefore no need to instal capacity in a rush.

NEED FOR REHABILITATION ALLOWANCE

In response to the request of the industry, Government made a reference of the price question to the Tariff Commission. The Tariff Commission determined regional cost schedules which were very rigid and based on the performance of sampled factories which were above average in all the regions. On top of that the return allowed by the Commission provided, only, in the words of the Commission, "sufficient funds for each unit to meet its commitments under bonus, gratuity, interest on borrowed capital and debentures, dividend on preference shares, managing agents' commission and income-tax and finally leave a residue to a large majority of units in all the regions to declare reasonable dividends". From this it is apparent that no margin was left to cover rehabilitation or to provide for reserves.

I would confine my observations here only to rehabilitation. Rehabilitation is meant to cover the difference between depreciation which is allowed as an item of cost on the original historical costs of assets and the depreciation on the present day replacement costs. After all, depreciation is allowed to enable replacement of assets on expiry of their useful life. The replacement costs have gone up many times and depreciation allowed is quite insufficient to replace useless assets. The difference between depreciation allowed and depreciation on present day costs is a legitimate item of cost and should be recognised as such in determining the price of sugar.

Rehabilitation was disallowed by the Tariff Commission on three short grounds.

- (a) The industry had employed all available funds in expanding capacity to earn more profits.
- (b) It was socially unjust for the consumer to be burdened with rehabilitation.
- (c) Rehabilitation cost could be met by borrowings.

It was, however, not realised that reduction in costs achieved by expansion had been neutralised by

the Commission working out the schedules with reference to actual costs in 1957-58 which included the economy affected on account of expansion. And then the benefit of reduced costs on utilisation of available funds on expansion went to the consumer alone and it would have been quite in keeping with considerations of social justice, if the consumer paid for the benefit enjoyed at the cost of industry. Thirdly, if rehabilitation had to be met by borrowings, some margin should have been allowed for servicing these loans and for their repayment. I may clarify here that interest on borrowed capital and debentures allowed by the Commission does not include any additional amount to cover interest on proposed borrowings for rehabilitation.

As stated earlier, the Tariff Commission determined cost schedules on the basis of the reference data for 1957-58. Since then there have been major increases in costs which have to be provided for while fixing fair price for sugar. Ours is essentially a controlled industry and a fair price for sugar whether statutory or notional has to be determined by Government. There is thus no escape from determination of cost of production and variations therein every now and again. Because of frequent fluctuations in costs it would not be practical to entrust this determination to the Tariff Commission every time. The Commission prepared its report with reference to the cost for 1957-58 and it was already out of date when it was submitted in 1959. I would, therefore, recommend that there should be a standing body functioning all the time presided over by a person of the status of a Supreme Court Judge which should bring the cost of production data relating to sugar up-to-date. A standing body like this would ensure upto the minute availability of costs and other relevant data by an impartial body of the highest integrity and repute. This alone would meet the needs of the situation.

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And yet, you can be sure if you know that the goods you buy have been made to a given standard. Standardization benefits not only you, the consumer, but also the producer, the distributor and indeed, the country as a whole.

The Indian Standards Institution has prescribed standards for industrial as well as consumer goods. To manufacturers producing to relevant standards, ISI grants licences to apply on their goods its certification mark which is the guarantee of quality. The next time you buy anything, don't take a chance; look for the ISI mark.

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Markets

JUTE Outlook for Raw Jute

WHILE the West Bengal Government seems to have come to an irrevocable decision against any further sealing of looms, the Indian Jute Mills Association is continuing its efforts at persuading the authorities that the raw jute supply position admits of no other alternative, than some scheme to reduce consumption of jute during the current month also. (It is rumoured that the IJMA's latest proposal is for the sealing of 9 per cent looms and a reduction in working hours to 40 a week). The IJMA representatives have met in the course of the past few days the West Bengal Ministers of Food, Labour and Home, but it would appear that so far they have not been able to bring them round to the IJMA way of thinking. It has, however, been stated on behalf of the Government that it will consider the claim for a cut-back in production of any particular unit should it experience difficulty in procuring adequate raw jute to last it for the whole of the month.

The State Government's stand seem to be that the position obtaining from a shortage of raw material should be tackled individually by the mills. This is what happens when similar conditions obtain in other industries. It will perhaps be pointed out that some time ago when the cotton textile industry was experiencing an acute shortage of cotton, there was no question of shutting down all mills for a period. But it will be recalled that at that time it was generally regretted that the cotton textile industry had not evolved an arrangement like the jute goods industry by which production

can be suitably adjusted whenever necessary.

It is to be admitted that the working time agreement of the IJMA mills and the recent quota system and voluntary price control have been responsible for the orderly meeting of the variety of difficulties that the industry has had to face during the past few years. It is primarily with a view to obviating a dislocation to the weaker units in the industry and the consequent dislocation to the entire jute trade and industry that block closures of mills have been designed. The aim of the proposal for the sealing of an additional 18 per cent of looms is also to avoid such dislocation.

It is not clear whether before asking the mills to tackle the present situation of a shortage of raw jute individually, Government has considered the possible cumulative effect on employment of labour in the jute industry. If it so happens that quite a sizable number of mills find it difficult to procure the requisite quantity of raw jute, Government may find it difficult not to allow them to shut down perhaps for much longer than a week. If the IJMA assessment of the raw jute supply position in the immediate future is correct, many managements will soon be obliged to trek to Writers Building to tell the State Ministers that their efforts to replenish their stocks of raw jute have been in vain. The net result of permitting individual mills to seal additional looms or close down for as long as is considered necessary will be the same as sealing an additional 18 per cent of looms in all IJMA mills as suggested by the IJMA. The only important difference will be that in the former case that weaker units will have to bear brunt of the present shortage, whereas under the IJMA suggestion, the pinch will be more uniformly felt.

	As on 27 July	Lowest	As on 2 Aug.
	Rs	Rs	Rs
Hessian:			
45" x 11 ozs	60.50	60.50	61.25
40" x 10 ozs Ready	53.75	53.00	54.50
40" x 10 ozs September	52.00	52.00	53.85
40" x 10 ozs Oct./December	48.50	48.00	50.00
40" x 8 ozs	47.50	46.75	48.00
40" x 7 1/2 ozs	43.25	43.00	44.00
Sackings:			
B. Twills Ready	160.00	158.50	161.00
B. Twills September	153.00	151.50	155.50
B. Twills Oct./December	140.75	140.50	143.50
Hy. Coes (Green)	159.00	156.50	158.00
Cornsacks	165.00	162.50	164.50
Cubans	200.00	200.00	201.00
A. Twills	194.00	194.00	196.00
L. Twills	184.00	183.00	186.00
D. W. Flours	178.00	178.00	183.50
Sugar Twills	181.00	181.00	184.00
Ready-Raw Jute:			
Assam Bottoms	49.50	49.50	50.50
Northern Bottoms	49.50	49.50	50.50
Daisee Bottoms	51.50	51.50	53.00
Futures:			
Hessian—November	48.34	47.38	49.30
B. Twills—November	140.30	137.70	142.25
Raw Jute—December	58.40	55.32	56.50

It would, however, appear that the State Labour Minister does not subscribe to the scarcity theory. He is reported to have said that the fact that stock of raw jute is at precarious levels in mill godowns cannot be equated to an actual shortage in the market. His view seems to be that there is adequate jute available in the market. Evidently he is also including new crop arrivals in his calculation. Even so, indications are that the flow of new crop jute into the Calcutta and mill stations is unlikely to gather momentum till after another six to eight weeks. And it appears to be still the view of a large number of people in jute circles that unless arrivals sizably improve very soon the present acute shortage is bound to persist. There is reason to believe that the movement of raw jute from the growing areas to the markets has been delayed due to the hot spell experienced during most part of last month. Till a few days ago it has been reported, there has been a shortage of steeping water following a fall in river levels and hence the preparation of the harvested crop for the markets has received a setback.

The outlook for raw jute and so for the industry after about two months, however, seems to be quite encouraging. Indications recently given by representatives of the different States growing jute go to show that this year's crop will be much bigger than that of last year. There has been a general increase in the acreage under jute, such increase ranging from 25 per cent in West Bengal to 100 per cent in Uttar Pradesh. The yield is also said to have improved and no great loss due to pest infestation is expected because timely effective remedial measures have been taken.

TEA Effect of UK Joining ECM

THE effect of a possible British entry into the European Common Market has been under study by the plantings industry. Although the official statement contained an assurance that the UK will consult the Commonwealth again before taking a final decision, it does not lessen the industry's anxiety regarding its future trade with that country. The current tentative view is that, provided an arrangement with the UK, which took Rs 75 crores worth of tea from India last year is possible, the move towards the ECM will not do any harm and may very well help the long run.

The crux of the whole question is to what extent Indian exports of tea to the UK will be affected if we have to deal with the UK as a member of the Common Market. It has been said, of course, that this will depend mainly on the concessions which the UK will be able to obtain from the ECM for Commonwealth produce. Such concessions may be similar to those that the "Six" have already allowed to the produce of their own colonies and "associated".

Another question is whether India will be able to make good some of the losses on a reduced level of exports to the UK by an increase in the level of exports to the ECM countries. This is a prospect upon which one can predict little at the present moment. Considering the relatively small extent of tea consumption and the almost total absence of propaganda for Indian tea in the ECM group, the chances are that the losses will not be made up. It is understood that the whole question will soon come up for detailed study by the Tea Board.

Meanwhile, reports from the South Indian tea estates are no better, and the July crop may be sharply less than that in 1960 and also for the first seven months. In spite of a record crop of about 13 million pounds more in 1960 than in 1959, the net export has not risen much. This trend continues to be in evidence and exports from South India may not be greater than last year.

In spite of the damage to gardens in the South by floods, India's tea output this year is likely to exceed that of last year by about 30 million pounds. The loss in the South is expected to be more than offset by the increase in the output of North Indian gardens, which have favoured with congenial weather. This year's total output is estimated to be 730 million pounds. Last year, North Indian estates recorded an increase of 40 million pounds over the previous year's figure and the gardens in the South about 17 million pounds.

According to the latest figures, North Indian export figures for the 1960-61 season show that there was a drop of just over 14 million pounds as compared with 1959-60. The most important destination, the UK, was, however, sent an extra 1.4 million pounds less. UAR was India's best lion pounds less; UAR 4.6 million; USA 2.4 million; Sudan nearly 5 million and Turkey 3.3 million pounds less. UAR was India's best market after the UK although that country accounted for only 25.2 million pounds as compared with Britain's 230.5 million pounds.

In the Export Sale held in Calcutta this week, offerings were 33,877 packages. There was a good general demand. Orthodox descriptions met with keen competition. Best broken grades were generally fully firm to dealer with quality, while plainers were a little easier. Fannings grades also followed the same trend. The CTC offerings met with a selective demand and prices were irregular with the best barely steady. Where quality showed a seasonal decline or where fibre was present in the leaf, prices eased by up to 50 nP and sometimes more. The few leg-cut teas, on offer, were sold at easier rates.

Best Darjeelings again met with good support at around last rates; but the medium and poorer kinds showed a decline in price with a number of teas being withdrawn without a bid. Buyers for stylish whole Leaf and Tippy grades were more selective and prices in this

category were generally lower. Following rates (per kilo) were quoted:—Clean Plain Pekoe Rs 5.15 to Rs 5.25; Plain BP Rs 4.80 to Rs 4.90; Plain Fannings Rs 4.55 to Rs 4.65; Medium Assam CTC BP Rs 6.00 to Rs 6.40; Medium Assam CTC Fannings Rs 6.20 to Rs 6.60; Best Assam CTC BP Rs 7.20 to Rs 7.40 and Best Assam CTC Fannings Rs 7.50 to Rs 8.00.

In the Internal sale, offerings were 18,777 packages of Dusts. There was a good general demand. CTC varieties were irregular with the bright liquoring types being generally firm and sometimes dearer. The plainers sorts were, however, often easier. Plain orthodox dusts were well supported at a discount of 10 nP although the bright Assams were readily taken up and were much dearer with quality. Non-wither leg-cut teas were irregular, the bright lines realising satisfactory prices. Plain thin teas were generally easier.

Darjeeling dusts were considerably easier and proved difficult of sale. Following rates were quoted:—Plain Orthodox Dust Rs 4.35 to Rs 4.60; Medium Assam Dust Rs 4.90 to Rs 5.50; Legcut Dust Rs 4.70 to Rs 5.50; Medium Assam CTC Dust Rs 6.30 to Rs 6.70 and Good Assam CTC Dust Rs 6.80 to Rs 7.20. Also, 71 packages of Leaf grades were offered for internal consumption.

Arrivals of tea in the Calcutta Port during June 1961 were substantially higher at 218,547 chests as compared with 178,806 chests in the corresponding month of last year. Total tea arrivals in the quarter ended June 1961 were also higher at 322,953 chests as against 287,659 chests in the corresponding period of 1960.

Arrivals of tea by river rose from 122,606 chests in April/June 1960 to 140,639 chests in the quarter ended June this year as did those by rail from 82,146 chests to 88,854 chests. Arrivals by road as well as air transport also increased from 45,070 chests and 17,837 chests to 73,756 chests and 19,704 chests respectively.

In the Cochin market, a total of 165,000 kilogrammes of tea dusts was offered for internal consumption. Against a good demand, residuals were easy, while low mediums and medium sorts and were fully firm to dealer. High-grown teas were also often dearer.

In the Colombo market, offerings were 7,534,062 pounds. There was a good general demand. Best liquoring Dimbula-Dickoya BOPs were firm with other useful liquoring shorts dearer. Poor liquoring kinds were, however, lower. Corresponding BOP Fannings were irregularly lower. Uva teas were in strong demand, particularly those with improved quality.

The demand was very much quieter for the 18,970 packages of North Indian and other miscellaneous teas put up for sale on the London market. Prices for all kinds were irregularly lower. New season's Assam teas attracted only limited competition and a number of lots were withdrawn at six pence to one shilling per pound below brokers' valuations.

COTTON Sluggish Conditions in Cotton Market

The cotton market in Bombay depicted sluggish conditions during the past week and both the August and March contracts lost substantial grounds. Even the announcement of the release of export quota of 60,000 bales of cotton (30,000 bales of Bengal Deshi and 30,000 bales of other cotton stapling 3/4" and below) failed to provide any enthusiasm in the market. The trade greeted the announcement with mixed feelings. It came at the most unfavourable time for there was practically no foreign demand for the exportable varieties. Buyers from Japan appeared to be reluctant to augment their stocks of such varieties at the prevailing prices and their offers were Rs 25 to 30 less than the current prices.

Trade circles feel that the quota allotted for Bengal Deshi was far below the requirements as the established exportable surplus of that variety amounts to 50,000 bales. The release of quota for 3/4" cotton is likely to provide some relief to the stockists of Gujarat cotton.

According to the trade notice issued by the Joint Chief Controller of Exports five per cent of the quota will be reserved for the co-operative societies situated in areas producing that type of cotton. Licences will be granted on the presentation of shipping bills on a "first-come first-served" basis and that too is subjected to the maximum of 1,425 bales to each shipper. Shipping bills will be valid with in 15 days from their passing or upto 31 August whichever is earlier. Shipping bills will be accepted on all working days from 2 August. As the notice mentioned only the presentation of the shipping bills it can be safely presumed that there will not be any change in the export policy.

Conditions in the spot market at Sewri were comparatively better. Southern mills were reported to have entered the market to cover their requirements following the commencement of the third shifting work. Digvijay, Kalyan, Surti, Laxmi and 197/3 met with some demand. Prices, however, ruled steady.

The export section remained featureless despite the announcement of export quota as the shippers were cautious in their purchases. The import section, on the other hand, exhibited slightly better conditions. East African cotton met with good enquiries. Stray business was also reported to have been transacted in Sudan, Egyptian and American cotton.

The 1960-61 cotton season, according to the International Cotton Advisory Committee, will be remembered as a season of unusual achievements in the cotton world. Total production reached a new high of nearly 33 million bales which shows

an increase of about 2 million bales over the previous season's output.

The consumption of cotton was also maintained at the record level of 31 million bales. World trade in cotton during the current season, though considerably below the previous season's peak, was the second highest during the post war years.

New York

Trading in the New York cotton futures market tended to be slow largely due to the restricted offerings. The prices, however, ruled steady. Demand from foreign buyers tapered off to such an extent that the sales for exports were insignificant. Export registrations upto the middle of July totalled 6,443,556 bales under the 1960-61 programme and 1,219,407 bales under the 1961-62 programme. Exports of cotton in the current season upto 24 July amounted to 6,554,446 bales as against 6,943,699 bales in the corresponding period in the previous season.

The total stocks of cotton in the USA, according to recent estimates, will be in the vicinity of 7.3 million bales. Nearly 1.75 million bales will be in the possession of the CCC and the rest will be freely available. Despite the occasional showers the crop is reported to be making satisfactory progress.

Sudan

The Sudan Gezira Board sold 6,280 bales of S and L varieties of cotton at the auction conducted on 26 July. But the prices realised at the auction were less than those recovered in previous auctions. The final production of the Board's 1961 crop is placed at 297,828 bales comprising 44,091 bales of Domain Sakel, 38,687 bales of Bar and 215,047 bales of Lambert. Out of the total about 48,478 bales of cotton have been sold by the third week of July.

Alexandria

Reports that emanated from Alexandria indicated the Egyptian Cotton Commission has decided to accept applications for the purchase of cotton for domestic consumption and for export during the 1961-62 season. The applications will be considered after making an assessment of the stocks left with the Commission or the repurchase of cotton lifted from the spot market.

Piecegoods

Listless conditions prevailed in the Bombay cotton piecegoods market during the past week. The improvement in the money market failed to create any enthusiasm in trading and practically for the whole week the buyers were reluctant to make any purchases. Export demand too was riding at a low ebb.

Demand in the domestic sector dwindled into an insignificant trickle due mainly to the heavy downfall and the second attack of floods in the Southern States. Consequently only scattered business was transacted with upcountry centres during the period under review. It was also attributed that the low prices of goods were partly responsible for

the meagre business in the domestic sector. Shirts, flannels, drills, and coatings met with some attention. Grey goods failed to attract purchasers even though they were offered at a discount. Kanpur, Bihar, UP and Punjab figured as the prominent upcountry buyers and their purchases were restricted mostly to goods which were offered at low prices.

The revival of demand in the export front has already shown signs of decline. The United Kingdom kept away from the market probably on account of the credit restrictions. Business with Sudan turned down to a mere trickle and that too was confined to bleached longcloth and dyed voiles.

Stray business in canvas and bleached longcloth was transacted with Singapore. Ethiopia and Eritrea purchased moderate quantities of chaddars and bafis.

West Africa's interest hovered around domestic and Turkish towels. East Africa accounted for a small quantum of processed goods, drills and sheetings. It also showed some fancy for coatings.

Rise in Cashew Exports

ACCORDING to the Cashew Export Promotion Council, India exported 461,124 cases (each 50 lbs net) of cashew kernels valued at Rs 4.95 crores in the first quarter of the current year as against 489,974 cases worth Rs 4.34 crores in the corresponding period of last year. The improvement is mainly due to increased offtakes by the USA and the UK from 272,395 cases and 26,389 cases in the first quarter of 1960 to 314,587 cases and 46,278 cases respectively in January-March 1961. Exports to Australia and Canada have also shown a slight improvement at 12,834 cases and 11,997 cases respectively.

On the other hand, shipments to Russia have declined from 68,607 chests in the first quarter of 1960 to 26,417 cases as did those to the Netherlands from 2,580 cases to 1,987 cases. Exports to East Germany and West Germany have also declined from 16,574 cases and 17,983 cases to 9,597 cases and 11,277 cases respectively.

Cashewnut shell liquid totalling 965,042 kilogrammes, valued at Rs 9.56 lakhs, was also exported from India during the first quarter. The export of cashewnut shell liquid, however, registered a fall both in terms of quantity and value as compared to the export during the first quarter of 1960.

The Government of India has fixed the tariff value for cashew kernels for 1961-62 at Rs 440 per quintal. The net tariff will be effective from 1 July, 1961.

Meanwhile, unencouraging conditions on the export front have brought a further fall in the prices of cashewnut. Among the imported varieties, the price of Mozambique has declined from Rs 685 to Rs 680 and Porto Amalia from Rs 720 to Rs 695 per ton. The prices of the

indigenous variety have also declined by a fair margin and the present rate is placed around Rs 185 to Rs 190.

According to reports from Cochin, stocks with the factories have steadily risen to about 4 lakh cases, as the US, the principal buyer, has continued to be disinterested. The US has progressively lowered the prices from 49 cents to 47 cents per pound. Business to the extent of about 40,000 cases was reported to have been done with the USA at 47 cents for August-September shipment and about 7,000 to 8,000 cases at the rate of 46 cents for January-March, 1962 shipments. This price is considered to be below the present Indian parity. Stockists have, therefore, been quite anxious to liquidate before the new crop in Portuguese East Africa starts moving.

Mozambique, the second largest producer of cashewnut in the world, had a crop of about 80,000 tons in 1960. During the current year, conditions have further improved and the crop for the year is expected to be good. British East Africa, another major producer, is reported to have offered October/November shipments at round £50 to £52 per ton. Attempts have been made to reduce the freight by 25 per cent for the new crop shipment. All these factors indicate a bearish outlook.

COFFEE

After a long and anxious period, the Coffee export prospects are turning the corner and good sales are being reported for last month. It is not improbable that the entire quantity, allotted for export from out of the 1960-61 crop, will be sold and that price realisations also will improve for the Arabica variety.

There has been a welcome improvement at the latest coffee export sales held at Coimbatore last week. Less than 1,350 tonnes of coffee was offered and sold easily at over Rs 180 per cwt for Plantation A. Robusta, too, had a better market at slightly improved average rates. Considering that the crop was about 12,000 tonnes greater, the balance of stock, at the end of June, is only about 4,700 tonnes higher, at less than 40,000 tonnes.

As in the case of tea, there is an anxiety to know to what extent Indian exports of coffee to the UK will be affected if we have deal with that country as a member of the Common Market. But, the position in respect of coffee is more satisfactory in view of the preference always shown for good quality Indian coffee in the ECM group of countries.

The unprecedented and widespread rain in South India has affected some of the coffee plantation areas in Mysore and Coorg. With heavy rains continuing in many parts of Mysore and Kerala, planting opinion is that the next crop may fall below 50,000 tonnes.

GINGER

After a protracted spell of ease, Ginger prices have made an

impressive recovery in the course of the last few days. In the Cochin market, the rate has improved by Rs 7 per 50 kg. This improvement is mainly influenced by the reports that the crop has been badly affected by incessant rains in South India. The performance on the export front has also been promising. Although it is too premature to assess the impact of the floods on the new crop, it is widely felt that the movement of the new crop will now be considerably delayed.

On the export front, West Asia, has been very active during the last few days. Aden, the Persian Gulf countries and Europe have also shown keen interest, presumably on account of the higher prices quoted by West Africa, the only big competitor of India in the World markets.

CARDAMOM

Despite the reports of the damage to the new crop following the heavy floods in Kerala and Madura districts, prices of Cardamom have been displaying an easier tendency, mainly due to poor export demand.

It is generally felt that about 25 per cent of the crop in South India has been damaged by floods and heavy rains. The damage is not considered to be extensive, as cardamom is generally grown on the slopes of the mountains and the level of water does not affect the sowing. But, it is felt that the inclement weather will surely discolour the new crop. Presumably for this reason and the reports of deterioration in quality, enquiries from overseas buyers have been poor.

SUGAR

Conditions in the Sugar markets have continued to remain depressed, thanks to good supply position. Bulk allotments to the licencees have also weakened the market trend, as they are anxious sellers for the commodity. Heavy quantities of sugar are reported to have been despatched from Muzaffarnagar to the Kanpur market for sale, as the allottees are finding it difficult to dispose off the goods in the Muzaffarnagar market even at a rebate of 62 nP to 75 nP per bag.

The Union Minister of Food and Agriculture has asked the industry not to look upon the current situation arising from overproduction as an "insurmountable crisis". He has stated that there is every possibility of the US quota being increased by 100,000 tons. The International Sugar Agreement, which India has decided to join, may allot an export quota of 200,000 tons. If this hope materialises, India will be called upon to export 500,000 tons in all.

The all-India final estimate of sugarcane for 1960-61 puts the year's area and production of the crop at an all-time record of 5,734,000 acres and 85,045,000 tons in terms of cane. Compared with the partially-revised estimate of 5,220,000 acres and 75,201,000 tons in terms of cane for 1959-60, the estimates for 1960-61 show an increase of 514,000 acres

in area and 9,844,000 tons in terms of cane.

FOODGRAINS

Steadier conditions were witnessed in the Hapur Foodgrains market due to poor arrivals. Wheat recorded a gain of 25 nP a maund. Wheat production in 1960-61 surpassed all the previous records. Rice also advanced further due to good demand. Gram recorded fractional gains. In the Pulses section, Peas were steady.

In the Bombay grains market, prices showed a mixed trend. Indigenous wheat prices registered a sizable improvement, as heavy rains in the City tended to paralyse activity. Wholesalers were reluctant to adopt a definite attitude, pending a clear picture of the standing kharif crop, especially in the context of reports of heavy downpour and floods in various parts of the country. Sentiment was also helped by higher upcountry advices, especially from the Punjab. Reports from the producing areas indicated that prices might look up after a while.

Trading in Pulses was highlighted by a sharp decline in the prices of Moong. Traders reported the commencement of modest arrivals of the new crop from the Ahmednagar area. With the arrivals of the new crop, traders were anxious to get rid of the old stocks.

YARN

Conditions in the Bombay market remained generally quiet with prices displaying a slightly easier tendency. Reports, that the State Trading Corporation would soon release a larger quantity of rayon yarn, compelled a number of operators to liquidate their holdings. The absence of demand from the upcountry centres was another bearish factor.

The prices of Staple-Fibre yarns have also turned easy. Consumers' resistance at higher levels, sluggish conditions in the Staple-fibre cloth market and the reluctance on the part of weavers to augment their stocks of yarn were the main reasons for a fall in prices.

In the Cotton yarn section, listless conditions continued to prevail. The supply of cotton yarn to Bombay is likely to increase following the decision of the State Electricity Board in Madras to supply power to the textile mills in the State for a third shift.

Earnings from the export of synthetic fabrics, which had declined by 45 per cent to Rs 4.2 crores in 1959 from Rs 7.7 crores in the previous year, recovered slightly to Rs 4.6 crores last year. The bulk of these exports comprised artificial silk fabrics. Last year, the quantity exported was almost double the quantity exported in 1959; but the value rose only nominally to Rs 3.6 crores.

CHEMICALS & DYES

In the Bombay Dyes and Chemicals markets, turnover was reported to be fairly good in Chemicals, while

dull conditions continued to prevail in the Dyes section.

Among Chemicals, the continued reserve shown by powerful stockists has been responsible for a sustained rise in the prices of Menthol. In the course of last six months, prices have almost doubled. The Chinese variety, which was quoting Rs 78 per pound early in February, is now quoted around Rs 140. Similarly, the French variety is quoted at Rs 146 against Rs 75.

Imports from China are almost at a standstill owing to acute drought. Moreover, the prices quoted by China are reported to be much above the price of synthetic menthol offered by Brazil and France. This seems to have induced some of the powerful stockists to hold off in anticipation of a further rise in prices. Moreover, some of the stockists in Calcutta are reported to have formed a Syndicate and have successfully rigged up the prices.

Bleaching Powder is also slightly better on sustained demand. The easy trend in Rongalite, is, however, attributed to the reported arrival of unauthorised goods from overseas countries. There is an overall decline of four annas in its prices with the German quality around Rs 4.40 and others around Rs 4.10.

In contrast, conditions in the Dyes section remain dull with the turnover restricted. Lack of enthusiasm on the part of consumers is due to their expectation that the prices will come down further in view of the adequate supplies obtained under the export promotion scheme. The heavy rainfall and the consequent floods have also restricted the buying inclination. Above all, there are reports that the supplies in the market are more than the requirements of the consumers.

GOLD & SILVER

Trading on the Bombay Bullion Exchange was dull and featureless. Prices in the Silver section showed marked irregularity due to alternate bouts of buying and selling. Arrivals and offtake were estimated around 50 and 5 bars respectively. Silver (below 996) changed hands at Rs 200.25 to Rs 200.30.

Gold showed a measure of steadiness. Lower advices from the spot market led to an easier tendency; but conditions improved towards the close on favourable advices. Gold ready moved narrowly around Rs 120.65, while Sovereign was quiet at Rs 94. Arrivals and offtake were estimated around 5,000 and 3,000 tolas respectively.

OILS & OILSEEDS

Sentiment on the Bombay Oilseeds Exchange remained depressed. Groundnut futures drifted lower on reports of continued favourable weather and discouraging upcountry advices. Castorseed declined in the absence of any encouraging news, while Linseed contracts eased in sympathy.

5 August 1961

A relieving feature of trading in the market was the sustained spell of foreign demand for groundnut meal with the UK figuring as a consistent buyer. The August shipment was reported to have bought at prices varying from £31 5sh to £32 6sh. Shippers were stated to have entered into comments for shipments extending right up to February 1962. The steady foreign demand pushed up local prices from Rs 318 to Rs 335 per ton.

Trading in the Castorseed section was devoid of fresh incentives. The overseas demand for castor oil was negligibly small with shippers reporting business for only 200 tons of commercial quality around £122 per ton. The USA and the Communist countries continued to be out of the market.

In Madras, further declines in kernels and groundnut oil prices were registered from the middle of last week. Arrivals of groundnut kernels in South Arcot centres have been increasing to the tune of about 400/600 tons daily so much so there is hesitancy on the part of buyers of both the stocks, kernels and oil. It is likely still further rise is possible in the receipt of the coromandel variety of groundnut in the next fortnight so that prices of the nut in various places would not go up but go down probably. Already the tendency is for the price to go down despite steady buyers and as it is there are only sellers with hesitant buyers. Even in forward positions, the commitments had been larger and practically no business was transacted. As for the crushing mills too, they have already bought heavily. They may go about their second bout of buying in accordance to their crushing capacities later on this month.

Only local bazar interests took up groundnut oil. Calcutta interests occasionally bought small quantities but preferred to wait. The prices of the oils and seeds in the exchange today closed as follows: Groundnut oil per candy of 500 lbs ex-Madras godown expeller ready 3% FFA: Rs 479 (or Rs 211.2 per 100 klos). August midweek delivery was quoted at the same rate as spot. The vaida rates for January 1962 was quoted at Rs 188/189 per 100 kilos, with no business. Groundnut kernels per candy of 531 lbs coromandel Rs 87 per 80 kgs. Peanut Rs 84 per 80 kgs. Castor oil per candy of 500 lbs Tirupattur Rs 355. Coconut oil per tin Rs 40.50: Gingelly oil per maund Rs 30: Gingelly seed per bag Rs 91/92. Groundnut cake Rs 28.12 per bag of 180 lbs.

The groundnut oil price has been progressively declining from the middle of last week. Ready oil was quoted at Rs 213 per 100 kilos on 26 July. There was an increase by Rs 1.75 per 100 kilos the next day. On Saturday, however, a small decline of 45 nP per 100 kilos was noticeable. The price again came down when the market opened this week and the oil was quoted at Rs

213 per 100 kilos. Due to large arrivals of kernels in southern markets and the crushing mills also supplying with sizeable quantities of oil, the price declined a couple of rupees further lower at Rs 211. There was a very slight increase to Rs 211.2 per 100 kilos by the evening of today.

As for groundnut kernels the superior quality remained at Rs 87 per 80 kilos in Madras while the South Arcot price of the same quantity was Rs 83 to 85 per bag of 80 kilos.

Peanut variety of groundnut also did not change in price and remained steady at Rs 84 per 80 kgs.

Arrivals of groundnut kernels were fairly good in upcountry where crushers bought some quantities. Price however did not remain steady registering further declines. This enabled crushers to go in for good quantities in the southern areas for their Calcutta and Andhra interests. Gingelly oil price declined due to better offerings.

HIDES & SKINS

Tanned cowhides were not in much demand despite sizeable arrivals of the commodity into the market. Naturally domestic prices due to lack of demand declined. In the c.i.f. section, not much business was reported.

For tanned cowcalf skins, overseas demand remained all but quiet.

Locally too not much business was reported. No change was in evidence in respect of tanned buff calf also this week.

A reduction was available in tanned goatskins but even at this lower price by 3rd, there was little overseas demand.

Also in tanned sheepskins not much was reportable and semiprime sheep remained unchanged.

The following were the prices of tanned skins and hides today: (per lb.):

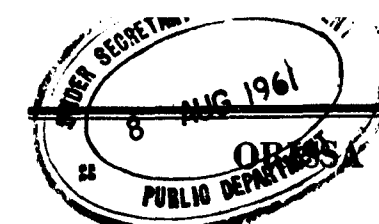
Tanned cow prime 5/5½ lb Rs 3 to Rs 3.12; 6/6½ lb Rs 2.75 to Rs 2.81; 8/8½ lb Rs 2.31 to Rs 2.37; 10/10½ lb Rs 2.12 to Rs 2.25; Inferior 5/5½ lb Rs 2.28 lb to Rs 2.31; Buffalo 12/13 lbs Rs 2 to Rs 2.06; cow calf 1½/2 lb Rs 4.12 to Rs 4.37; buff calf 1½/2 lb Rs 3 to Rs 3.25; Goat prime 8/9 lbs Rs 10 to Rs 10.50; sheep ordy.: 6/7 lb Rs 7 to Rs 7.25; 5/6 lb Rs 9 to Rs 10; Prime 6/7 lb Rs 11.50 to Rs 12.50.

PRICES

Unchanged

The official wholesale price index (with the year ended March 1953 as 100) remained unchanged at its earlier week's revised level of 127.1 during the week ended July 1, 1961. The index was higher by 1.2 and 2.7 per cent respectively when compared with the corresponding week of the previous month and that of a year ago.

(For table see page 246)



ORISSA CEMENT LIMITED RAJGANGPUR

NOTICE IS HEREBY GIVEN THAT THE ELEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD AT THE REGISTERED OFFICE OF THE COMPANY AT RAJGANGPUR, on Thursday the 21st September, 1961 at 2.30 P.M. to transact the following business:

1. To receive and consider the audited Balance Sheet and Profit & Loss Account for the year 1960 and the report of the Directors and Auditors.
2. To declare Dividend.
3. To elect a Director in place of retiring Director Shri V. H. Dalmia.
4. To elect a Director in place of retiring Director Shri N. C. Roy.
5. To appoint Auditors for the accounting year 1961 and to fix their remuneration.
6. To consider and pass the following as Special Resolution with or without modification as thought fit:

'RESOLVED by way of Special Resolution that approval be and is hereby given to residential accommodation being made available to any Director or Officer of Dalmia Agencies Private Limited, Managing Agents of the Company who may be required to be stationed at Rajgangpur as and when requested on payment by the Managing Agents or the person concerned of the rent and other charges payable in respect of the accommodation on the scale as may be prescribed by the Board of Directors from time to time provided that payment of the rent and charges shall be made to the Company within one month of the expiry of the month for which the same are payable.'

7. To consider and pass the following Special Resolution with or without modification as thought fit: 'RESOLVED by way of Special Resolution that Article 10 of the Articles of Association of the Company be amended to read as follows: '10. If at any time the share capital of the Company is divided into different classes of shares, the Company is authorised to vary the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) with the consent of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class.'
8. To consider and pass the following as Special Resolution with or without modification as thought fit:

'RESOLVED by way of Special Resolution that approval be and is hereby given to residential accommodation being made available to any Director or Officer of Dalmia Agencies Private Limited, Managing Agents of the Company who may be required to be stationed at Rajgangpur as and when requested on payment by the Managing Agents or the person concerned of the rent and other charges payable in respect of the accommodation on the scale as may be prescribed by the Board of Directors from time to time provided that payment of the rent and charges shall be made to the Company within one month of the expiry of the month for which the same are payable.'

Dividend Warrants are expected to be all posted within three or four days after declaration of the dividend at the Annual General Meeting and would be payable on or after 25th September upto 31st October, 1961.

rate meeting of the holders of the issued shares of that class.'

8. To consider and pass the following as Special Resolution with or without modification as thought fit:

'RESOLVED by way of Special Resolution, in partial modification of the Special Resolution passed on 28th September, 1957, that authority be and is hereby given to the Board of Directors to have a mutual loan arrangement with Dalmia Cement (Bharat) Ltd., a Company under the same management, subject to the condition that the amount due to either Company on the loan account together with any moneys outstanding in respect of any current transactions pertaining to the supply of services, spare parts or equipment etc. shall not at any time exceed Rupees Forty Lakhs and the Board of Directors be and is hereby authorised to determine, from time to time, the rate of interest payable on such outstanding amount due to either Company in the loan account.

EXPLANATORY STATEMENT FOR ITEMS 6, 7 and 8 of the agenda as required under Section 173 of the Companies Act, 1956, ARE BEING FORWARDED TO THE MEMBERS OF THE COMPANY BY POST ALONG WITH THE NOTICE OF THE MEETING.

THE SHARE TRANSFER BOOKS OF THE COMPANY WILL REMAIN CLOSED FOR 20 DAYS FROM MONDAY THE 21ST AUGUST TO SATURDAY THE 9TH SEPTEMBER, 1961, BOTH DAYS INCLUSIVE.

EVERY SHAREHOLDER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM/HER AND SUCH PROXY NEED NOT BE A SHAREHOLDER. The proxies should, however, be deposited at the Registered Office of the Company not later than 42 hours before the commencement of the Meeting.

Dividend Warrants are expected to be all posted within three or four days after declaration of the dividend at the Annual General Meeting and would be payable on or after 25th September upto 31st October, 1961.

By Order of the Board
For ORISSA CEMENT LIMITED,
For DALMIA AGENCIES PRIVATE LIMITED,
J. DALMIA, Director,
Managing Agents.

Dated: 23rd July, 1961.

Company Reports

Polychem Earns More

POLYCHEM Limited has reported satisfactory working results for the year ended 31 March 1961. While sales are just maintained at Rs 1.53 crores, the gross profit is somewhat higher at Rs 48.67 lakhs as compared with Rs 43.18 lakhs for the preceding year.

After providing Rs 47,437 for Plant Development Rebate Reserve (Rs 1.52 lakhs); Rs 4.88 lakhs for Depreciation (Rs 4.57 lakhs) and Rs 17.50 lakhs for Taxation (same), the net profit is higher at Rs 25.82 lakhs against Rs 19.59 lakhs. With Rs 27,844 brought in and transferring Rs 7.60 lakhs from the Dividend Reserve Fund under Section 15C of the Income Tax Act, the total comes to Rs 33.70 lakhs. From this, the directors have provided Rs 7.50 lakhs for Dividend Reserve Fund (Rs 7.50 lakhs); Rs 10 lakhs for General Reserve (Rs 12 lakhs) and Rs 5 lakhs for Dividend Equalisation Reserve (nil). The directors have proposed a taxable dividend of 7.50 per share on the Ordinary shares.

During the year, the company's plant continued to work satisfactorily. The agreement regarding styrene monomer project with Messrs Dow Chemie A.G. Switzerland, has been finalised. A contract for the complete engineering, procurement and construction of the plant has been given and work at the plant site has already started.

The company has obtained a licence for setting up a distillery unit at Nira near Poona. Arrangements have been finalised for a US dollar loan with the IFCI as also for the necessary additional rupee finance for setting up the monomer plant.

Rameshwara Jute Incurs Loss

The Rameshwara Jute Mills Limited has incurred a loss of Rs 7.51 lakhs for the year ended 31st March 1961. Taking into account the provision for Depreciation and Development Rebate, the total loss comes to Rs 9.92 lakhs. After adjusting the credit balance of Rs 20,326 brought in, the net loss, which is being carried forward, is Rs 9.71 lakhs.

In addition to the above deficit, there remains a further sum of Rs 9.37 lakhs as unabsorbed depreciation up to the end of the year, which has got to be provided for in future years. There also remains a contingent liability of Rs 2.99 lakhs in respect of arrears of preference dividend up to 1961.

The loss during the year is attributed to extremely difficult trading

conditions in the jute industry. The company's production is confined to manufacture of cement bags, which are sold to the cement industry under an open price annual contract. For this reason, the company has been comparatively more adversely affected by the steadily rising trend of jute prices.

Satisfactory progress has been made with regard to the modernisation of the company's mill machinery up to the spinning department and this is expected to be completed by April next. In view of the company's forward sales under the open price contracts for the supply of bags to the cement industry, the decline in raw jute prices this year should partly compensate for the loss which the company suffered last year.

Travancore Chemical Fares Well

There is a sharp increase in the sale of the Travancore Chemical and Manufacturing Company, Limited to Rs 50.24 lakhs for the year ended 31 March, 1961 from Rs 32.82 lakhs for the previous year. The rise in net profit, before providing for depreciation and Taxation, to Rs 9.33 lakhs from Rs 4.84 lakhs is even more pronounced. The provision for Depreciation is higher at Rs 1.73 lakhs against Rs 1.02 lakhs and Development Rebate Reserve at Rs 41,429 against Rs 38,159. The Redeemable Preference Capital Redemption Fund gets Rs 1.5 lakhs against nil. The provision for Taxation is raised to Rs 3.35 lakhs from Rs 1.40 lakhs. A final dividend of 12 per cent is to be paid on the old capital of Rs 10 lakhs making with the interim dividend, 20 per cent for the whole year. The newly-issued equity shares for Rs 3 lakhs will receive a dividend of 10 per cent for a period of six months. The dividend on the old capital for 1959-60 was 15 per cent.

During the year, the company undertook the manufacture of sodium aluminate while the output of potassium chlorate could not be stepped up at Kundara on account of the shortage of power. It is expected that the additional power required will become available during the current year.

With the issue of additional capital and allocations to reserves, it has been possible for the company to repay, in full, the loan taken from the Kerala Financial Corporation. In relation to its paid-up capital, the company has been reporting a fairly high level of profits.

Tezpor Tea Repeats

After meeting all expenses and providing Rs 1.88 lakhs for Depreciation (against Rs 1.33 lakhs in 1959),

the Tezpor Tea Company Limited has earned a lower profit of Rs 8.50 lakhs for 1960 as against Rs 10.71 lakhs for the preceding year. Deducting from this the provision for Taxation of Rs 3.58 lakhs (Rs 4.39 lakhs), there remains a balance of Rs 4.92 lakhs.

With the addition of Rs 53,844 brought forward from the previous year and Rs 13,000 provided for liabilities now no longer required, the total sum available for appropriation is Rs 5.49 lakhs. Of this, a sum of Rs 1 lakh is transferred to General Reserve and Rs 1.50 lakhs to Rehabilitation Reserve in addition. The directors have proposed a final dividend of 11 per cent, making a total of 20 per cent, taxable, as against 17½ per cent, taxable, for the preceding year.

Fall in Jaipur Metal's Profit

The Jaipur Metals & Electricals Limited has earned a lower profit for the year ended 31 December 1960 as compared to the previous year. The gross profit amounts to Rs 11.78 lakhs on a turnover of Rs 146.95 lakhs as against Rs 12.03 lakhs in 1959 on a turnover of Rs 142.56 lakhs.

The directors have provided Rs 71,611 for managing agents' remuneration against Rs 89,782. The provision for Depreciation has been raised from Rs 3.67 lakhs to Rs 3.82 lakhs. A sum of Rs 3.58 lakhs is provided for Taxation against Rs 3.60 lakhs. The dividend on the ordinary shares is raised from 8.5 to 9 per cent and on the Deferred shares from 18.9 per cent to 25 per cent, subject to deduction of tax.

The working of the company's meters division has shown a marked improvement over the previous year, the production having gone up from 100,500 meters to 134,500 metres. This is the highest output recorded by the company so far. In the metals division, production suffered a setback from 2,355 metric tons to 2,024 metric tons on account of a cut in the import quota of raw materials.

Hantapara Pays More Despite Lower Profits

Despite a sharp decline in the net profit from Rs 11.67 lakhs to Rs 6.83 lakhs, the Hantapara Tea Company Limited has proposed to raise the dividend from 12½ to 15 per cent, taxable, for 1960. The Depreciation amount is slightly higher at Rs 2.56 lakhs against Rs 2.52 lakhs, while the provision for Taxation is substantially raised to Rs 7.70 lakhs from Rs 1.90 lakhs. A sum of Rs 1.50 lakhs (Rs 4.75 lakhs) is set apart for General Reserve; Rs 60,000 (Rs 1.80 lakhs) for Investment Reserve and

Rs 15,000 (Rs 45,000), for Development Rebate Reserve.

Cochin Malabar Raises Distribution

The Cochin Malabar Estates Limited has done very well during the year ended 28 February, 1961, with a sharp increase in the net profit to Rs 20.44 lakhs from Rs 13.18 lakhs for 1959-60. The better working results are due to the jump in the output of rubber to 12.64 lakhs kg from 9.79 lakhs kg. The average price realised is slightly lower, but there is a significant decline in the all-in-cost by the over 27 cents per kg.

The amount set aside to Depreciation is higher at Rs 1.51 lakhs against Rs 1.36 lakhs and Taxation at Rs 10.47 lakhs against Rs 9.22 lakhs. A sum of Rs 2 lakhs is transferred to General Reserve and Rs 1.50 lakhs to Rehabilitation Reserve in addition. The directors have proposed a final dividend of 11 per cent, making a total of 20 per cent, taxable, as against 17½ per cent, taxable, for the preceding year.

Excellent results of Periakaramalai

The Periakaramalai Tea and Produce Company Ltd. has produced excellent working results for the year ended 31 March, 1961, thanks to a higher tea production and better prices obtained. The gross profit for the year has jumped to Rs 33.82 lakhs from Rs 18.32 lakhs, showing a rise of 84.6 per cent over the previous year.

Managing agents' commission has gone up from Rs 1.18 lakhs to Rs 2.43 lakhs. The provision for Depreciation has been raised from Rs 3.41 lakhs to Rs 4.52 lakhs, while that for Taxation has been more than doubled from Rs 6.40 lakhs to Rs 13.35 lakhs. Even after higher provisions on all essential items, the net profit at Rs 13.52 lakhs shows a substantial improvement over Rs 7.32 lakhs for 1959-60. The transfer to General Reserve is raised to Rs 2 lakhs from Rs 1 lakh; but that to Development Rebate Reserve is lower at Rs 7,468 against Rs 47,323. The directors have recommended a final dividend of 12.50 per cent, making a total of 20 per cent for the year, subject to tax, as against 13.50 per cent, taxable, for the preceding year.

CORRECTION

In our issue dated 29 July, 1960 on Page 205, the sub-heading "Dividends halved by Jaybirpara and halved by Hoolungoor" should read "Dividend doubled by Jaybirpara and halved by Hoolungoor".

The report had stated that "Following a decline in the net profit from Rs 1.14 lakhs to Rs 81,016, the Jaybirpara Tea Company Limited has halved the dividend to Rs 1.00 per share, taxable". This should read as follows:—Despite a decline in the net profit from Rs 1.14 lakhs to Rs 81,016, the Jaybirpara Tea Company Limited has doubled the dividend to Rs 1.00 per share; taxable, for 1960"

Quoted Shares

Preference Shares

CALCUTTA

NAME	Paid-up per Share.	Quotation as on 29-7-61 Rs NP
BANKS		
Allahabad 6% ...	100	96.50
Behar 5% ...	50	16.00*
COAL		
Asso. K'pura 4½% ...	100	50.50*
Bharat 5½% ...	100	34.00
Borrea 6½% ...	100	66.55*
Burrakur 7% ...	100	99.00
Burrakur 6% ...	10	7.25
Equitable 6% ...	100	80.00*
Ghuseck & Muslia 5% ...	100	100.00
Gourangdi 5% ...	100	40.00*
Karanpura 5½% ...	100	58.00
Khas Kajora 5½% ...	10	6.95
N. Beerbhoom 7% ...	10	10.50
N. Churullia 5% ...	100	8.06
N. Huntodih 6% ...	100	45.00*
Ondal 6½% ...	100	64.10*
Parasea 5½% ...	100	44.50
United Colliery 5% ...	100	64.50*
COTTON		
Basanti 6½% ...	10	8.56
Bengal-Nagpur 7% ...	100	75.00
Bharat Commerce 9% ...	100	100.00
Bowreah 8% ...	100	94.60
Bowreah 7% ...	100	71.00
Edin 8% ...	100	100.00
Edin 5% ...	10	6.97
Jagatjit 5% ...	100	73.75
Jyajeerao 5½% ...	100	88.50*
J. K. Cotton 6% ...	100	86.80*
J. K. Rayon 6½% ...	100	100.00
Kooram 7% ...	100	104.00
Kooram 5½% ...	100	86.00
Muir 6% ...	100	73.75
N. Victoria 3% ...	100	3.37
Orissa 5% ...	100	65.60
Shree Madhusudan 4½% ...	100	79.00
Shree Niwas 4% ...	100	48.80*
Shree Bhawani 8% ...	100	69.00
Swadeshi 6% ...	100	73.23
JUTE		
Agarpara 7% ...	100	91.00
Alexandra 7% ...	100	88.00
Alliance 6% ...	100	68.00
Anglo-India 7% ...	100	92.50
Auckland 5½% ...	100	72.00
Auckland 4½% ...	100	58.00
Spdy 7% ...	100	93.25
Barnagore 5% ...	100	38.00
Belvedere 7% ...	100	90.00
Bengal 5½% ...	100	53.00
Birla 7½% ...	100	90.30
Birla 5½% ...	100	91.00
Budge-Budge 7% ...	100	81.93
Calcutta 6½% ...	100	50.50
Calcuttania 7% ...	100	80.00
Cheviot 7% ...	100	95.43
Chitavalah 7% ...	100	89.00
Clive 6% ...	100	66.00
Clive 7% ...	100	76.50
Dalhousie 7% ...	100	86.00
Delta 5% ...	100	69.25
Empire 7% ...	100	74.30
Fort Gloster 7% ...	100	98.00
Fort Gloster 5% ...	100	63.75
Fort William 7% ...	100	92.00
Ganges Mfg. 8% ...	100	102.00
Gourapore 6% ...	100	82.00
Hastings 6% ...	100	82.00
Howrah 7% ...	10	10.12
Howrah 'A' Pref. ...	100	92.50
Howrah 7% ...	100	93.00
Kumarkhand 7% ...	100	92.00
Kumarkhand 6% ...	100	67.30
Kumarkhand 5% ...	100	91.00
Kumarkhand 4% ...	100	68.00
Kumarkhand 3% ...	100	90.50
Kumarkhand 2% ...	100	92.00
Kumarkhand 1% ...	100	79.50

NAME	Paid-up per Share.	Quotation as on 29-7-61 Rs NP
Kinnison 7% ...	100	90.00
Lansdowne 7% ...	100	91.00
Lawrence 7% ...	100	92.00
Lawrence 5½% ...	100	72.00
Nahati 7% ...	100	98.00
Nahati 4½% ...	100	80.00
National 7% ...	100	81.80*
Nellimaria 6% ...	100	78.00
N. Central 7% ...	100	89.50
Northbrook 5½% ...	100	73.00
Rameshwara 6% ...	10	9.44
Reliance 7% ...	100	80.75
S. Ambica 7½% ...	100	92.00
Soorah 7% ...	100	96.50
Union 7% ...	100	77.35
Waverley 5% ...	50	40.50
MININGS		
Asso. Mining 5% ...	50	27.50
Ch. Mica 5½% ...	100	48.00
Metal Corp. 5% ...	100	99.00
CEMENT		
Dalmia Bharat 6% ...	10	7.50
Jaipur Udyog 3% ...	100	37.00
Kalyanpur Lime 7% ...	100	80.00*
Kalyanpur Lime 6% ...	100	100.50*
K'dhul Fire 5½% ...	100	58.20
Orissa Cement 4½% ...	100	35.00*
CHEMICALS		
Alkali 5% ...	100	92.00
Bathgate 6% ...	100	19.00
Bengal Chem. 7½% ...	10	12.31
Bengal Chem. 4½% ...	100	66.00
Calcutta Chemical 6% ...	10	7.50
Frank Ross 4½% ...	100	51.00
Smith Stanistreet 10% ...	50	63.12
ELECTRICS		
Calcutta 5% ...	21	9.25
Dishergarh 5% ...	100	69.00
Dishergarh 4½% ...	100	69.20
ENGINEERING		
Arthur Butler 7% ...	10	10.75*
Br. Building 6% ...	100	50.00
Br. Engineering 7% ...	100	100.00
Burn & Co. 7% ...	100	114.00
Burn & Co. 6% ...	100	101.00
Indian Iron 5% ...	100	90.00
Ind. Machine 7% ...	100	63.00
Jessop & Co. 5% ...	100	112.00
J. K. Steel 7% ...	100	80.25
Kumardhul 5% ...	100	100.25
R. Cruddas 5½% ...	100	80.00
Steel Products 5% ...	10	7.22
Texmaco 5½% ...	100	79.15
Texmaco 5% ...	100	62.50
Texmaco 6½% ...	100	91.00
MISCELLANEOUS		
Alum. Corp. 6% ...	100	99.30
Alum. Corp. 5% ...	100	71.00
Amal. Dev. 5% ...	100	37.00*
Asso. Hotel 7% ...	100	52.75
Bharat Nidhi 6% ...	100	44.67*
Birds Investment 5½% ...	100	56.50
Br. Biscuits 8% ...	10	8.66*
B. L. Corporation 8% ...	100	108.75
Cal. Cr. Corp. 6% ...	100	34.50*
Cal. Cr. Corp. 5½% ...	100	23.50*
Calcutta Gas 5½% ...	100	52.14*
Calcutta Silk 5% ...	100	49.12*
Calcutta Trams 5% ...	21	7.81
Duncan Bros. 4% ...	100	50.55*
Dunlop 6% ...	100	110.00
Dunlop 6% ...	100	79.00
Eastern Inv. 5% ...	100	67.44
Gillanders 5% ...	100	58.00
Godfrey Phillips 5½% ...	100	56.50
Greaves Cotton 5% ...	100	32.85*
Greaves Cotton 6% ...	100	48.43*
Hindustan Alum. ...	25	24.37
Hindustan Motors 6% ...	100	205.43*

NAME	Paid-up per Share.	Quotation as on 29-7-61 Rs NP
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Hindustan National Glass 8% ...	100	93.00*
Indian Alum. 5% ...	100	66.20
Indian Cables 6% ...	10	34.00
Indian Plastics 5½% ...	100	40.50*
Indian Rubber 5% ...	100	59.75
James Wright 6% ...	50	19.75*
J. Henderson 5½% ...	100	57.00
K. Bullen 5½% ...	100	57.50
K. Bullen 4% ...	100	55.00
Kusum 5½% ...	100	64.00*
Macneil & Barry 5½% ...	100	51.57
Madhya Pradesh Ind. 6% ...	100	93.00*
Martin Burn 5% ...	100	86.50
McLeod & Co. 5% ...	100	47.78*
1st Pref. McLeod & Co. 5% ...	100	57.00
2nd Pref. McLeod & Co. 5% ...	100	84.00
Metal Box 6% ...	100	78.00*
National Rubber 6% ...	10	2.35
National Tannery 5% ...	100	73.50
National Tobacco 4½% ...	10	66.25
Nav. Bharat Vanijiya Rallis 6% ...	100	67.00
Rohtas Indus 7% ...	100	115.00
Rohtas Indus, 4½% B ...	100	56.00
Sen Raleigh 5% ...	100	150.00
Shaw Wallace 6% ...	100	67.50
Spencer 6½% ...	10	5.37*
Spencer 8½% B ...	10	10.12*
Standard Vacuum 6% ...	100	90.50
Union Tobacco 6% ...	100	15.50
OILS		
I. B. Petrol 7% ...	100	83.00
PAPER		
Ballarpur 5% ...	100	112.00*
Bengal Paper 7% ...	100	49.50
Bengal Paper 7% ...	100	102.00
Bengal Paper 6% ...	100	61.95
Orient 5½% ...	100	83.00
Orient 5½% ...	100	68.75
Shree Gopal 5% ...	100	90.50
Shree Gopal 7½% ...	100	81.90
Sirpur Paper 6% ...	100	65.00
Star Paper 5% ...	100	65.90*tr
Star Paper 5½% ...	100	85.40*tr
Star Paper 7% ...	100	62.80*tr
Star Paper 7% Can. ...	100	89.00
Titagarh 8% ...	100	99.00
Titagarh 4½% ...	100	73.00
PRESSING		
Bhagwati 5% ...	100	28.00*
REAL PROPERTY		
Humayan 6% ...	10	7.00
Regent Estate 4% ...	100	33.50
SAW MILLS		
Bengal Timber 5% ...	100	7.75
SHIPPING		
B-A Steam 7% ...	60	43.87*
I.G. Navigation 6% ...	210	77.00
India Steam 5% ...	100	78.00
SUGAR		
Carew 6½% ...	100	80.00
Cawnpore 8% ...	100	120.00
Jarwant 5½% ...	100	85.00
Mohini 5% ...	100	70.00*

NAME			Paid-Quotation		NAME			Paid-Quotation		NAME			Paid-Quotation		
			up per	as on				up per	as on				up per	as on	
			Share.	29-7-61				Share.	29-7-61				Share.	29-7-61	
			Rs	pP				Rs	pP				Rs	pP	
PAPER MILLS															
Ballarpur	...	25	37.62	Brooke Bond	...	10	17.25	North-West Cachar	...	100	200.00	Coffee Lands 5%	...	100	71.08
Bengal Paper	...	25	88.00	Decco Valley	...	10	50.75	Pathemara	...	10	7.25	Cons. Coffee 6%	...	25	20.87
India Paper	...	10	18.56	Dessai and Purbat	...	100	154.00	Koopacherra	...	10	15.69	Conoor Tea 6%	...	100	83.14
Mysore Paper	...	10	29.87	Dhelaakhat	...	10	19.00+	Rungamattar	...	50	55.00+	Coorg Tea 7 1/2%	...	5	4.14
Orient Paper	...	10	34.75	Dhunerri	...	10	18.44	Sohai River	...	10	9.12	Cottanad 7 1/2%	...	10	10.00
Seashasayee	...	7 1/2	6.12	Dibrugarh	...	10	39.62	Tea Producing Co.	...	10	10.37*	Devon 7 1/2%	...	100	85.17
Shree Gopal	...	10	24.69	Dimakuri	...	10	27.25	Tilkah	...	10	10.00*	Highbury 5 1/2%	...	100	72.50
Sirpur Paper	...	10	14.50	Dufflaghur	...	10	20.32	Chittagong Gardens							
Star Paper	...	10	12.59	East India	...	10	20.32	Kodaia	...	10	9.25	Heiland 6%	...	10	7.25
Straw Products	...	10	9.31	Gillapukur	...	10	26.37	Kornafuli	...	10	8.06	Kadur Coffee 6 1/2%	...	10	6.50
Titaghur P.O.	...	2 1/2	3.87	Gohpur	...	10	16.94	Oodaleah	...	10	8.00	Karikode 6%	...	10	6.99
Titaghur Ordy.	...	10	36.87	Grob	...	5	11.19	Sylhet Gardens							
U. I. Couper	...	100	50.00	Hapjan Purbat	...	10	13.50	Baitakhal	...	10	6.69+	Kil Kotagiri 7%	...	10	8.37
West Coast	...	100	185.00	Hoograjuli	...	10	25.25	Kornafuli	...	10	8.06	Kurchermal 6 1/2%	...	10	5.88
PRESSING															
Bhagwati	...	10	4.87+	Hoograjuli	...	100	195.00	Tellapara	...	100	112.00	Malabar Agri. 6%	...	20	14.93
Camperdown	...	100	101.00	Jayshree	...	10	20.50	Telapara							
Hooghly Ganges	...	10	5.82	Joonktolle	...	10	39.00	Baitakhal	...	10	6.69+	Manimala 5%	...	10	9.00
REAL PROPERTY															
Bengal Bonded A	...	500	530.00	Jutibari	...	10	20.50	Chundecherra	...	10	24.94	Mer. Rubber 6%	...	10	7.10
Bengal Bonded B	...	62 1/2	58.93*	Kyang Tea Seed	...	10	7.56	Dauracherra	...	10	8.40	Midlands 6%	...	10	7.20
Bengal Bonded C	...	100	96.00*	Kingsley Golaghat	...	100	197.00*	Hattikihira	...	10	9.78	Milamailay 7 1/2%	...	25	24.75
Bengal Bonded D	...	12 1/2	12.14*	Krishnabehari	...	10	10.56	Kalliti	...	10	7.37	Mysore Amal. 6%	...	10	6.25
Clive Bldgs.	...	150	150.00	Ledo	...	10	17.00	Lackatoorah	...	10	18.25	Mysore Plan. 6%	...	10	7.00
Hindusthan Bldg.	...	10	3.69	Maud	...	10	14.00	Loobah	...	10	4.50	Neelamalai 5%	...	10	6.05
Humayan Prop.	...	10	11.00	Methoni	...	10	17.00	New Samanbagh	...	10	19.25*	Nelliampathy 6%	...	10	7.28
Humayan Deft.	...	1	2.19	Moheema	...	10	11.50	Patrakia	...	100	163.00	Nenmeny 7%	...	10	8.88
Midnapore Estate	...	85	13.62	Mothola	...	100	445.00*	Rajnagar	...	10	9.58	Nilambar 6%	...	10	6.55
Regent Estate	...	10	1.00*	Murphulani	...	10	24.50+	Tellapara	...	100	112.00	Peermade 6%	...	100	87.50
SAW MILLS AND TIMBER															
Andaman Timber	...	10	8.87	Murphulani P.O.	...	10	12.24+	South Indian Gardens							
Assam Saws	...	3	2.53	Naga Hills	...	10	19.00	Kotamullai	...	5	10.50	Rajagiri 6%	...	10	6.45
Bengal Timber	...	100	14.00	Namburnadi	...	10	12.87	Teral Gardens							
SHIPPING															
B. A. Steam	...	100	104.00	New Cinnatollah	...	100	105.00	Atal	...	10	7.87	Rajendra 6%	...	10	6.94
Calcutta Landing	...	10	13.90+	New Monkhoosah	...	7 1/2	19.60+	Belgachi	...	10	21.12*	Rajendra 5 1/2%	...	10	6.48
Calcutta Steam	...	10	12.37	Rajgerh	...	10	23.37	Gungam	...	100	165.00	Sangameswar 7%	...	10	9.75
Fraser & Co.	...	10	10.00	Sajol	...	10	20.87	Hansqua	...	100	185.00	Talayar Tea 6%	...	10	7.05
I. G. Navigation	...	£10	69.00	Seajuli	...	10	27.12	New Chumta	...	10	34.75*	Teekoy 6%	...	10	6.80
India Steam	...	10	8.44	Teloljan	...	10	33.56	New Terai	...	10	31.00	Thamarapur 6 1/2%	...	5	3.82
Port Shipping	...	10	11.12	Tengpani	...	10	38.00	Pahargoomiah	...	10	26.00	T. R. & T. Co. 6%	...	10	8.89
SUGAR															
Balrampur	...	2 1/2	2.56	Tespora	...	10	18.56	Fansqua	...	10	16.31	Udayagiri 7%	...	10	9.11
Balsud	...	8 1/2	11.12	Tongani	...	10	6.44	New Chumta	...	10	34.75*	Velmalai 7%	...	10	8.10
Bharat	...	10	16.50	Tycoon	...	10	39.00	New Terai	...	10	31.00	Waterfalls 6%	...	10	8.40
Bharat	...	100	106.80*	Darjeeling Gardens											
Garow	...	10	14.25	Bloomfield	...	10	4.06	Balgachi	...	10	21.12*	Woodcote 6 1/2%	...	5	2.94
Cawnpore	...	10	13.25	Chamong	...	10	9.19	Gungam	...	100	165.00	Woodlands 6 1/2%	...	10	7.45
Champaran	...	10	17.12	Darjeeling	...	100	142.00	Hansqua	...	10	16.31	Woodlands 6 1/2%	...	10	7.22
Darbhangha	...	10	14.00	Dilaram	...	100	108.00	New Chumta	...	10	34.75*	Adoni 6%	...	10	7.95
Deoria	...	10	8.71	Gidla	...	10	10.94	Canara Bank 5%	...	50	36.84	Anglo-French 6%	...	100	67.00
Dyer Meakin	...	5	33.00	Lingia	...	10	16.82	Canara Banking 4 1/2%	...	50	47.47	Bangalore Wool 6%	...	100	108.91
Jameson Sugar	...	10	19.22*	Longview	...	10	11.25	Canara Banking 4 1/2%	...	50	45.54	Buckingham 7 1/2%	...	100	122.00
Jaswant	...	10	5.25*	Margaret's Hope	...	10	14.56	Canara I. and B. 6%	...	100	85.54	Cambodia 7%	...	100	88.89
Mohini	...	10	2.12	Mim	...	100	191.50+	Canara I. and B. 5%	...	10	8.89	Cauvery Spg. 8.93%	...	100	91.00
Nawabganj	...	100	60.06*	Nagri Farm	...	100	26.00	Canara I. and B. 5%	...	10	8.89	Coim. Kamala 5 1/2%	...	100	92.00
New India	...	10	32.00	Oakhill	...	100	600.00	Canara I. and B. 5%	...	10	8.89	Coim. Muru. 6%	...	100	78.48
New Savan	...	10	5.69	Pashok	...	10	28.00*	Canara I. and B. 5%	...	10	8.89	Coim. Pioneer 6 1/2%	...	100	78.50
Punjab	...	100	50.00*	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Hamalatha 5%	...	100	61.40
Purtabpore	...	10	11.65+	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Kothari Textile 6%	...	10	8.75
Ramnugger Cane	...	10	30.31	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Loyal 5%	...	100	60.00
Ratna	...	10	1.46*	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Palani Andavar 7%	...	50	125.00
Kaza Buland	...	10	11.75	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Rajalakshmi 6 1/2%	...	50	44.50
Ryam	...	10	11.75	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Tirupati 8.93%	...	10	8.90
Samastipur	...	10	10.44	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Travancore Rayon 5 1/2%	...	10	7.56
Shree Ananda	...	10	10.50+	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Vasanta 6 1/2%	...	100	97.00
Sitalpur	...	10	6.44	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Vasanta 6%	...	100	94.02
South Behar	...	10	3.87	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Venkatesa 6%	...	50	47.27
South Behar (Deft.)	...	2	0.25*	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Vijayakumar 6%	...	100	85.00
Sri Hanuman	...	10	16.40+	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Vijayakumar 6%	...	100	85.00
S. K. Gyanoday	...	10	11.25	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Vijayakumar 6%	...	100	85.00
Shree Sitaram	...	10	7.12	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Vijayakumar 6%	...	100	85.00
Tulsipur	...	5	5.06	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Vijayakumar 6%	...	100	85.00
Upper India 'A'	...	100	102.00*	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Vijayakumar 6%	...	100	85.00
Upper India 'B'	...	25	8.75*	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Vijayakumar 6%	...	100	85.00
Upper Ganges	...	10	70.00	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Vijayakumar 6%	...	100	85.00
United Province	...	10	15.50+	Pashok	...	10	7.37	Canara I. and B. 5%	...	10	8.89	Vijayakumar 6%	...	100	85.00
TEA															
Assam Gardens															
Amiuckie	...	10	25.94	Banarhat	...	100	330.00	Canara Bank 5%	...	50	36.84	Amrutnanjan 7 1/2%	...	100	125.00
Anand Assam	...	10	16.80*	Baradighi	...	10	27.12	Canara Banking 5%	...	50	47.47	Andhra Cement 6%	...	100	92.74
Ananda Bag	...	10	26.50	Bhatkora	...	10	22.00	Canara Banking 4 1/2%	...	50	45.54	Andhra Scientific 5%	...	10	7.04
Baghmari	...	10	24.62	Birpara	...	100	173.00	Canara Banking 4 1/2%	...	50	45.54	Aspinwall 6 1/2%	...	10	7.62
Sardur Tea	...	6	8.50	Carron	...	100	143.00+	Canara I. and B. 6%	...	100	85.54	A. V. Thomas 6%	...	10	7.25
Basmatia	...	10	28.58+yr	Cnoonabhutti	...	100	271.00	Canara I. and B. 6%	...	100	85.54	A. V. Thomas 1 1/2%	...	10	5.00
Batal	...	5	19.12	Ellenbarrie	...	100	176.00+	Canara I. and B. 6%	...	100	85.54	Bruntown 6%	...	10	7.25
Batjan	...	10	35.50	Engo	...	100	136.00+	Canara I. and B. 6%	...	100	85.54	Cen. Scientific 6%	...	5	5.10
Biknauth	...	10	26.19	Ethelbert	...	10	8.56	Canara I. and B. 6%	...	100	85.54	Dalmia Cement 6%	...	10	7.45
Bokakhat	...	10	13.70	Gairkhatia	...	100	210.00	Canara I. and B. 6%	...	100	85.54	Enfield 7%	...	100	95.00
Bormah Jan	...	10	18.94	Gopalpur	...	25	19.32	Canara I. and B. 6%	...	100	85.54	India Cement 7 1/2%	...	100	79.30
Borpukhuri	...	10	18.06	Hantapara	...	100	136.00	Canara I. and B. 6%	...	100	85.54	I. S. Rolling 5 1/2%	...	10	7.60
				Hasimara	...	10	25.50	Canara I. and B. 6%	...	100	85.54	Kasturi & Sons 6%	...	100	101.00
				Hill Tea	...	10	7.75	Canara I. and B. 6%	...	100	85.54	Madras Aluminium	...	25	25.00
				Hulidibi	...	10	28.06	Canara I. and B. 6%	...	100	85.54	Madras Cements 9.3%	...	100	100.00
				Jaybirpara	...	10	16.12	Canara I. and B. 6%	...	100	85.54	Madras Vanas. 5 1/2%	...	100	50.00
				Kadammini	...	15	16.00	Canara I. and B. 6%	...	100	85.54	Mandya Nl. Paper 7%	...	100	100.00
				Killicott	...	10	19.69	Canara I. and B. 6%	...	100	85.54	Markar 6%	...	50	52.33
				Malhati	...	10	21.12	Canara I. and B. 6%	...	100	85.54	Medowell 6%	...	100	89.64
				Manabarie	...	10	54.25	Canara I. and B. 6%	...	100	85.54	Mettur Chemical 6%	...	10	9.50
				Nagaisurree	...	100	210.00	Canara I. and B. 6%	...	100	85.54	Mys. Chera. Mfg. 6%	...	10	8.50
				New Doocra	...	100	328.00	Canara I. and B. 6%	...	100	85.54	Mysore Lamp 4%	...	10	5.95
				Oodlabari	...	10	15.25	Canara I. and B. 6%	...	100	85.54	National Rubber Mtrs.	...	100	68.00
				Phaskwa	...	100	127.00	Canara I. and B. 6%</							

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NAME	Paid-up Share	Quotation 28-7-61 Rs NP
Laxmi Starch	100	203.75
Madhya Pradesh Ind.	10	14.75
N. I. Fisheries	100	105.00
New India Indus.	100	388.00
Ogale Glass Works	5	5.52
Permanent Magnet	50	87.00
Phillips Carbon	75	19.60
Rohtas Indus	10	20.00
Selected Satgram Col.		
Ierles	100	128.00
Supreme Industries	100	153.75
Synthetics & Chemis.	100	196.00
Thacker & Co.	50	40.00

Ordinary Shares (Cleared) COTTON TEXTILES

Ahmed Advance	100	191.50
Apollo	2	1.72
Azam Jahl	100	70.50
B. R. Cotton	100	48.00
Bombay Dyeing	25	87.70
Central India	100	122.00
Century	100	674.00
Edward Textile	200	297.50
Elphinstone	50	78.00
Finlay	100	321.00
Gokak	100	185.50
India United	10	15.20
India United (Defd.)	1	1.86
Indore	100	158.00
Khatana	100	575.00
Kohinoor	100	288.00
Minerva	100	80.00
Morarjee	100	415.00
Mysore	50	69.00
New Great	100	221.00
Omanashahi	100	65.00
Podar	100	143.00
Shrinivas	100	259.00
Simplex	50	195.00
Standard	100	1322.00
Syadashi	100	268.25
Swan	100	610.00
Tata	25	69.00

ELECTRICS

Ahmedabad	100	88.50
Andhra Valley	100	107.50
Bombay Suburban	100	98.00
Tata Hydro	100	107.50
Tata Power	100	1055.00

CEMENT

Andhra 'B'	10	11.04
A-C-C	100	158.75
Orissa	10	14.80
Shree Digvijay	100	157.00

STEEL

Indian Iron	10	26.70
Mukund	10	27.25
Tata	75	156.00

ENGINEERING

Alcock	100	270.00
Cooper	100	176.25
Larsen and Toubro	10	38.25
Tata Engg. and Loco-	100	362.00
motive	10	19.00
Texmaco	100	285.50
Volta	100	

SHIPPING

Great Eastern	10	13.88
Scindia	20	13.72

SUGAR

Belapur	50	248.50
Bhopal	10	24.52
Phaltan	50	128.50
Shree Chanddeo	125	25.25
Walchand	100	164.00

MISCELLANEOUS

Bombay Burnmah	125	585.50
B. B. Petrol	145h	1.18
Hindustan Motor	100	21.52
Indian Copper	25h	5.28
Ind. Inv. Trust	100	75.00
National Rayon	100	538.00
Poison	100	165.00
Premier Auto	100	159.00
Premier Cent.	30	189.00
Shivrajpur	10	89.00
Sirpur Paper	10	14.16
Tata Chemical	10	17.60
Tata Oil	25	74.50
Wimco	100	268.00

For the Investor

INVESTMENT GOSSIP Lack of Fresh Incentives

Sentiment, especially in Calcutta has displayed some improvement in the course of the trading on Wednesday and Thursday. This recovery seems to have been confined to this centre only as Dalal Street has continued to be rather hesitant. It would appear that the revival of interest in Lyons Range is mainly due to the good news from the pivotal scrip. Production of Indian Iron last month has recorded an improvement over the previous month. But with rumours about some dislocation to the market as a result of last Saturday's interim clearing in two scrips, Indian Iron and Hindustan Motors, persisting, conditions are not yet conducive for fresh interest being evinced at the lower levels. The recent shake-out has no doubt rendered the technical position of the market better but in the absence of fresh powerful incentives, prevailing uncertainties tend to be exaggerated.

As has already been noted in this column, the main impediment in the way of a bullish market being established is the fear of Government interference in the shape of restrictive measures on the course of trading in the stock market. Though talks about margins and other reforms like a reduction of brokerage have not been heard much during the past two weeks or so, these possibilities have by no means been forgotten, not by the thinking market men at least. The Damocles' sword of further stock exchange reforms is very much a reality for these people and they are unlikely to extend their commitments to any considerable extent until some authoritative indications are available as to what exactly Government wants to do in this regard.

NEW ISSUE NOTES India Carbon

ANOTHER new issue in the offing is that of India Carbon Limited. This Company has been formed to undertake manufacture of Calcedined Petroleum Coke and Calcedined Anthracite Coal required primarily by all basic Electro-Metallurgical and Electro-Chemical Industries. The requirement of Aluminium Industry is as high as 44 Tons of Calcedined Petroleum Coke for 100 Tons of Ingot production. At present, there is no indigenous production of these items and all the needs of basic heavy industries of the country, namely, Aluminium, Ferro Al-

loys, Ferro Manganese, Ferro Silicon, Calcium Carbide etc. etc., are dependent solely on imports. With India Carbon Limited going into production, the country would become self-sufficient in respect of these two basic industrial raw materials; and substantial saving in foreign exchange is expected. As a matter of fact, this unit should greatly contribute in the realisation of industrial production targets of the above-named Industries in Third Five Year Plan. The technical collaborators are Great Lakes Carbon Corporation of USA, a leading manufacturer of Calcedined Petroleum Coke and Calcedined Anthracite Coal. Apart from their seven huge plants in USA, they have a plant in England and have collaboration in Germany and Italy. Their "know-how" and continued technical assistance will prove invaluable to Indian company in respect of product quality, operating costs and profitability.

The new issue is to be for an amount of Rs 45,00,000 comprising of Preference Shares of Rs 5,00,000 and Equity Shares of Rs 40,00,000. The entire Preference Issue has been taken up by Government. Out of Rs 40,00,000 Equity, the foreign collaborators will take up Rs 16,00,000 and an equal amount will be taken up by the Promoters, Directors and their friends. The foreign collaborators will be represented on the Board of the Indian company by two Directors and would make available experts from their plants to look after the erection and operation of the plant till Indian personnel are ready after training in USA to take over the responsibilities. The Indian company has the further advantage that all the raw material available within the country from the two refineries in Assam has been committed to it and it has a ready market for its entire production as soon as it goes into operation. The value of such output, in terms of wholesale prices, is calculated to be more than Rs 1.30 crores per annum. The expected date of commencement of production is understood to be September/October 1962.

Madras Rubber

The first call of Rs 2.50 per share on the Rs 5 paid equity shares of the Madras Rubber Factory Limited is payable on or before 6 August 1961.

East India Plastics

The East India Plastics (India) Limited has announced that the amount of first call of Rs 2.50 per share shall be payable on or before 30 August 1961. On any amount remaining unpaid on that date, an

interest will accrue at the rate of 5 per cent per annum.

Mysore Paper

The Mysore Paper Mills Limited has obtained the sanction from the Government for the issue of 10,000 equity shares of Rs 10 each, at a premium of Rs 2 per share, to the holders as on 31 August 1961, at four shares for every one share held. The allotment money of Rs 2.50 and a premium of Rs 50 nP are payable on or before 16 October and the balance of Rs 9 (Rs 7.50 plus Rs 1.50 premium) is payable in calls. The new shares will rank proportionately for dividend with the existing shares to the extent of amounts paid-up and only for the proportionate period. The cum-right deals in the shares done until 19 August will be settled on 21 August. The ex-right deals can be done from 21 August and their first settlement will take place after 29 September 1961.

Canara Bank

The Canara Bank Limited has proposed to issue 50,000 equity shares of Rs 50 each at Rs 65 per share to the existing shareholders in the ratio of two shares for every five shares held.

Kerabedarf India Ltd.

Kerabedarf India Limited, Patna, to be established in collaboration with Kerabedarf of West Germany for undertaking the manufacture of all preparatory and moulding machinery for heavy-clay and porcelain industries etc., has been accorded a consent to the issue of capital of Rs 31.25 lakhs divided into equity capital of Rs 25 lakhs and preference capital of Rs 6.25 lakhs, 40% of the equity capital will be subscribed by the foreign collaborators.

Seksaria Cotton Mills

The Seksaria Cotton Mills Limited, Bombay, has been granted consent to the issue of Debentures of the value of Rs 84 lakhs of which Rs 39 lakhs of Debentures will be issued for other than cash and shall carry an interest of 4% per annum, while the balance Debentures of Rs 45 lakhs will carry 6% per annum interest and will be issued for cash. The proceeds will be utilised to implement the scheme of reconstruction of the mills approved by the High Court Bombay. The present paid up capital of the mills is Rs 40 lakhs in ordinary shares of Rs 100/- each.

H.K. Industries

H. K. Industries Private Limited, Bombay, has been granted consent to issue capital of Rs 35 lakhs, divided into 25,000 equity shares of Rs 100/- each and 10,000 preference shares of Rs 100/- each carrying a dividend of 9%, free of company's tax but subject to deduction of taxes at source at the prescribed rates. Of this, equity shares of the value of Rs 12.50 lakhs will be offered to the German collaborator,

M/s. Siegfried Schumacher KG Stehldrahtwerk, West Germany. The proceeds will be utilised for the manufacture of steel wire ropes.

Benger Laboratories

Benger Laboratories (India) Limited, Calcutta, have been granted consent to issue further capital of Rs 10 lakhs in equity shares of Re 1/- each for cash at par; out of this, shares of the value of Rs 7 lakhs will be offered to M/s. Fisons Limited of UK and the balance to the Investment Corporation of India Limited, Bombay, and their nominees. The present paid up capital of the company is Rs 10 lakhs.

Pfizer

M/s. Pfizer Private Limited (formerly Dumex Private Limited) has been granted consent to the issue of further capital of Rs 10 lakhs in equity shares, for cash at par to be allotted to M/s. Pfizer Corporation, Colon, Panama. The proceeds will be utilised for import of machinery and equipment for a process development pilot plant. The company has at present a paid-up capital of Rs 95 lakhs, Rs 65 lakhs in equity shares and Rs 30 lakhs in preference shares.

INVESTMENT NOTES Bengal Paper

The expansion and rehabilitation schemes of the Bengal Paper Mill Company Limited are making good progress. The installation of the brown-stock washing plant, the re-austicizing plant, the water electrification plant and other equipment is expected to reduce the washing losses. These schemes have cost the company nearly Rs 36 lakhs. An order has been placed for the sixth paper machine. Orders for the multi-stage bleaching plant and other equipment, to be obtained from the USA, will be finalised on receipt of the approval of the DLF loan. In order to finance the schemes, it is proposed to raise funds in the form of ordinary shares and convertible loan stocks in due course.

The company has now obtained the sanction from the Controller of Capital Issues for the issue of 72,000 equity shares of Rs 25 each, at a premium of Rs 30 per share, and 64 per cent taxable Convertible Loan Stocks of Rs 30 lakhs. The directors have considered it more convenient to sub-divide its equity capital into shares of Rs 10 each. With this in view, the company has decided, in its meeting held on 31 July 1961, to apply to the Controller of Capital Issues for the sanction of bonus equity shares, to be issued to the equity shareholders in the ratio of one share for every five shares held. After the issue of bonus shares, the aforesaid sub-division will be effected and thereafter it is intended that the right shares will be offered to the shareholders at a premium of Rs 12 per share in the ratio of one equity share of Rs 10 for every three equity shares of Rs 10 each.

IISCO

The production figures released by the Indian Iron & Steel Company for last month show an all-round rise as compared to those of the previous month. The output of Pig Iron has risen to 100,407 metric tons from 96,921 metric tons; Steel Ingots to 77,595 metric tons from 74,228 metric tons; semi-finished Steel to 14,825 metric tons from 13,576 metric tons and Finished Steel to 50,895 metric tons from 36,513 metric tons. Despatches are also higher at 53,410 metric tons against progress. The installation of the 61,410 tons.

INVESTMENT BRIEFS

Amalgamated Coffee has maintained the dividend at 10 per cent taxable, for the year ended 31 March, 1961.

STOCK EXCHANGES Mild Rally After Initial Dip

Watch-Dog Writes:

THERE are some signs of confidence returning to the stock markets, which had been ruling weak till Wednesday in the absence of any incentive or better advices from Bombay. Thanks to the emergence of bull support coupled with some bear-covering, there is a minor rally and, under the lead of speculative issues, prices have shown an all-round improvement. It should, however, be said that the operators are still hesitant to follow the recovery in the absence of any strong bullish news.

After suffering a further sharp setback early in the week, prices on the Calcutta Stock Exchange staged a marked recovery towards the close, thanks to the release of encouraging production figures of the Indian Iron & Steel Company Limited.

The easier turn in the money market, lower budia charges and the emergence of support on expectation of purchases by the LIC, induced a steady recovery in prices on the Bombay Stock Exchange.

On the Madras Stock Exchange, there was moderate activity which was spread in the Miscellaneous section. Planting shares continued to receive selective support.

The London Stock Exchange shook off the doldrums brought on by the Conservative Government's new austerity programme. There were price-advances on a broad front.

CALCUTTA

Calcutta, Friday.

EXCEPT for a mild rally in prices noticed during the closing days of the week following the fixation of normal budia charges and the release of encouraging production figures by the Indian Iron & Steel Company, the local stock exchange remained generally dull. The complete absence of any buying support even at the present low levels, the

news of the decision made by the Union to join the EMC, the strained political relations of the different nations of the world and particularly that of India with Pakistan, the inordinate delay in the announcement of the steel retention prices and the fears entertained in some quarters with regard to the payment difficulties in respect of the interim and final settlements—all these factors induced the bulls to restrict their commitments.

Taking advantage of the situation, bears dominated and depressed the market in their favour. But for the short-covering and replacement buying aided by the prospect of institutional support, the steady downward trend in prices would not have been halted. Fresh support is, however, halting due to the cautious attitude adopted by the operators.

The recent new loans had their effect on the Gilt-edged market. There was a general downward adjustment of prices in the long-dated issues so as to align themselves with the new interest rate pattern. Short-dated securities, however, continued to be in request, while State Loans came in for selective support. 3 per cent 1986 Conversion changed hands at Rs 72 to Rs 72.50.

Bank shares continued to remain firm following the release of encouraging working results for last year by some of the banks. Punjab National changed hands at Rs 23.75 to Rs 24, to close finally at Rs 23.94. United Commercial remained practically unchanged at Rs 91.

Jute shares met with a predominance of sellers on the fear that the results for the current year would be most unsatisfactory in view of the difficult conditions generally experienced by the industry. The only exceptional features were Birlas having sustained support up to Rs 26.94 from Rs 26.50; Chitavalsah up to Rs 11.31 from Rs 10.69 and Champdany up to Rs 113 from Rs 111. Howrah were, however, on offer at Rs 19.37 to Rs 20.25; New Central at Rs 18.50 to Rs 18.62 and Dalhousie at Rs 100 to Rs 106.

Although Coal shares moved up slightly in sympathy with the general trend of the market, the volume of business did not show any marked increase in the absence of any influence to enthuse the investors. Besides, reports of stocks accumulating at pit-heads due to lack of adequate supply of wagons were still pouring in and these were bearishly interpreted. New Beer-broom changed hands at Rs 23.50 to Rs 24.00; South Karanpura at Rs 8.50 to Rs 8.62; Central India at Rs 13.19 to Rs 13.47; Western Bengal at Rs 9.87 to Rs 10 and Bengal at Rs 380 to Rs 383. Burrakur fluctuated irregularly between Rs 19.19 and Rs 19.50 to close finally at the last quoted level.

Although Tea shares continued to meet with selective buying, the turnover was poor due to a general anxiety with regard to the UK's decision to join the ECM and the subsequent developments that might take place in the matter of tea exports. Bishnauth came in for business at Rs 26.06 to Rs 26.25; Dufflaghur at Rs 32.50 to Rs 32.75; Grob at Rs 11.06 to Rs 11.25; Hasimaru

at Rs 25.12 to Rs 25.25; Methoni at Rs 16.19 to Rs 17.19 and Jay Shree at Rs 24.19 to Rs 24.25.

After a long time, Sugar shares came in for selective support on the hope that the earnings of the companies might have improved due to higher production during the current season. An outstanding feature of the week's trading was Carew, which spurred to Rs 16.50 from Rs 14.25 on rumours of the possibility of declaring an interim dividend in the near future as against nil in the previous years. Ramnugger Cane were supported up to Rs 30.44 from Rs 30.19; Dyer Meakins up to Rs 35.25 from Rs 33.12 and Raza/Buland up to Rs 11.62 from Rs 11.44. Cawnpore were a narrow market around Rs 13.12.

Only routine business was done in the Cotton Mills section. Kesaram changed hands at Rs 29.12 to Rs 30.19; J. K. Rayon at Rs 19.08 to Rs 19.75; Dunbar at Rs 26.12 to Rs 26.87 and Bowraah at Rs 23.81 to Rs 24.00. Elgins were, however, quiet at Rs 19 against Rs 19.87 with Jay Shree well maintained at Rs 16.50.

After ruling initially weak, Engineering shares displayed a firmer tendency towards the close under the lead of Indian Irons following the encouragement derived from the production figures released by the company for last month. Better advices from Bombay were also a contributory factor. After opening quiet at Rs 26.60 and touching a low of Rs 26.50, Indian Irons recovered steadily to Rs 26.78 before finishing the week at Rs 26.70. Following were the production figures (in metric tons) for the past three months:—

	July	June	May
Pig Iron	100,407	96,921	100,815
Steel Ingots	77,595	74,228	70,912
Semi-finished Steel	14,825	13,576	11,065
Finished Steel	50,895	36,513	31,100
Despatches	53,410	51,410	39,812

Among other engineering shares, J. K. Steel met with sustained support up to Rs 38.75 from Rs 38.37; Braithwaite up to Rs 36.25 from Rs 36 and Jay Engineering up to Rs 29 from Rs 28.87. Jessop, however, lacked fresh support, quoting Rs 19.69 against Rs 19.94, while TEXMACO moved narrowly between Rs 18.15 and Rs 18.55 to finish the week at Rs 18.40.

Miscellaneous issues moved in sympathy with the general trend of the market. Following were the price trends of a few selected shares:—

	Week's High Rs	Week's Low Rs	Week's Closing Rs
Orient Paper	34.75	34.00	34.50
Shree Gopal	25.12	24.50	25.12
Sirpur	14.50	14.00	14.06
Bengal	88.00	86.50	87.87
Rohtas	19.44	18.87	19.31
Dunlop	51.06	50.19	50.75
H. Motor	21.56	20.62x	20.62x
Asso. Battery	34.44	34.00	34.77
Union Carbide	52.37	52.00	52.12
Phillips Carbon	19.62	19.50	19.62
Goodyear	39.25	38.25	38.97
Alkali Chem.	40.12	39.50	40.12
I. Oxygen	39.75	39.15	39.50
I. Cable	36.31	35.69	36.18
I. Aluminium	34.69	33.87	34.50
I. Steamship	8.50	8.31	8.37
I. Copper	5.32	5.12	5.29
General Tyres	6.50	6.44	6.50
BIC	7.69	7.59	7.59

INDEX NUMBERS OF SECURITY PRICES (1952-53=100)

Week ended	23-7-60	15-7-61	22-7-61
Government and semi-Government securities—All-India			
TOTAL	101.2	101.1	101.1
Government of India	101.0	101.0	101.0
State Governments	102.7	102.1	102.1
Municipal, Port Trust, etc.	100.0	99.7	99.7
Debentures of Joint Stock Companies—All-India			
Total	101.0	101.3	101.4
Preference shares—All-India			
Total	85.9	85.3	85.4
Variable dividend industrial securities—All-India			
TOTAL	102.0	102.6	102.8
Agriculture and Allied Activities	100.5	100.8	100.5
Tea Plantation	172.5	166.1	165.8
Coffee Plantation	236.1	178.8	178.1
Rubber Plantations	122.5	125.4	121.0
Mining and Quarrying: Total	159.1	168.1	166.9
Coal	122.4	121.3	121.3
Other Mining	182.5	186.3	188.4
Processing and Manufacturing: Total	197.5	197.3	197.2
Processing & Mfg. (Food stuffs, Textiles etc. Total)	199.3	202.7	202.3
Sugar	195.7	138.9	159.0
Cotton Textiles	162.6	172.0	172.3
Wool Textiles	98.6	88.1	87.9
Silk & Woollen	1167.9	1202.3	1194.4
Processing & Mfg. (Metals, Chemicals etc. Total)	208.1	209.3	208.9
Iron & Steel	167.8	176.7	177.1
Transport Equipment	441.7	416.4	412.3
Electrical Machinery	143.1	167.5	167.5
Machinery Other than Transport and Electrical	230.7	214.3	214.0
Basic Industrial Chemicals	222.5	215.8	215.3
Processing & Mfg. (Others): Total	172.4	159.1	159.9
Cannery	149.0	141.3	142.4
Other Industries Total	237.9	209.9	211.2
Electricity Generation and Supply	116.9	109.8	109.7
Trading	32.1	32.0	32.6
Shipping and other Transport	122.6	124.3	123.1
Construction	112.9	99.3	98.3
Flourmills Total	247.5	202.0	204.6
Flourmills	176.3	200.6	202.9
Flourmills	191.7	223.3	223.6
Insurance	155.5	155.0	151.1
Investment Trusts	92.7	92.1	92.1

Variable dividend industrial securities—Regional			
Bombay	109.1	109.3	109.3
Calcutta	166.6	168.1	168.9
Madras	194.7	195.8	194.6
Delli	245.7	246.9	247.8

"Including 'Miscellaneous.'
"Including 'Edible and Vegetable oils'.

SHORT-TERM MONEY RATES (Per cent per annum)

	22-7-60	14-7-61	21-7-61
Call Money—			
Bombay	3.50	3.54	3.53
Calcutta	3.77	3.76	3.52
Madras	3.08	3.05	3.41
Deposits at notice of 7 days—			
Bombay	3.26	3.00	3.00
Calcutta	3.27	3.00	3.00
Madras	3.26	3.00	3.00
Fixed Deposits—			
1 Month	3.50	3.50	3.50
3 Months	3.50	3.50	3.50
6 Months	3.50	3.50	3.50
1 Year	3.50	3.50	3.50

No Transaction.

BULLION PRICES

Week Ended	22-7-60	21-7-61	20-7-61
GOLD—			
Spot—			
Highest	118 12	120 70	121 00
Lowest	111 16	119 30	119 75
Average	111 84	120 13	120 34
1st Settlement—			
Highest	111 72	120 10	120 50
Lowest	110 44	119 25	119 65
Average	111 09	119 75	120 03
SOVEREIGN—			
Average	86 04	93 95	93 88
SILVER—			
Spot—			
Highest	190 22	200 60	201 40
Lowest	188 14	199 80	199 95
Average	189 05	200 06	200 89
1st Settlement—			
Highest	188 98	201 35	201 90
Lowest	187 07	200 30	200 45
Average	187 82	200 72	201 17

GOVERNMENT OF INDIA TREASURY BILLS

Week ended	22-7-60	14-7-61	21-7-61
Amount offered	...	2.00	2.00
Amount tendered	...	2.00	2.02
Amount sold by tender	...	2.00	2.00
Of which against maturing Treasury Bills	...	...	...
Intermediate Treasury Bills sold	...	1.42	1.50
Total sales	...	3.42	3.50
Average rate of discount for auction sales	...	2.450	2.500
Sold in favour of Reserve Bank of India	124.19	331.18	153.33
Total amount outstanding	1,196.78	1,112.96	1,141.40

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From	To
Belgium	Fca. to Rs. 100	1081	1083
France	"	101.50	101.90
Switzerland	"	101.90	102.10
Netherlands	Guilder to Rs. 100	74.50	74.70
Italy	Lira to Rs. 100	118.75	118.75
W. Germany	Mks. to Rs. 100	82.50	82.70
Denmark	Kr. to Rs. 100	144.20	144.10
Norway	"	149.10	149.30
Sweden	"	149.70	149.70
Japan	Yen to Rs. 100	75.80	75.80
U.S.A.	Doll. to Rs. 100	48.75	48.75
Canada	"	46.75	46.75

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	22-7-60	14-7-61	21-7-61
Forward Contracts—			
Purchases	£ ('000)	840	135
Sales	£ ('000)	1,12	18
Deliveries—			
Spot Transactions—			
Purchases	£ ('000)	125	22
Sales	£ ('000)	1,710	3,320
Against forward contracts—			
Purchases	£ ('000)	215	25
Sales	£ ('000)	29	3

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	22-7-60	21-7-61	20-7-61
3½% 1961	99.80	99.90	99.90
3½% 1962	99.80	99.90	99.90
3½% N.P.B. 1967	99.80	99.90	99.90
3½% Dec. 1970-75	99.80	99.90	99.90
3½% 1974	99.80	99.90	99.90
3½% (Cum.) 1986 or later	99.80	99.90	99.90

INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS (Base: 1952-53=100)

Group and Sub-Group	1-7-61	21-7-61	21-7-61
Food Articles—			
Cereals	123.4	123.4	123.4
Pulses	123.4	123.4	123.4
Fruits & Vegetables	123.4	123.4	123.4
Milk & Eggs	123.4	123.4	123.4
Edible oils	123.4	123.4	123.4
Fish, Eggs & Meat	123.4	123.4	123.4
Sugar & Cane	123.4	123.4	123.4
Others	123.4	123.4	123.4
Liquor and Tobacco—			
Liquor	123.4	123.4	123.4
Tobacco	123.4	123.4	123.4
Fuel, Power, Light & Lubricants—			
Fuel	123.4	123.4	123.4
Power	123.4	123.4	123.4
Light	123.4	123.4	123.4
Lubricants	123.4	123.4	123.4
Industrial Raw Materials—			
Fibres	123.4	123.4	123.4
Minerals	123.4	123.4	123.4
Others	123.4	123.4	123.4
Manufactures—			
Intermediate Products	123.4	123.4	123.4
Finished Products	123.4	123.4	123.4
Textiles	123.4	123.4	123.4
Cotton	123.4	123.4	123.4
Wool	123.4	123.4	123.4
Silk & Rayon	123.4	123.4	123.4
Metal Products	123.4	123.4	123.4
Chemicals	123.4	123.4	123.4
Oil and Allied	123.4	123.4	123.4
Machinery & Transport Equipment	123.4	123.4	123.4
Others	123.4	123.4	123.4
All Commodities	123.4	123.4	123.4

RESERVE BANK OF INDIA ISSUE DEPARTMENT: (In 000's of Rupees)

	22-7-60	21-7-61	20-7-61
LIABILITIES:			
Notes in Banking Dept.	31,15,35	18,04,54	34,40,53
Notes in Circulation	18,90,76.19	19,11,95.12	17,93,99.58
	19,21,91.54	19,29,99.66	18,28,40.11
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Sterling Securities	93,00.89	93,00.89	128,00.89
Total A	210,76.92	210,76.92	245,76.92
(B) Rupee Coin	123,92.75	123,92.75	131,06.06
Rupee Securities	1587,21.87	1587,21.87	1451,52.11
	19,21,91.54	19,29,99.66	18,28,40.11

BANKING DEPARTMENT:

	22-7-60	21-7-61	20-7-61
LIABILITIES:			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long-term Operations) Fund	50,00,00	50,00,00	40,00,00
National Agricultural Credit (Stabilisation) Fund	6,00,00	6,00,00	5,00,00
Deposits—			
(a) Central Govt.	77,08.91	83,01.51	67,04.96
(b) Other Govts.	20,55.33	31,35.43	22,41.76
(c) Banks	81,71.08	103,60.37	124,73.89
(d) Others	111,60.51	112,55.57	138,18.66
Bills Payable	20,71.31	22,43.48	13,62.99
Other Liabilities	11,65.55	10,76.49	10,06.98
	464,33.19	476,58.76	506,29.24
ASSETS:			
Notes	31,15.35	18,04.54	34,40.53
Rupee Coin	1.53	1.62	1.78
Subsidiary Coin	2.73	2.86	4.37
Bills Discounted—			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	13,18.08	25,69.19	31,70.39
Balances held abroad	5,02.56	8,47.38	25,22.23
Loans & adv. to Govt.	49,87.16	40,64.66	30,52.33
Other Loans & Adv.	114,80.19	113,60.23	112,28.94
Investments	841,11.41	848,87.88	558,85.26
Other Assets	10,14.90	19,31.02	13,33.51
	464,33.19	476,58.76	506,29.24

(1) The item 'Other Loans and Advances' included Rs. 91,50,000 advanced to scheduled banks against advance bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA (In 000's of Rupees)

	22-7-60	14-7-61	21-7-61
Demand Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	21,68.91	26,06.28	20,83.99
(ii) other demand liabilities	781,62.07	880,56.63	817,50.65
Time Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	37,28.46	19,39.33	19,26.87
(ii) Other time liabilities...	1183,98.63	1111,48.26	1123,29.78
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	9,80.42	6,98.18	6,74.41
(ii) Time Liabilities	2,22.00	6,30.80	7,90.00
Borrowings in India from the R. B. I.			
Cash in India	37,18.15	4,85.30	1,92.35
Balance with the Reserve Bank of India	47,12.02	47,03.60	46,19.01
Balances with other banks in current account in India	17,35.39	15,63.74	15,90.89
Money at call and short notice in India	29,56.59	48,77.48	44,46.18
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts			
	738,55.67	551,06.25	574,07.65
Advances in India	905,70.84	1106,98.51	1095,61.18
Inland Bills Purchased and Discounted in India	102,59.69	113,50.83	111,68.55
Foreign Bills Purchased and Discounted in India	44,61.69	42,89.12	42,76.27

*Figures are provisional since complete returns have not been received from Banks.
A—Including borrowings from R.B.I. also.

STATE BANK OF INDIA (In 000's of Rupees)

	Week Ended		
	28-7-61	21-7-61	29-7-60
LIABILITIES:			
Capita! Paid-up ...	5,62.50	5,62.50	5,62.50
Reserve Funds ...	7,45.00	7,45.00	7 20 00
Deposits and other Accounts	527,49.26	531,31.38	610,90.89
Borrowings from other Banks, Agents, etc.	24.50	17 00	17 15
Bills Payable	9,48 21	10,17.99	8,77.01
Bills for Collection as per contra	2,32.13	2,36.87	2,10.85
Acceptances etc. for constituents as per contra	1,06.15	98.65	2,12.52
Other Liabilities Including Inter-office Adjustments.	12,52.18	12,28.66	15,95.71
Total	566 25 03	570 38 07	632,86 63

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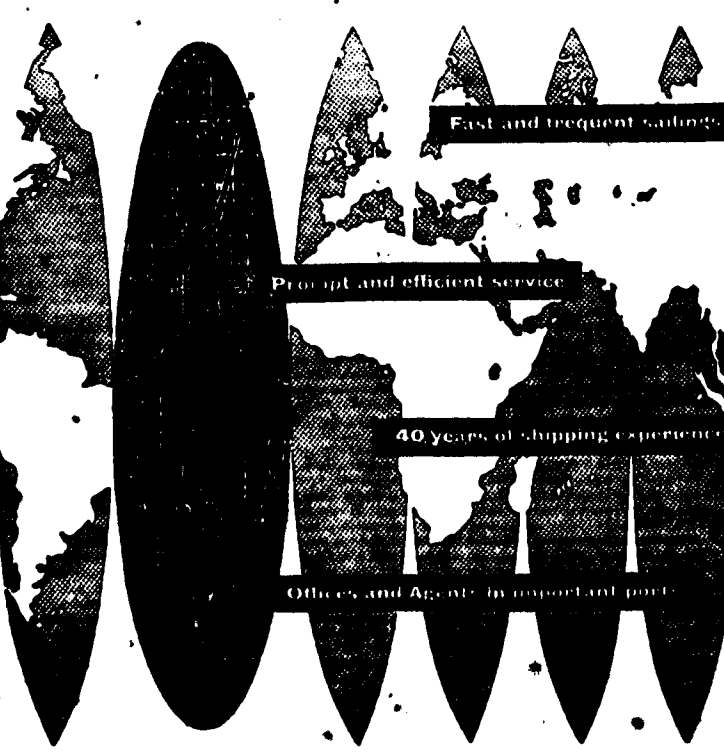
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Indian Finance

INVESTOR'S SUPPLEMENT

Sentiment Cautious in July

The stock market commenced July somewhat hopefully. Sentiment was encouraged by the removal of uncertainty regarding the quantum of foreign aid that would be available for the Third Plan and nearer home by the higher dividend announced by Telco. But this sentiment was soon bogged down by a crop of fresh uncertainties. The result was that the initial improvement proved short-lived and the market was in a depressed mood by the end of the month.

The revival of interest noticeable in earlier dealings stemmed also from the fact that, contrary to expectations, the last week of the previous month passed without bringing any curb measures from Government. It had been generally expected that authorities, who were credited with having finalised measures with regard to the margin system and brokerage, would announce them soon enough. Operators were relieved when the week-end came and passed off without any curb measures. The delay in the anticipated announcement imparted strength to the growing feeling that since all the Stock Exchange associations in the country had written to Government that there was no need for any restricting steps on trading, Government would not be in hurry to move in the matter.

But the succeeding weeks of the month found the market in a cautious mood which deteriorated further toward the close of the month into one of listlessness. The early part of the second week was full of conflicting rumours about the TISCO dividend and thoughts about the second tranche of central loans. Strangely enough sentiment showed little change even when the announcement was made that the dividend of TISCO was higher. The Tata Iron and Steel Co., Limited recommended a dividend of Rs 6.80 per share net and a bonus of 45 nP per share net on the ordinary shares. Last year, the company had paid a dividend of Rs 6.80 (after deduction of tax) on the ordinary shares. From the behaviour of the market it was evident that a majority of operators expected the increase in dividend to be much higher. The fact that the country's foreign exchange reserve had fallen to a new low was another depressing influence during that week.

It was a mixed bag of favourable and unfavourable news that came in the third week of the month and consequently market men were unable to make a move either way in earlier dealings. Toward the close however the uncertainties in the investment situation came to gain dominance with the result trading was on a cautious note. The anxiety over the low foreign exchange reserve position was relieved by the announcement of the proposal to use the International Monetary Fund's stand-by credit of \$250 million to meet its short-term balance of payments difficulties. Operators had also derived considerable comfort from the encouraging speech of the

chairman of Telco and continued good corporate news. But as against these optimistic factors there were quite a few depressing influences. The widespread floods in the country and reports of dislocation to traffic and damage to property induced caution.

holders as the higher TISCO dividend had come from tax refunds. But strangely enough, market sentiment continued to be depressed even after the announcement of a higher dividend by the Indian Iron and Steel Company Limited. The company had decided to raise the dividend

PRICE TRENDS DURING JULY, 1961.

	Opening	Highest	Lowest	Closing
	Rs.	Rs.	Rs.	Rs.
FORWARD LIST:				
Burrakur Coal	20.12	20.44	19.44	19.50
Howrah Jute	20.50	20.87	19.50	19.50
Indian Iron	27.62	28.45	26.72	26.84
TEXMACO	20.15	20.30	18.30	18.45
Orient Paper	34.30	36.10	34.20	34.75
Shree Gopal	26.62	26.87	24.62	24.69
Indian Cable	37.69	38.31	36.06	36.31
Indian Aluminium	33.62	35.84	33.50	34.37
Indian Copper	5.73	5.65	5.25	5.29
Hindustan Motor	22.44	23.25	21.37	21.58
Rohas	19.44	20.06	18.81	19.00
Dunlop Rubber	51.44	53.87	50.44	50.69
GILTEDGED:				
3% 1986 Conversion	72.85	73.00	71.90	71.90
BANKS:				
Punjab National	22.62	24.00	22.50	23.87
United Commercial	91.00	91.50	90.50	91.00
TEXTILES:				
Cawnpore	8.59	8.75	8.50	8.62
Elgins	20.12	20.31	19.69	19.87
Kesoram	35.12	37.81	35.08	30.00
	c.d.cr	c.d.cr	c.d.cr	x.d.xr
J. K. Rayon	19.12	21.31	19.06	19.37
JUTES:				
Anglo-India	186.00	189.00	183.00	183.50
Birlas	27.44	27.81	26.62	26.62
New Central	19.44	20.69	18.37	18.50
COALS:				
Bengal	385.00	395.00	380.00	380.00
TEAS:				
Brooke Bond	16.50	17.25	16.25	17.25
Hantapara	143.00	143.00	134.00	136.00
Hasimara	26.19	26.31	25.06	25.30
Jay Shree	23.94	24.94	23.75	24.31
Tezpor	18.50	19.31	18.44	18.56
SUGARS:				
Carew	13.50	14.37	12.94	14.25
Cawnpore	12.44	13.25	12.44	13.25
Channarun	16.87	17.12	16.87	17.12
Dyer Meakin	32.94	33.25	32.44	33.00
ENGINEERINGS:				
G. K. Williams	41.37	41.56	40.25	40.25
Jessop	20.31	21.00	19.69	19.94
MISCELLANEOUS:				
Associated Battery	33.94	35.25	33.50	34.37
Alkali Chemical	37.25	40.37	37.25	39.75
Indian Oxygen	38.75	40.25	38.75	39.15
India Steamship	9.00	9.12	8.37	8.44
Phillips Carbon	20.19	20.81	19.50	19.50
NITCO	38.08	38.75	38.00	38.62
Sirpur Paper	15.37	15.62	14.50	14.50
Titaghar Paper	34.44	37.12	34.44	36.87
Union Carbide	56.31	56.37	51.75	51.75
British Paints	26.68	27.37	26.44	26.62
Goodyear	39.00	39.75	37.75	39.25

Further, operators seemed to derive no comfort in the thought about the dividend of Indian Iron. For, it was held by many that it was not correct to expect an increase in the dividend of Indian Iron just because TISCO had chosen to make an increased distribution to its share-

holders as the higher TISCO dividend had come from tax refunds. But strangely enough, market sentiment continued to be depressed even after the announcement of a higher dividend by the Indian Iron and Steel Company Limited. The company had decided to raise the dividend

If even such good news had not been able to lift the market from its listlessness, it was because the general run of the market people were not quite sure that Government had abandoned its intention of initiating suitable measures to curb speculation in stock markets. While the generality of the investors and operators believed that transactions on the stock markets were quite orderly, there was reason to believe that government did not think so. It was this lurking fear of a sudden onslaught in the form of curb measures that kept bulls on the sidelines. Other developments like UK's austerity measures and the disturbed international situation were not also conducive to an expansion of buying interest. It was thought that the increase in the UK Bank Rate would upset calculations of the quantum of effective aid expected from that country. An additional worry was the repercussions on our exports of tea, jute goods, cotton textiles and other products in the event of Britain electing to join the European Common Market.

Sectionwise, jute shares were depressed because of the uncertain outlook for the industry. Although it was expected that the industry would be able to work profitably later in the year when raw jute supplies would be plentiful, the immediate prospects were not rated bright what with the continued shortage of raw jute and the consequent possibility of cut in production if not by a block closure of mills or a sealing of additional looms but by the closure of number of mills as and when they find themselves without any raw jute.

Although investors evinced some interest now and then in coal shares, there was no broadening of enquiry as the general tendency was to await further news about World Bank Loan to the private sector collieries. In the absence of any official indication that coal production would be made remunerative by means of equitable prices, there was no sustained support.

While selected tea shares were in request, the general trend was rather subdued largely because of the obscure outlook for tea exports to the UK in view of the British proposal to join the European Common Market.

Textile shares were in good request with selected shares rallying smartly on prospects of higher production and diversification of activities during most part of the month but toward the close they too shared the general trend of the market and met with profit taking.

Sugar shares were rather listless due to uncertainties concerning exports. Prices were marked moved within narrow limits.

Except for one or two shares which attracted sustained support, the miscellaneous section generally reflected the main trend of the market especially in the latter half of the month.

COMPANIES

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Deprecia- tion	LIQUID ASSETS				
	July 1961 Rs. np.	July 1960 Rs. np.			General	Others	Carry forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Balances Rs. 000	Others Rs. 000
Agarpara ...	10 25	12 2 1/2	10	6,000	4,922	1,510	36	8,532	14,743	5,082	428	10,154	2,443	479	44
7% Cum. preference ...	91 00	89 50	100	1,000											
5 1/2% Debentures ...	...	...	1000	1,200											
Alexandra ...	199 00	153 00	100	600	450	926	171	4,757	7,666	4,626	70	4,259	817	248	...
7% Cum. preference ...	88 00	90 00	100	900											
5 1/2% Debentures ...	...	...	500	600											
Alliance ...	84 00	108 00xd	100	3,000	...	544	117	7,787	14,102	10,160	210	7,417	923	456	...
6% Cum. preference ...	66 00	62 00xd	100	1,500											
Anglo India ...	183 50	220 00	100	4,921	5,000	3,541	226	16,614	26,391	17,474	4,141	14,986	5,840	418	...
7% Cum. preference ...	93 00	83 06	100	4,000											
Auckland ...	158 00	145 00	100	4,000	1,240	943	34	6,313	13,606	7,650	352	7,850	2,208	92	78
4 1/2% Cum. preference ...	72 00	70 00	100	1,000											
4 1/2% R. Cum. preference ...	58 00	59 50	100	1,500											
4% Debentures ...	...	...	1000	1,500											
Bally ...	217 00	253 00	100	2,000	2,000	1,454	28	6,510	14,613	7,761	644	4,796	1,161	540	...
7% Cum. preference ...	93 25	98 00	100	2,000											
Barnagore & ...	127 00	134 00	25	275	365	43	92	265	1,614	1,065	17	544	276	249	...
5% Cum. preference ...	38 00	36 00	25	200											
Belvedere ...	155 00	151 00xd	100	2,800	1,399	1,448	78	2,720	10,053	5,848	114	3,772	767	12	325
7% Cum. preference ...	90 00	94 00xd	100	700											
Bengal ...	10 50	11 05	10	4,500	1,375	1,317	133	14,630	7,048	4,086	6	4,845	16,268	888	7
5 1/2% R. C. P. ...	53 00	64 75	100	1,000											
5 1/2% Debentures ...	...	...	1000	1,000											
4 1/2% Debentures ...	...	...	1000	1,000											
Bharat Jute ...	6 12 N	6 12	25	1,500	255	14	-3,624	4,185	1,323	303	...	573	596	112	17
Birla ...	26 62	31 62	10	9,126	5,500	23,172	93	24,819	73,486	22,636	7,842	9,853	4,827	352	...
7 1/2% C. P. T. ...	90 00	92 87	100	2,364											
5 1/2% R. C. P. ...	91 00	90 25	100	10,000											
Budge Budge ...	120 50	140 00	100	3,600	1,521	816	62	2,929	11,981	7,285	104	3,761	1,252	14	...
7% Cum. Preference ...	81 93	87 00	100	900											
Caledonian ...	142 50	150 50	100	1,800	2,444	307	30	873	8,460	4,912	70	2,390	434	12	...
7% Cum. preference ...	80 00	80 50	100	1,000											
Champlany ...	113 00	114 00	100	5,916	...	8,228	137	5,575	22,029	12,166	205	6,108	3,145	57	479
Cheviot ...	15 50	...	10	3,856	1,451	3,631	7	2,384	12,229	6,216	233	5,261	422	11	389
7% Cum. preference ...	95 49	97 50	100	1,000											
Chitavalah ...	11 56	14 31	10	3,015	3,200	754	39	2,429	12,098	6,667	795	5,806	7,498	213	2,332
7% Cum. preference ...	89 00	82 00	100	500											
5% Debenture ...	...	...	500	1,069											
Clive ...	9 00	12 19	10	2,400	...	900	-309	3,296	8,212	6,831	8	4,401	2,058	38	...
6% Cum. preference ...	66 00	68 00	100	800											
7% Cum. preference ...	76 50	84 00	100	800											
Dalhousie ...	106 00	130 00	100	3,149	798	507	18	3,244	10,695	6,482	477	4,540	1,645	64	152
7% Cum. preference ...	86 00	91 00	100	1,500											
5 1/2% Debentures ...	...	...	1,000	1,873											
Delta ...	160 00	138 00xd	100	2,800	1,638	2,547	16	1,700	9,799	5,128	90	4,088	205	8	139
5% Cum. preference ...	69 25	64 35xd	180	500											
Empire ...	16 00	16 50	10	1,500	2,550	4,120	70	1,955	11,403	7,473	937	3,488	2,208	129	...
7% Cum. preference ...	74 30	76 00	100	1,000											
5% Debentures ...	...	...	500	886											
Fort Gloster ...	303 00	375 00	100	2,100	5,637	2,723	72	20,941	34,170	16,904	209	15,598	3,411	595	102
Ordinary Rt ...	...	293 00	50	2,100	...										
7% Cum. preference ...	98 00	114 00	100	1,400											
5% Cum. preference ...	63 75	71 00	100	700											
5 1/2% Debenture ...	...	...	100	1,502	...										
Fort William ...	24 87	27 80	10	2,100	1,900	82	195	7,853	13,223	7,618	127	5,927	1,335	136	...
7% Cum. preference ...	92 00	111 50	100	1,000											
Ganges ...	11 06	11 37	10	8,432	500	17	56	12,291	22,467	14,800	23	11,202	2,659	348	...
8% Cum. preference ...	102 00	110 00	100	608											
General Indus Society ...	40 00	38 50	10	1,080	2,550	886	14	7,434	9,804	5,306	78	5,158	1,561	38	625
Gouropore ...	372 00	364 00	100	2,400	4,850	1,505	64	18,457	25,558	17,212	4,414	14,651	2,281	209	...
7% Cum. preference ...	82 00	79 50	100	2,650											
Hastings ...	119 00	125 00	100	4,000	3,305	4,739	286	7,169	13,364	7,647	4,635	7,725	3,683	239	...
6% Cum. preference ...	82 00	89 00	100	2,500											
Houghly ...	19 25	15 06	10	1,680	650	1,876	38	3,756	8,349	5,508	1,201	3,928	1,140	65	...
10% Preference [N] ...	10 12	10 12	10	1,176											
Hawrah ...	19 50	22 87	10	6,562	3,750	245	72	4,656	22,483	13,585	466	8,071	1,806	358	1,511
7% Cum. preference ...	92 50	104 00	100	1,750											
7% 'A' C. P. ...	93 00	93 50	100	875											
5 1/2% Debentures ...	...	...	...	3,000											
Hakumchand ...	19 50	20 00	7 1/2	5,250	2,800	1,010	163	20,755	31,843	17,768	1,460	13,776	1,979	687	...
7% Cum. preference ...	92 00	99 06	100	4,000											
India ...	15 00	15 87	12 1/2	8,730	...	2,179 1/2	494	7,788	17,480	10,024	3,333	4,201	4,059	142	...
Namarhaty ...	132 00	163 00	100	2,400	1,550	1,170	...	12,609	20,049	14,058	353	9,363	2,374	644	2,566
B. Ordinary ...	129 00	156 00	100	1,920											
6% Cum. preference ...	67 30	76 00	100	1,600											
4 1/2% Debentures ...	...	...	...	1,304											

NAME	Market Question as on the Last day of		Paid-up per share	Capital paid-up Rs. 000	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Rs. 000	Gross Block Rs. 000	Depreci- ation Rs. 000	LIQUID ASSETS				
	July 1961 Rs. np.	July 1960 Rs. np.			General Rs. 000	Others Rs. 000	Carry forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Balance Rs. 000	Others Rs. 000
	Ra. np.	Ra. np.			Ra.	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Kankaraj ...	78 00	83 00	100	3,000	...	...	-1,478	9,629	17,803	11,938	203	7,154	1,924	281	1,749
B. Ordinary ...	68 50	85 00	100	2,400	...	...	...	...	...	...	...	...	...	...	...
6½% Cum. preference ...	91 00	92 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P. ...	...	...	100	425	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures ...	...	...	...	1,269	...	...	...	...	...	...	...	...	...	...	...
Kelvin ...	150 00	160 00	100	2,800	4,700	506	121	3,806	15,165	10,330	849	4,676	1,914	617	...
7% Cum. preference ...	92 00	89 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Khardah ...	17 12	20 25	10	5,400	1,900	476	74	14,754	21,695	13,239	495	11,438	2,960	156	...
5% C. P. ...	79 50	70 00	100	908	...	...	...	...	...	...	...	...	...	...	...
Kimison ...	160 00	181 00	100	5,960	2,807	1,423	88	11,265	19,943	12,498	2,360	11,447	3,582	140	...
7% Cum. preference ...	90 00	86 50	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
Landedwne ...	107 00	137 00	100	2,448	1,036	2,241	-202	7,525	10,687	6,713	354	6,211	1,922	79	9
7% C Preference ...	91 00	91 50	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Lawrence ...	160 00	137 00	100	2,800	308	801	10	984	6,905	4,103	414	804	542	1,842	...
7% Cum. preference ...	92 00	88 00	100	500	...	...	...	...	...	...	...	...	...	...	...
¼% 'B' cum. preference	72 00	67 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Mahabir ...	85 00 N	85 00	100	1,078	...	5	99	2,188	2,105	1,589	...	2,070	243	542	...
Mahesware Devi ...	...	13 62	100	1,319	...	425	-503	1,044	1,781	1,494	551	992	440	15	...
Magna ...	12 12	...	10	8,165	...	3,464	57	16,080	27,091	15,568	26	10,523	5,188	507	...
Naitati ...	68 00	70 00	...	2,999	1,199	2,237	-390	3,171	16,480	9,860	151	4,731	1,666	137	161
7% cum. preference ...	98 00	100 00	100	750	...	...	...	...	...	...	...	...	...	...	...
4½% R. C. P. ...	80 00	66 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
¾% Debentures ...	...	...	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
Naskarpura ...	8 94	12 1½d	10	2,000	1,151	20	9	4,548	3,649	2,669	5	1,566	1,164	4,512	...
2½% Debentures ...	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
"Regional" ...	17 50ad	24 00ad	10	3,500	2,328	1,974	20	2,205	5,805	1,763	100	4,525	1,634	227	...
1% C. P. ...	81 80ad	93 00ad	100	500	...	...	...	...	...	...	...	...	...	...	...
Nellimarla ...	9 62	12 75	10	2,625	2,675	497	138	3,875	5,970	2,686	713	3,592	2,448	649	124
5% Cum. preference ...	78 00	76 00	100	500	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures ...	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
New Central ...	18 50	30 44	10	17,082	7,915	14,818	...	70,196	93,093	13,654	1,817	27,165	3,817	1,089	...
7% Cum. preference ...	89 50	85 00	100	3,300	...	...	...	...	...	...	...	...	...	...	...
Northbrook ...	26 12	18 12	10	1,680	2,280	1,559	28	6,341	12,184	7,122	445	7,241	2,308	83	260
5½% Cum. pref. ...	73 00	77 75	100	1,500	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	...	...	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
Nuddea ...	44 25	54 00	50	6,680	3,250	503	49	12,090	23,001	12,188	442	8,655	2,364	295	...
Orient ...	...	...	100	2,491	1,927	506	27	834	7,656	5,435	78	2,358	283	846	...
Premchand ...	...	...	100	3,996	...	...	-4,142	1,915	6,201	4,620	76	44	20	48	...
Presidency ...	4 81	5 69	5	2,500	750	391	23	1,683	10,608	7,593	334	3,116	1,461	85	4
Rameshwara ...	8 00	8 44	10	2,000	...	43	21	2,319	3,396	1,206	72	2,676	127	18	...
6% Cum. preference ...	9 44	14 56	10	700	...	...	...	...	...	...	...	...	...	...	...
Reliance ...	5 87	7 00	10	4,950	...	200	-3,144	1,747	12,497	6,698	195	1,036	554	668	...
7% C. P. ...	80 75	79 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
Shree Ambica ...	22 69	24 00	10	3,000	975	209	70	9,520	12,450	9,165	1,326	4,450	5,333	361	...
7½% Cum. preference ...	92 00	86 00	100	1,170	...	...	...	...	...	...	...	...	...	...	...
Soorah ...	20 12	22 19	10	1,400	1,180	80	64	4,243	7,257	5,250	1,445	2,614	808	93	...
7% Cum. pref. ...	96 50	103 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Union ...	160 80	195 50	100	3,599	2,407	1,323	36	3,292	8,938	5,059	894	4,680	2,862	114	28
7½% C. P. ...	77 35	87 50	100	600	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures ...	...	...	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
Waverley ...	4 75	4 31	1	250	185	335	194	684	5,407	4,554	60	283	353	1,769	...
5% Cum. P. P. ...	40 50	40 12	50	750	...	...	...	...	...	...	...	...	...	...	...
3½% Debentures ...	...	...	500	1,000	...	...	...	...	...	...	...	...	...	...	...

(D) After transferring Rs 5,53,975 from General Reserve.

INDUSTRIALS

(a) Traffic Revenue.	(b) Dividends and interest, etc.	(c) Profits on contracts.	(d) Revenue income.	*Income by freight, etc.
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КЛИМОВ ПИИДОВИЧ ... 77 20 103 00

MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salary and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents' Commission Rs. 000	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Previous	Second Previous
								Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA (Contd.)												
Machinery Manfrs. Corpn.	Mahindra & Mahindra 4% Cum. preference 44% C. P.	1,305	2,063	3,923	4,110	...	3-60	—1	—499	nil	nil	nil
Malwa Vanaspati & Chem.	vishnath Bros. 6% Debentures	342	14,414	18,235	2,075	30	12-59	696	529	nil	nil	nil
Man. Industrial Corporation	Jagmohan Radha Krishna & Co 44% C. P.	198	2,932	4,385	1,984	60	3-59	661	746	nil	nil	nil
T. Naneklal Manufacturing...	T. Maneklal & Co.	765	3,072	4,611	1,002	47	5-59	518	284	14	10	10
National Elect. Industries ...	Navin Kumar Hansraj Pri. Ltd. 44% C. P.	1,391	5,670	7,823	1,296	64	3-59	652	606	9	9	9
National Machinery Manfrs.	Directors	7,772	14,454	22,188	9,011	...	12-59	(a16)1,836	—405	44	44	44
National Newsprints & Paper	Directors	1,764	11,210	22,819	379	...	3-59	7,225	286	nil	nil	nil
National Rayon Corpn.	Chinai & Co. Private Ltd. Ordry. Partly Paid 5% Cum. preference 54% Debentures	9,612	34,343	71,731	2,513	...	12-60	24,879	25,696	22T	22T	14
Palampur Veg. Products	Forbes Forbes Campbell 54% C. P.	...	...	...	...	...	12-59	—137	—95	5T	5	5
Pioneer Magnesite Works	N. Pestonjee & Co.	132	...	1,152	166	20	12-59	1,892	190	4T	4	3T
Pelton Ltd.	Pelton Agencies P Co Ltd. 6% C. P. T.	960	6,781	10,782	1,751	101	12-58	1,138	1,281	10	10	12T
Polychem	Directors 71% T. R. C. P	615	8,707	15,956	3,693	...	3-60	4,320	2,197	11T	6	6
Praga Tools	Directors	2,345	2,089	7,334	3,415	...	6-59	1,123	789	nil	nil	7T
Premier Automobiles	Aero Auto Private	...	...	144,732	30,633	...	6-58	4,744	6,705	4	6	6
Radio Lamp Works	jammal Sons Private Ordry. Partly Paid 5% C. P.	2,162	14,715	21,256	396	82	3-60	844	492	8T	5	9
Raymond Woollen	Deferred J. K. (Bros) Private Ltd. 5% C. P.	4,576	12,069	24,399	7,746	322	12-59	3,678	3,001	11T	8	20T
Sanitex Chem. Industries	M. B. Amin & Co. 5% C. P.	618	2,242	3,536	711	20	12-59	159	190	5T	5	5
Sathe Biscuits	Sathe Food Industries pri. Ltd. Partly Paid 7% R. C. P.	255	2,570	4,538	556	32	3-60	370	226	9	6	6
Scandia Steam	Directors 44% Debentures	20,185	117,260	176,683	...	...	6-59	36,513	39,539	6T	6T	6T
Shangrilla Food Products	Directors 5% C. P.	323	717	1,677	132	...	3-59	—366	—287	nil	nil	nil
Shivrajpur Syndicate	Killick Industries Ltd.	3,339	...	8,639	3,493	11	11-59	1,231	3,017	50T	80	80
Sirpur Paper	Birla Bros. Private 6% R. C. P.	4,757	17,282	28,873	656	293	6-59	7,184	5,854	6T	6T	5
Supreme Industries	Modi & Co. 64% Cum. Pref.	202	1,223	2,090	1,078	9	3-60	331	220	13T	9	4
Tata Chemicals	Tata Industries Private 5% Cum. preference 5% Debentures	5,538	10,178	35,227	...	445	6-59	6,438	(a12)4,557	7T	7T	5
Tata Oil Mills	Tata Industries Private 44% Cum. preference	11,014	...	80,929	2,197	625	3-60	6,502	4,865	23T	13	10
United Salt Works & Indus.	Directors	...	...	1,202	853	...	9-59	(a24)494	107	44T	44	44
Volta Ltd.	Directors	18,168	175,168	199,047	...	...	8-60	12,309	10,012	13T	13	9
Western India Match	Swedish Match Co.	19,086	...	176,121	2,658	1,237	12-59	13,514	9,546	16T	11	11
Western India Veg	Hasham Premji	440	18,642	22,537	1,543	39	3-60	512	778	9T	8	8
West Coast Paper	Directors 6% C. P.	...	...	...	...	...	6-59	470	...	nil	nil	nil
Zandu Pharmaceutical Works	Jugram & Co 6% C. P.	1,305	4,514	6,869	1,741	54	3-58	586	428	7	7	6
NORTHERN INDIA												
Alkali & Chemical	Imp. Ch. Industries Private 5% Cum. preference	4,045	12,951	34,393	5,601	...	9-59	(a10)8,689	6,132	9T	8	8
All India Finance & Commerce	Keyell Sival & Co. Ordinary 74% C. P.	30	...	1,69	...	20	5-56	96	88	7T	8	8
Aluminium Corpn.	J. K. Industries Private Ltd. 6% Cum. preference 5% Cum. preference 5% Debentures 54% Debentures	3,895	3,507	12,938	3,001	289	3-60	3,508	3,590	10	10	9
Amrita Banaspati	Amrit Agency Ltd. 6% C. P. 5% R. C. P.	2,06	354.43	367.26	66.68	...	3-55	22.07	19.54	nil	nil	nil
Anderson Wright	Deferred Directors 44% Cum. preference 4% Debentures	139	8,718	10,035	...	...	12-59	717	147	10T	10T	3T
Anglo Brothers	Turner Morrison & Co. Pri.	749	17,429	20,113	...	183	8-60	1,638	1,228	25	20	15
Asbika Cement	Directors 64% Debentures	1,137	3,303	16,859	1,084	...	3-60	1,394	1,204	7T	4T	4T
Assam Bengal Cement	Eastern Corporation Private Deferred 4% Debentures	927	3,518	4,724	857	48	3-59	—193	589	nil	nil	nil
Assam Match Co.	Directors	1,663	13,133	17,744	692	...	12-58	1,179	1,215	12T	12T	12T
Assam Saw Mills	Directors	467	519	2,779	1,092	...	9-59	(j) 572	(a) —62	nil	nil	nil
Assam Sillimanite	U. P. Comm. Corpn.	342	358	2,093	216	36	3-59	384	411	nil	nil	nil
Associated Hotels	Oberoi Hotels (India) Private Ltd 7% Cum. preference Tax 44% Debentures 64% Debentures	1,463	1,627	6,397	227	93	3-58	956	1,067	6	6	12
Associated Mining	Directors 5% Cum. preference Deferred	25,612	100	114	9	...	12-57	123	324	4T	11	11
Atlas Cycle Indus	Directors 6% R.C.P.	2,778	15,632	23,419	5,939	...	12-58	979	829	10	10	...

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	July 1961	July 1960			General	Other	Carry Forward				Investments	Stock & Stores	Out Standing	Cash	Others
	Rs. np.	Rs. np.			Rs.	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
WESTERN AND CENTRAL INDIA (Contd.).															
Machinery Manfrs. Corp.	...	...	100	3,814	...	489	-2,439	10,281	14,027	4,125	2	5,94	1,419	141	51
6% Cum. preference	...	...	100	1,395	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspati Chem.	...	...	10	3,134	...	...	-938	4,493	5,442	1,855	32	3,303	172	63	...
6% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Man. Industrial Corp.	125 00	100 00	...	3,000	...	26	71	2,318	4,334	987	2	2,244	744	79	...
4% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
T. Maneklal Manufacturing	565 00	590 00	100	1,000	100	35	15	2,484	1,987	624	8	1,002	759	487	16
National Elec. Industries	89 00	76 00	50	778	125	799	25	3,920	2,358	1,028	307	2,742	1,783	37	...
44% C. P.	80 00 N	80 00 N	100	542	...	...	...	...	...	...	...	...	...	...	...
National Machy. Manfrs.	...	...	100	25,240	...	304	-1,829	23,087	29,088	9,936	...	20,362	7,170	96	22
National Newsprint & Paper	...	...	10	487.21	...	208	-13,638	26,106	30,901	11,108	3	6,360	2,835	10,161	2,928
National Rayon Corp.	532 00	534 50	100	24,110	4,900	15,427	441	37,549	134,290	60,253	160	17,283	890	2,573	4,953
Ordry Partly Paid	...	...	80	6,331	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Preference	99 25	68 00	100	17,425	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	10	150.00	...	...	...	...	...	...	...	...	...	...	...
Palampur Veg. Products...	...	...	100	1,500	...	...	849	3,375	2,757	...	10	193	84	4	28
54% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Pioneer Magnesia Works...	...	...	100	1,189	11	68	2	620	1,456	837	317	331	388	233	2
Polson Ld.	165 00	156 00	100	2,695	966	1,440	48	1,377	6,553	1,635	3	2,356	628	620	...
5% C. P. T	76 00	76 20	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Polychem	211 25	303 00	50	4,000	1,200	896	28	3,853	5,891	1,197	5	4,089	1,805	3,333	...
7% T.R.C.P.	44 00	50 00	50	3,999	...	...	...	...	...	...	...	...	...	...	...
Praga Tools	...	...	50	13,592	...	168	-508	1,646	7,509	4,357	2	6,295	1,739	3,478	238
Premier Automobiles	166 00	187 00	100	21,733	1,973	6,390	479	75,116	39,061	19,368	466	70,494	10,558	2,529	...
Radio Lamp Works	...	128 00	100	2,500	75	209	7	13,178	1,733	564	2,866	6,045	6,893	502	...
Ordry. Partly Paid	...	...	50	625	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	...	0 74	100	738	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	173	...	...	...	...	...	...	...	...	...	...	...
Raymond Woollen	121 00	120 00	100	7,500	1,238	740	57	15,675	16,961	8,175	2,299	12,438	3,567	464	147
5% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Santex chem Indus	...	...	50	1,62	...	42	9	2,545	2,534	375	3	1,491	740	94	...
5% C. P.	...	...	50	511	...	...	...	...	...	...	...	...	...	...	...
Sahe Biscuits	100 00 N	100 00 N	100	473	...	237	29	1,640	3,067	969	1	586	527	178	...
Partly Paid	50 00 N	50 00 N	100	511	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	94 20	94 20	100	508	...	...	...	...	...	...	...	...	...	...	...
Scindia Steam	13 68	15 68	20	112,799	8,000	100,600	360	191,384	320,226	61,584	88,593	3,310	53,532	53,352	15,192
44% Debenture	57 00	...	100	37,478	...	...	-1,665	4,008	4,049	616	32	552	294	14	13
Shangrilla Food Products	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	76 00	10	1,046	2,000	5,482	5	6,897	16,215	3,853	302	5,439	3,163	22	122
Shivra pu Syndicate	89 50	21 44	10	21,855	3,015	12,609	72	33,598	52,798	14,050	150	10,699	3,755	241	13,551
Sirpur Paper	13 96	87 00	100	5,997	...	273	3	1,197	845	239	97	1,105	719	30	...
6% R.C.P.	87 60	175 00	100	622	...	...	...	...	...	...	...	...	...	...	...
Supreme Industries	153 75	68 50	100	462	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	69 00	20 80	10	25,172	526	2,508	7	28,857	49,341	18,653	1,878	19,797	6,431	885	5,690
Tata Chemical	17 68	93 00	100	5,997	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference	87 00	...	...	2,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	97 00	81 50	25	7,067	1,947	2,994	46	46,160	24,794	15,671	1,336	25,877	19,565	3,386	1,954
Tata Oil Mills	73 50	58 70	100	2,989	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	58 50	...	250	1,355	2,016	1,064	1	361	7,666	4,515	30	1218	67	239	...
United Salt Works Ind.	...	...	100	25,500	3,700	1,038	425	111,681	10,745	2,435	1,542	66,458	62,295	3,627	112
Volta	273 00	304 00	100	...	...	...	...	...	...	...	...	...	...	...	...
Western India Match	268 00	240 50	100	27,500	11,100	6,659	421	21,941	46,208	19,216	304	18,556	10,913	9,393	1,160
Western India Veg.	117 00	122 50	100	1,700	...	344	1	2,760	3,370	1,703	6	2,523	312	217	...
West coast Paper	178 00	224 00	100	9,999	...	470	...	42,714	51,137	...	...	5,758	1,828	72	399
6% C.P.	80 00	110 00	100	5,999	...	...	...	...	...	...	...	...	...	...	...
Zandu Pharmaceutical W.	111 00	112 00	100	1,500	504	397	4	1,980	2,527	1,083	412	1,741	1,221	69	...
6% C.P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
NORTHERN INDIA															
Alkali & Chemical	39 75	34 12	10	30,997	1,800	7,350	140	25,6	57,440	9,228	22	12,415	6,041	330	1,998
6% Cum. Preference	92 00	101 00	100	3,100	...	...	...	...	...	...	...	...	...	...	...
All India Finance & Com.	...	...	100	300	53	18	...	13,21	36	8	73	10,66	7,76	68	...
Ordry.	...	...	10	190	...	...	...	...	...	...	...	...	...	...	...
74% C. P	...	...	110	128	...	...	...	...	...	...	...	...	...	...	...
Aluminium Corp.	16 12	19 50	10	5,250	2,600	17,752	114	7,883	39,514	11,944	1,393	4,673	2,605	5,357	...
6% Cum. preference	99 50	100 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	71 00	75 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	...	...	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
Amrit Banaspati	...	...	10	5,325	19,25	3,83	-14,14	152,86	160,85	53,32	36,36	85,91	25,33	1,40	...
6% C. P.	...	...	10	1,600	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P	...	...	10	2,450	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	100	...	...	...	...	...	...	...	...	...	...	...
Anderson Wright	...	...	100	2,000	350	1,173	31	7,205	84	56	5,189	...	4,336	10	4,194
44% C. P.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Angelo Brothers	23 62	21 62	10	3,000	2,584	1,470	223	2,907	3,709	2,634	745	5,159	2,022	1,151	...
Ashoka Cement	9 31	11 59	10	5,990	250	355	4	10,514	17,494	1,363	2	4,079	1,362	13	27
54% Debentures	...	...	24	4,580	...	...	...	...	...	...	...	...	...	...	...
Assam Bengal Cement	5 00	4 69	10	4,314	1,054	259	-99	7,384	15,145	8,105	534	3,468	3,717	1,122	...
Deferred	0 53	1 09	1	471	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	500	2,498	...	...	...	...	...	...	...	...	...	...	...
Assam Match Co.	22 25	16 57	10	3,000	1,050	708	198	1,681	3,932	2,088	6	2,484	2,100	78	125
Assam Saw Mills	2 56	3 75	3	1,400	...	1,950	-275	1,956	3,398	1,649	2	2,317	769	58	12
Assam Sillimanite	10 47	13 44	10	3,000	...	...	...	...	...	...	...	...	...	...	...
Associated Hotels	5 25	7 00	10	2,000	1,000	2,685	85	3,050	10,572	4,222	4,777	794	1,545	788	...
7% C. P. T.	52 75	53 50	100	2,167	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	...	1000	2,200	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	...	1000	520	...	...	...	...	...	...	...	...	...	...	...
Associated Mining	9 27	8 62	10	892	...	...	3	924	742	191	1,293	216	796	16	44
5% C. P	27 50	36 00	50	500	...	...	...	...	...	...	...	...	...	...	...
Deferred	4 90	5 25	1	410	...	...	...	...	...	...	...	...	...	...	...
Adia Cycle Industry	...	...	10	3,462	525	94	15	10,392	5,898	1,204	1	7,769	3,305	131	...
6% R.C.P.	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...

Indian Finance
MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents' Commission	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Previous	Second previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
NORTHERN INDIA (Continued)												
Gallapur Paper	K. C. Thapar & Bros. Ltd. ... 5% R. C. P. P.	2,406	9,164	23,543	751	682	6-60	7,444	8,378	14/30T	nil	nil
Balmer Lawrie & Co.	Directors ...	8,684	110,200	128,151	5,627	...	12-59	4,473	4,908	7/14T	nil	nil
Bapare cake	James Henderson ...	907	1,581	2,733	376	30	3-60	-273	-257	25T	20	15
Bathgate & Co.	Indo Corporation P. V. Ltd. ... 6% Cum. preference	293	515	1,404	455	12	12-59	-266	-267	nil	nil	5
Bahar Rice Mills	H. V. Low & Co. ...	...	...	...	...	...	...	...	...	nil	nil	5
Bangal Assam Steamship	Andrew Yule & Co. Ltd. ... 7% Cum. preference	901	2,035	...	...	32	6-54 10-60	36 941	33 (a6)162	nil 7 1/2 T	nil 3T	6
Bangal Chemicals	Directors ... 7 1/2% Cum. preference 4 1/2% Cum. preference 5% Debentures	3,770	9,970	19,690	...	...	3-60	2,330	2,090	7 1/2 T	7 1/2 T	6 7 7 1/2 4 1/2
Bangal Flour	Balmer Lawrie & Co. Ltd. ...	584	21,150	23,953	1,085	164	12-40	1,536	1,781	40T	45T	25
Bangal Paper	Directors ... 7% Cum. preference 7% 'A' Cum. preference 6% 'B' R. C. P. T. 4 1/2% Debentures	413	21,801	31,768	498	...	12-60	5,133	4,915	32T	32T	22
Bangal Pottery	B. R. Bhagat & Co. ... Ord. P. Paid	4,721	2,646	19,337	3,405	272	12-60	3,569	3,127	9 1/2 T	10 1/2 T	7
Bangal Timber	Jardine Henderson ... 8% Cum. preference	10	...	13	5	...	6-58	-15	-142	6 1/2 T	6 1/2 T	6
Bhagwati Pressing	Ramdudd Ramkissenandee ... 5% Cum. preference	7	...	171	...	...	12-59	129	138	8T	7T	7
Bharat Carbon & Ribbon	Munari Lall Batra & Co. ... 6 1/2% C. P. 7 1/2% 'B' C. P.	592	4,293	5,098	...	23	12-59	313	285	10 1/2 T	9T	9
Bharat Commerce	Directors ... 5% C. P.	584	3,298	3,118	479	...	12-57	(a)138	130	6 1/2 T	6 1/2 T	...
Bharat Nidhi	Directors ... 6% C.P.T.	...	...	3,439	180	...	12-59	2,744	2,740	(u) 6T	6T	5
Bharat Starch & Chemical	K. C. Thapar & Bros. ...	525	4,351	6,314	2,535	18	1-61	329	316	nil	nil	...
Bhartia Company	Directors: Lowcock & Lowes ...	...	...	863	...	12	3-54 9-59	2,68 536	-3,24 433	nil 11T	nil 7	...
Birds Investments	5 1/2% Cum. preference	...	...	...	...	...	...	...	...	5 1/2 T	5 1/2 T	5
Biro Stone Lime	Bird & Co. Private Ltd. ...	7,331	...	14,286	499	295	3-60	2,804	1,629	30T	18 1/2 T	17 1/2
Britannia Biscuits	Directors ... 8% Cum. preference 2 1/2% Debentures	4,716	10,432	32,949	2,152	...	3-61	6,239	4,693	30T	25T	14
Br. Burma Petroleum & Br. Ceylon Corpn.	A. T. C. Inv. Co. ... Directors	...	...	...	...	...	3-60 12-58	82 109	13 509	8T	nil	2
British India Corpn.	6% Cum. Part preference	15,707	38,262	78,589	32,850	...	12-60	16,044	7,088	nil	6	15
Brushware	8% Cum. preference	...	...	...	...	...	...	...	...	4T	6	...
Burma Lime	Bong Sutherland & Co. Pri. Ltd. ... S. C. Chunder & Co. ... Partly Paid 6% Debentures	134 100	68 162	380 527	68 7	1 12	11-60 9-59	23 190	22 95	8 10T	8 6	8 5
Calcutta Chemical	Directors ... 6% C. P. 4 1/2% C. P.	2,160	8,650	14,473	2,305	...	6-59	1,032	781	18T	12	12
Calcutta Credit Corpn.	Jaimin Ram Chander ... 8 1/2% T. C. P. 5 1/2% T. C. P.	...	...	6,727	2,303	57	6-59	744	836	8 1/2 T	6	6
Calcutta Gas Co.	6% Debentures	...	...	...	...	...	...	...	...	30	44	4 1/2
Calcutta Investment Co.	Scorajmull Nagarmull ... 8 1/2% R.C.P.T. 4% Debentures	...	...	943	...	88	9-59	646	821	5 1/2 T	5 1/2 T	5 1/2
Calcutta Landing & Shipping	Ramdudd Ramkissenandee ... Gladstone Lyall ...	43 791	...	2,759 1,647	...	3	12-59	476	459	3T	3 1/2 T	2 1/2 T
Calcutta Safe Deposit	Amritlal Ojha & Co. ... 4 1/2% Debentures	89	424	1,647 332	...	33 9	10-58 3-58	(a)566 105	590 106	7 1/2 T	15	15
Calcutta Steam Nav'g	Hoare Miller & Co. ... Cambay Trading Co.	1,302	...	2,516 475	...	26 3	6-60 3-59	573 17	1,188 484	10T	10	10
Cambay Invt.	Pyne & Co. ...	2	...	60	119	...	3-59	17	...	nil	...	...
Camperdown Pressing	Tantia Bros. Private ...	...	...	1,359	69	15	7-58	46	15	7	3	...
Cherra Chhatrak Repoway	Ram Kunar Agarwala & Bros. ... 5 1/2% Cum. preference	...	10,503	14,269	4,037	163	3-60 12-57	111 1,575	-5 1,735	9 7 1/2 T	3 7 1/2 T	5 6 1/2
Christian Mica Indus	Deferred share 4 1/2% Debentures	...	...	...	...	...	...	...	...	5 1/2 T	5 1/2 T	5 1/2
Clive Building	Gillanders Arbuthnot & Co. ... Management Shares 4 1/2% Debentures	98	...	670	...	35	12-60	328	354	6 1/2 T	6 1/2 T	...
Clive Row Invt.	Andrew Yule & Co., Ltd. ...	...	1,783	...	...	90	12-60	1,697	1,458	6 1/2 T	6 1/2 T	...
Dalmia Cement (Bharat)	Hari Brothers Private Ltd. ... Ord. partly paid 6% Cum. preference Deferred	4,640	17,186	21,229	1,836	520	12-59	(a29)7,447	(a20)4,622	12T	10	12 1/2
Darjeeling Repoway	Gosnka & Co. ... 5 1/2% Debentures	...	...	161	...	6	3-60	83	71	5T	7 1/2	7 1/2
Delhi Flour Mills	Directors ... 7% Cum. preference 7% Debentures	447	25,195	26,511	487	...	10-59	321	282	10 1/2 T	10	10
Dhruvacharya Chem. Works	7% Debentures	...	...	...	...	...	...	...	...	7 1/2 T	7	7
Dhruvacharya Chem. Works	Saha Bros. Private ... 6% R. C. P. ...	12,139	9,877	15,415	762	8	3-59	815	920	...	...	...
Dunelm Brothers	Directors ... 4% Cum. preference	...	...	23,289	547	...	12-59	3,460	3,112	4T	6	6
Dunlop Rubber Co.	Directors ... 6% Cum. preference 6% Cum. preference Tan 6 1/2% Debentures	30,706	81,462	304,656	...	...	12-60	26,464	24,380	14T	2 1/2 T	11 1/2
		...	...	...	...	...	...	...	...	2 1/2 T	2 1/2 T	16 1/2
		...	...	...	...	...	...	...	...	4T	4	4

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	July 1961	July 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standing	Cash	Others
	Ra. np.	Ra. np.													
NORTHERN INDIA (Continued)															
Galliarup Paper ...	37 62	61 50	25	5,721	2,550	1,764	331	20,613	27,654	21,586	2,447	5,905	6,884	10,789	716
5% R.C.P.P. ...	112 00 N	117 00	100	1,809											
Balmor Lawrie & Co. ...	246 00	229 00	100	8,001	7,273	1,034	515	19,919	7,783	4,134	11,409	6,982	14,164	529	
Barroes Coke ...	15 19	15 25	10	1,200	800	50	—554	1,118	3,808	3,412	7	1,276	887	48	
Bathgate & Co. ...	0 87	1 16	10	2,000		16	—608	493	2,639	186	2	735	462	49	
6% C. P. ...	19 00	28 00	10	1,692			—436	3	7 69	4,95		9,60	1	13	2
Bihar Rice Mills ...	2 81	1 95	100	2,000	650	8,868	23	1,923	12,316	2,150	(59	59	534	1,653	1,727
Bengal Assam Steamship ...	104 00	87 50xd	100	3,000											
7% C. P. ...	41 87xd	53 00xd	60	5,023	2,120	3,175	1,390	6,843	14,757	7,189	1,692*	5,446	6,352	948	
Bengal Chemicals ...	108 00	114 00	10	900											
1½% C. P. ...	12 31	13 25	10	1,191											
1½% C. P. ...	66 00	72 00	100	1,500											
% Debentures ...		41 75	10	1,207	2,250	289	188	1,031	3,724	3,181	6	1,316	1,992	4,080	329
Bengal Flour ...	44 62	104 00xd	25	4,500	4,827	903	141	10,270	26,773	17,779	132	8,436	3,426	326	1,872
Bengal Paper ...	88 00	38 25xd	50	200											
7% C. P. ...	48 50	91 00xd	100	400											
7% A. C. P. ...	102 00	63 00xd	100	2,000											
6% B' R. C. P. T. ...	61 95		500	84											
4½% Debentures ...	7 37	7 44	2½	5,523	873	1,106	2	14,243	16,125	6,322		6,118	1,604	67	4,974
Bengal Potteries ...			1												
Ordy. P. Paid ...		15 25	100	600			—961	395	567	567	64	5	256	9	
Bengal Timber ...	14 00	30 00	100	300											
5% C. P. ...	7 75	5 25	10	400	165	6	3	161	972	262	75		75	175	
Bhagwati Pressing ...	4 87xd	35 00	100	300											
7% C. P. ...	28 00xd														
Bharat Carbon & Ribbon ...			10	900	200	100	4	4,495	2,012	504	86	3,185	1,621	41	
6½% C. P. ...			100	380											
7½% B' C. P. ...			100	200											
Ehrvat Commerce ...	23 00	17 12	10	5,000			—4,119	1,774	4,171	86		769	739	62	
5% C. P. ...	108 00	11 06	10	3,000											
Bidai Nidhi ...	8 44	52 50	100	14,777		1,323	28	9,107	69	50	16,728	180	13,577	90	
6½% C. P. ...	44 67xd	52 50	100	5,360											
Bharat Starch & Chemical ...	8 06 N	8 06	10	1,000		61		5,565	384	2,675	38	3,588	766	10	5,420
Bhartia Company ...	45 01	34 75	100	2,100	50		—9	79				12,92	8,59	69	
Birds Investment ...	13 12	14 62	10	2,000	227	631	55	4,805				6,418	3,654	47	
½% C. P. ...	56 50	53 50	100	2,400											
Bisra Stone Lime ...	45 95xd	39 00	10	1,000	550	3 249	36	6,760	7,732	4,118	8	2,374	5,234	130	215
Britannia Biscuits ...	53 25	34 00	10	4,597	6,520	849	284	8,552	4,887	5,008	157	3,594	3,967	8 581	2,629
%, Cum. preference ...	8 66 N	9 30	10	15											
½% Debentures ...				1,200											
ur. Burma Petroleum (S.) ...			4½	562		182	1	249			747			54	193
Pr. Ceylon Corporation ...			10	3,500	2,500	6,185	3	2,306	9,940	3,724	1,740	5,960	3,219	141	
0% Cum. Part. Pref. ...			10	1,750											
British India Corporation ...	7 78	8 31	5	32,500	4,000	15,544	334	18,405	31,783	26,555	12,432	39,593	15,971	795	5,115
5% Cum. preference ...	108 75	109 10	100	8,100											
Brushware ...			10	100	170	167	5	38	243	243	129	162	55	104	29
Burma Lime ...	8 50xd	7 25xd	10	200	75	20	3	201	614	256	102	16	124	22	
Partly Paid ...			5	63											
5% Debentures ...			1000	60											
Calcutta Chemical ...	18 95	15 25	10	971	960	2,040	153	3,277	3,296	1,477	2,204	2,305	1,713	787	
5% C. P. ...	7 50		10	200											
4½% C. P. ...	5 75		10	337											
Calcutta Credit Corpn. ...	12 50	21 25	10	500	1,250	72	192	7,864	2,232	438	65	3,691	4,923	90	
6% C. P. ...	34 50 N	42 50	100	200											
½% T. C. P. ...	23 50	29 00	100	200											
6% Debentures ...			100	285											
Calcutta Gas Co. ...	4 70 N	4 70xd	10	6,500	100		152	2,996	1	1	11,616		3,069	1,063	
½% R. C. P. T. ...	52 14xd	57 00xd	100	3,000											
4% Debentures ...			1000	3,000											
Calcutta Investment Co. ...	40 75 N	43 70	100	5,500	2,358	412	36	3,111	1,808	672		5,062	5,177	94	
Cal. Landing & Shipping ...	13 90xd	11 71xd	10	625	240		21	1,208	1,922	1,320	142	27	1,191	131	
Calcutta Safe Deposit ...	7 37	7 81	10	742	14	105	3	467	1,406	199	46		128	15	
4% Debentures ...			1000	65											
Calcutta Steam Navign. ...	12 31	15 50	10	1 260	574	873	189	1,793	7,768	4,654		243	1,247	5	
Cambay Invnt. ...	95 00	100 00	100	2,000		2,190	82	2,413	1	1	4,777	119	1,640	89	
Camp rdwn Pressing ...	101 00	92 00xd	100	430	85	2	12	110	689	495	280	14	151		
Cherra Chhatak Ropeway ...	5 30	7 00	5	475		473	4	333	1,202	1,063	11	158	865	116	
Christian Mica Indus. ...	11 75	11 62	10	3,000	1,000	4,084	247	11,262	7,409	1,649	4,675	5,071	9,955	132	
½% Cum. preference ...	48 00	49 50	100	3,000											
Deferred share ...	6 69	5 50	5	1,500											
4½% Debentures ...			1000	1,500											
Clive Building ...	150 00	150 00	150	1,500	269	1,095	143	2,058	4,309	222	339		25	174	255
Management Shares ...			15	15											
4½% Debentures ...			500	1,568											
Clive Row Invnt ...	8 50	9 50	10	13,880	1,000	477	252	3,828			18,876		548	13	
Dalmia Cement ...	11 12	12 25	10	16,393	1,800	4,736	25	26,122	26,350	6,048	20,136	9,312	3,894	433	1,865
Ordy. Partly Paid ...	2 25	2 44	6 2½	6											
6% Cum preference ...	7 16xd	8 60	10	6,158											
Deferred ...	2 41xd	2 25	1	500											
Darjeeling Ropeway ...	7 12	7 75	10	248	25	35	2	69	499	262	18	50	37	5	12
% Debentures ...			500	100											
Dolbi Flour Mills ...	14 00 N	15 00	10	1,800			51	1,715	3,974	2,754	521	656	1,880	19	
7% Cum. preference ...			500	90											
7% Debentures ...			500	500											
7% Debentures ...			500	330											
Ordrangadhra Cham. Works ...	116 00	180 00	100	6,449	4,900	889	—111	38,374	16,928	6,731		9,345	2,393	123	30,147
6% R. C. P. ...	31 00		100	4,704											
Duncan Brothers ...	150 00xd	118 00	100	9,000	7,100	3,349	308	12,313	2,825	1,152	18,089	547	6,486	9,774	
4% Cum. preference ...	30 33xd	36 00	100	4,500											
Dunlop Rubber Co. ...	50 69	47 25	10	30,008	49,288	14,680	2,513	34,435	103,979	48,120	423	59,292	42,174	887	
6% Cum. preference ...	110 00	111 00	100	3,000											
6% Cum. Pref. Tax ...	79 00	84 50	100	4,000											
4% Debentures ...			100	20,433											

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents' Commission	Year ended	Net Profit		Dividends per cent		
								Latest	Previous	Latest	Previous	Second Previous
NORTHERN INDIA (Continued)												
East India Hotel	Oberoi Hotels private	125	228	639	...	...	3-59	80	16	nil	nil	nil
Eastern Investments	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Eastern Manfg. Co.	Bird & Co. Private Ltd	...	...	1,943	...	6	12-60	1,848	1,673	14 1/2	14	9
Electric Construction	5% Cum. preference	19.22	19.19	78.33	3.73	1.10	12-54	10.44	2.25	7 1/2	3	3
Frank Ross	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Fraser & Co.	Directors	1,326	5,866	8,124	5,121	...	10-58	957	1,092	10	10	10
French Motor	Directors	...	...	...	...	...	...	...	...	...	...	...
Ganges Rope	Mg. Director	238	3,846	4,175	1,176	...	2-60	84	65	1 1/2 T	nil	nil
General Inv. & Trust	4 1/2% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot	Directors	...	...	1,335	...	...	3-60	130	271	4 1/2	4 1/2	4 1/2
Gladstone Lyall & Co.	Mg. Director	2,385	44,596	47,666	7,574	...	3-60	1,778	1,685	20 1/2	12 1/2	12 1/2
Godfrey Phillips	Macneill & Barry Ltd.	1,522	4,842	7,947	...	94	3-60	(a27)984	867	17 1/2 T	17	15
Great Eastern Hotel	Bird & Co. Private	...	...	47	...	3	2-60	29	41	5 T	3 1/2	2 1/2
Hindusthan Building	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Hindusthan G. E. Corp.	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Housing	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Ice	5% R. C. P. T.	3,694	13,723	23,514	3,113	...	3-60	2,849	2,555	10 N	10	10
Hindusthan Motors	5% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Pilkington	Directors	2,130	...	6,014	1,459	...	10-59	661	209	5 T	5 T	5
Hindusthan Woollen	6% C. P. T.	2,920	6,814	41,381	6,758	...	12-60	4,536	3,125	40 T	26 T	20
Hoare Miller	5 1/2% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Hooghly Flour	B. P. R. Syndicate	...	...	6,515	326	53	3-60	867	725	9 1/2	6	6
Hooghly & Ganges Hyd.	Directors	...	...	73	73	...	7-59	94	291	nil	4	4
Imperial Tobacco	4% C. P.	...	...	...	...	...	...	...	...	...	...	...
India Genl. Navigation & ...	K. C. Thapar & Brothers	679	1,476	2,946	1,530	...	7-59	-786	-67	nil	nil	nil
India Linoleum	5% c. p. p.	...	...	...	...	...	...	...	...	...	...	...
India Paper Pulp	Deferred	...	...	...	...	...	...	...	...	...	...	...
India Steamship	Jainarayan Ramchander	36	272	212	1,643	5	3-59	68	126	nil	3	3
Indian Aluminium	R. N. Jhunjhunwale	40	1,21	2,69	...	18	9-54	65	37	nil	nil	nil
Indian Cable	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Indian Copper & ...	Birla Brothers Private	11,762	...	217,726	5,759	1,874	3-60	21,890	11,686	9 1/2	5	nil
Indian Oxygen	6% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Indian Rubber Manfrs.	Talukdar Law & Co Private	276	3,168	6,769	408	...	10-58	1,717	1,159	8 1/2	6	7
Indian Wood Products	Directors	6	...	182	...	...	3-58	135	96	6	6	nil
Investment & Finance	Directors	1,072	95,530	96,839	1,413	...	12-60	441	470	6 T	6 T	5
J. K. Comm. Corp. Ltd.	Shaw Wallace & Co.	593	10,606	12,859	569	78	12-59	721	634	27 1/2	40	45
J. K. Investment Trust	B. N. Elias & Co.	78	42	1,53	...	...	6-54	43	1,08	nil	2 1/2	5
Jaipur Udyog	4 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
James Wright	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Jardine Henderson	Directors	...	...	371,190	95,536	...	3-60	34,278	35,354	8 1/2	6	7
Jeewanlal (1929) Ltd.	Kilburn & Co. Private	...	...	3,555	...	...	12-59	(i)269	211	nil	nil	nil
Johnson & Nicholson	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
John Paterson	Hindusthan Investment	351	1,941	3,658	909	...	3-60	1,135	698	nil	nil	nil
Kalpangam Ropeway	Andrew Yule & Co. Ltd	3,506	23,956	23,956	799	529	3-60	5,796	(a)3,358	15 T	10	10
Kanara Valley Slat	Lionel Edwards Private	7,837	60,646	84,633	...	56	3-60	(a30)7,497	(a)15,623	10 T	10	10
Karnataka Development	5% R. C. P.	12,597	42,455	96,968	...	...	12-59	23,401	13,706	5 T	5	5
Kashmiri Bullen & Co.	5% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Kishore Trading Co.	6 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	July 1961 Rs. n.p.	July 1960 Rs. n.p.			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
NORTHERN INDIA (Continued)															
East India Hotel	...	...	10	4,653	...	...	—9	54	2,950	39	...	27	41	147	3,296
6% C.P.	...	...	100	1,249	...	...	...	...	...	...	...	...	...	...	...
Eastern Investments	137 00	138 00	100	5,126	5,920	...	349	2,457	...	...	16,350	...	...	2	...
5% Cum. preference	67 44	69 94	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Eastern Manufacturing Co.	...	...	100	850	5,00	3,70	10	16,10	28,71	19,24	1	17,29	5,21	1,09	35
5% Cum. preference	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
Electric Construction	13 44	16 06	10	2,538	650	36	30	5,986	2,190	1,030	20	5,272	2,762	25	2
Frank Ross	3 24	3 19	6	495	...	57	2	930	239	140	...	1,176	443	42	...
4 1/2% Cum. preference	51 00	60 00	100	275	...	...	...	...	...	...	...	...	...	...	...
Fraser & Co.	10 00	13 00	10	605	200	457	563	584	1,474	612	1	392	392	27	...
French Motor	40 00	41 00	20	3,000	400	2,108	182	10,099	3,852	1,504	938	7,574	3,971	959	...
Ganges Rope	236 50	235 00	100	1,400	400	948	71	3,180	3,798	2,268	5	2,565	1,882	18	...
General Inv. & Trust	...	...	75	225	26	30	8	51	...	...	531	...	4	5	...
5% Cum. preference	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Prefr. Tax	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot	14 31	12 25	10	6,500	2,300	1,324	171	27,052	3,058	1,591	11,559	3,326	18,989	2,707	1,800
5% R. C. P. T.	58 00	52 50	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Gladstone Lyall & Co.	...	...	100	4,000	775	162	25	5,764	915	567	3,854	1,535	4,868	163	1,375
6% C. P. T.	...	...	100	1,417	...	...	...	...	...	...	...	...	...	...	...
Godfrey Phillips	21 75	23 77	10	4,000	...	509	1,338	9,079	7,986	4,435	...	8,828	2,952	137	2,546
5 1/2% C. P. T.	56 50	56 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Hotel	233 00	250 00	250	3,000	1,000	811	21	1,177	8,865	4,329	2	429	833	208	...
Hindusthan Buildings	3 69	4 00	10	1,500	52	...	8	677	8	3	1,376	...	915	20	920
4% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Hindusthan C. E. Corpn.	...	...	10	1,900	...	229	—5,164	12,879	5,883	1,455	13	4,586	874	39	924
5% c. p. p.	...	...	100	845	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	175	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Housing	...	...	75	1,916	300	...	6	2,391	30	4	1,088	1,698	1,763	37	...
Hindusthan Ice	1 05 N	1 05	5	1,000	45	1,00	—3,57	1,73	22,57	10,00	...	31	1,33	26	13
5% Debentures	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Motors	21 56	23 19	10	49,613	...	4,951	363	29,070	73,656	32,548	1,448	36,835	11,153	22,798	...
6% R. C. P.	205 03ad	208 00	50	32,147	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Pilkington	26 62	36 00	10	8,800	700	5	102	2,343	9,649	2,659	9	1,892	541	1,719	...
Hindusthan Woollen	...	...	10	3,497	...	51	8	233	48	581	...	3,129	29	...	...
Hoare Miller	5 77	7 75	10	3,520	2,100	...	51	13,713	3,011	740	2,603	1,436	7,363	67	5,445
Hooghly Flour	19 75ad	20 66ad	10	600	325	105	25	1,590	1,655	1,340	...	648	1,288	754	...
Hooghly & Ganges Hyd.	5 62	7 12	10	800	54	86	7	1,62	15,50	4,70	5,92	10	1,21	6	...
4 1/2% R. C. P.	...	...	100	400	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco	12 10	12 62	10	151,600	46,500	45,394	2,477	28,855	113,166	28,877	7,754	103,554	47,950	31,269	...
India Genl. Navigation & ...	69 00	67 50	2 10	656	170	1,022	—4	1,914	5,778	3,679	33	644	904	319	3
6% C. P.	77 00	80 00	100	244	...	...	...	...	...	...	...	...	...	...	...
India Linoleum	18 56	21 75	10	8,820	1,555	6,471	38	1,385	3,275	2,692	...	1,392	2,173	27	...
India Paper Pulp	8 44	11 06	10	24,750	14,000	19,299	—4,076	154,248	226,882	49,615	1,351	383	20,494	11,226	...
India Steamship	76 00	81 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	34 37	31 81	10	39,768	1,500	18,565	3,342	59,197	97,238	30,011	13	31,081	15,403	43,125	...
Indian Aluminium	66 20	70 25	100	4,000	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debenture	...	...	...	30,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	478	...	...	...	...	...	...	...	...	...	...	...
Indian Cable	36 31	36 56	10	23,578	9,000	11,300	4,564	23,476	29,548	13,719	738	32,917	25,409	8,093	...
6% C. P. P.	34 00	33 25	10	1,288	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	...	9,780	...	...	...	...	...	...	...	...	...	...	...
Indian Copper & ...	5 29	5 15ad	2ad	1,371	1,798	646	119	2,440	5,695	2,081	424	1,533	2,532	513	1,840
Indian Oxygen	39 15	40 87	10	20,000	8,724	4,157	1,378	39,587	59,968	24,806	446	16,000	16,460	3,915	2,822
Indian Plastics	9 56	13 51	10	2,988	10	65	34	4,873	5,193	1,757	...	4,120	2,611	44	...
5 1/2% C. P.	40 50 N	46 00	100	2,250	...	...	...	...	...	...	...	...	...	...	...
Indian Rubber Manfr.	16 00	18 25	10	828	5,00	53	63	4,1	16,75	9,50	4	615	794	5,85	...
5% C. R. P.	59 75	73 00	100	828	...	...	...	...	...	...	...	...	...	...	...
Indian Wood Products	31 62	29 87	10	2,000	1,800	498	129	2,353	2,270	1,896	2	3,853	235	2,016	901
Indo Burma Petrol	26 62	25 12	10	10,000	5,894	19,464	465	17,973	10,660	5,537	25,674	3,362	6,311	26,113	1,951
7% C. P. T.	83 00	85 50	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Investment & Finance	...	...	100	500	149	117	24	122	...	...	1,269	...	7	36	...
5% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
J. K. Comm'l. Corp. Ltd.	...	...	10	2,080	822	3	7	48,15	29	17	4,167	...	3,546	4	...
J. K. Investment Trust...	...	...	700	7,008	25,50	46	...	40,23	2	1	11,502	...	1,578	803	...
B. Ord.	...	...	25	250	...	...	...	...	...	...	...	...	...	...	...
Jaipur Udyog	11 31	14 12	10	20,000	500	4,462	144	49,643	79,862	19,221	58	13,076	5,390	171	...
5% C. P. T.	37 00	37 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...
James Wright	2 75	1 87	5	588	38	53	...	877	300	73	581	458	530	7	...
5% C. P.	19 75 N	19 75	50	130	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 43	0 69	100	117	...	...	...	...	...	...	...	...	...	...	...
Jardine Henderson	68 09	74 00	100	20,000	6,800	...	...	521	52,946	4,266	1,592	47,898	2,166	30,341	68
5 1/2% C. P. T.	57 00	57 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Jeevanlal (1929) Ltd.	9 50	8 37	10	7,200	1,440	148	10	8,746	4,774	2,739	6	9,491	4,779	608	625
Jenson & Nicholson	...	...	10	3,250	1,850	813	595	9,980	6,390	3,532	88	6,289	8,824	214	784
7 1/2% R. C. P.	...	...	100	2,569	...	...	...	...	...	...	...	...	...	...	...
John Paterson	2 25	2 50	10	529	...	17	36	345	512	98	13	38	258	...	...
Kalimpong Ropeway	1 50	2 25	10	450	65	...	—1,28	1,38	5,97	2,63	9	1,34	33	134	...
Kalyanpur Lime & Cement	105 00	103 00	100	6,425	...	3,351	—416	11,201	16,681	3,851	52	2,472	3,838	241	2,102
7% P. T.	80 00	80 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
6% 2nd Pref.	100 50	108 50	100	1,575	...	...	...	...	...	...	...	...	...	...	...
Kangra Valley Slate	89 00 N	89 00	10	158	85	71	...	68	294	128	2	22	38	154	...
Karanpura Development	17 00ad	13 87	10	500	2,105	579	255	4,964	4,505	1,324	1,859	149	822	1,735	2,157
Founders	...	...	100	4,000	2,400	755	213	6,159	329	154	9,532	123	824	68	5,806
Kettwell Bullen & Co.	139 08	137 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% C. P. T.	57 00	58 25	100	1,000	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	55 00	56 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Kishore Trading Co.	70 00	75 00	100	2,000	175	2,633	—18	974	2	1	4,774	...	631	182	...

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents' Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)												
Kumardhubi Fireclay	Bird & Co. Private Ltd 54% R. C. P. T. 54% Debentures	5,954	2,930	17,432	1,758	213	12-60	2,710	2,366	18 T	18½ T	12½ T
Kusum Products	East India Development Co. 54% R. C. P. T. 44% Debentures	631	32,723	38,447	2,951	67	3-58	766	442	nil	nil	nil
Macfarlane & Co.	James & Co. Ltd. 7% C. P. Deferred	291	1,382	1,993	1,105	20	3-58	37	180	nil	nil	nil
Macneill & Barry	Directors 54% C. P. T. 5% Debentures	6,078	12,046	27,061			3-60	4,759	4,766	7 T	7 T	7 T
Martin Burn	Directors 5% C. P. 4% Convertible Notes	9,214	67,781	86,231	19,707		9-60	8,722	8,630	27½ T	27½ T	21½ T
Marwar Trading Corp.	Directors				53		12-58	—13	(a) 19,213	nil	nil	5 T
McLeod & Co	Directors 5% 1st C. P. T. 5% 2nd C. P. Deferred Convertible Notes			29,996	900		12-59	2,050	1,955	15 T	12½ T	12½ T
Metal Box Co.	Directors 6% R. C. P. T.	1,625	26,342	84,637	22,873		3-60	12,657	11,159	25 T	17½ T	17½ T
Metal Corporation	Directors 5% C. P. T. 54% Debentures		8,838	10,025	5,686		3-50	1,266	587	6 nil	6 nil	6 nil
Midnapore Zamindary	Andrew Yule & Co.			158			4-59	—215	—124	nil	nil	nil
Magadhab Water Supply	Noorulla Ghazanfarulla	67		183		9	10-58	54	53	5 T	5 T	5 T
C. & E. Morton India Ltd.	Cotton Agents Private	529	2,596	5,537	818	22	6-60	321	186	nil	5 T	5 T
Motor & Genl. Finance	Gupta & Sval Ltd. 10% 1st C. P. 7% 2nd C. P. 7% 3rd C. P.	78		1,346			6-55	7,88	3,94	40 T	15 T	15 T
National Insulated Cables	Asso. Indust. Development Co. 54% Debentures	2,211	19,601	34,914	3,607	786	3-60	7,502	3,908	25 T	20 T	20 T
National Pipes & Tube	Asso Indust. Dev. Co. 54% R. C. P.	1,022	4,632	8,240	1,886	166	9-58	1,662	1,492	12½ T	20 T	20 T
National Rolling	Asso. Indust. Development			14,189	902	298	6-60	3,130	1,532	13 T	10 T	10 T
National Rubber	Directors 6% C. P.	2,851	13,222	20,206	4,397		12-59	1,067	886	8 T	6 T	10 T
National Tobacco	B. N. Elias & Co. Private 5% R. C. P. 44% R. C. P. 4% Debentures	6,986	75,692	96,444	10,262	638	12-60	6,561	6,635	16 T	16 T	11 T
Nav Bharat Vanija	Directors 44% C. P.	46	3,550	2,781	2,721		5-60	577	—147	nil	nil	nil
New India Investment	Ramdukt Ramkissandas	6	1,347	1,954	3,531	40	12-59	501	258	6½ T	5 T	5 T
Octavious Steel & Co.	Directors 6% C. P. T.	1,643		3,846			12-59	1,603	1,728	12½ T	8 T	8 T
Oriana Paper	Birla Brothers Private Ltd. 54% C. P. 54% C. P. T. 54% Debenture	9,882	33,939	68,339	10,045	1,277	3-60	18,494	14,742	22½ T	15 T	15 T
Oriana Cement	Dalmia Agencies Private 44% C. P.	4,896	15,818	27,010	5,879	507	12-59	7,458	7,926	11 T	15 T	15 T
Oriana Minerals	Bird & Co. Private Ltd.	4,645		13,075	941	220	6-60	2,890	2,869	41 T	45 T	44 T
Philips India	Directors	7,635		49,638			12-59	6,959	(a) 6,458	36 T	36 T	25 T
Philips Shipping	Andrew Yule & Co.	7,727	742	2,977		12	12-60	242	45	70 T	nil	nil
Publicity Society	Directors	248	306	1,184			3-60	478	324	70 T	37 T	50 T
Panjab Minerals	Bird & Co. Private Ltd.	5	19	27			9-60	—5	—4	nil	nil	nil
R. B. Rodda	Director 54% R. P.	117	1,041	2,047	651		3-59	182	199	6 T	6 T	5 T
Reliance India	Directors 6% C. P. T.	6,041	160,272	183,498	17,384		8-60	5,122	2,855	5 T	5 T	5 T
Reliance Firebrick	Directors	1,998	1,698	6,612	352		2-58	1,150	1,080	6 T	6 T	6 T
Robtas Industries	Sahu Jain Ltd. 7 to 9% C. P. 44% C. P. 61% Debentures 6% Debentures	15,796	128,123	176,405	38,598	1,320	3-60	21,585	(1) 24,725	20 T	15 T	20 T
Sabu Properties	Directors 6% Debentures	4		140				60	107	6 T	5 T	5 T
Scientific Instrument Co.	Directors			3,820	5,77		3-55	1,91		8 T	8 T	5 T
Sen Raleigh	Directors 5% C.P.	4,064	17,496	29,357	4,343		9-59	3,344	1,958	8 T	6 T	6 T
Shaw Wallace & Co.	Directors 6% C. P. T.	9,358	56,109	79,918	17,390		12-60	6,993	6,522	15 T	15 T	15 T
Shiva Jute Press	Kedarnath Mohanlal	28		157			6-58	60	21	6 T	6 T	6 T
Shree Gopal Paper	K. Ch. Thapar & Bros. pri. 6% C. P. P. 7% R. C. P. 54% Debentures 6% Debentures	4,539	23,504	47,661	775	1,101	12-59	10,187	8,603	17½ T	12½ T	12½ T
Smith Stanistreet	Directors 10% Pref. Cum. as to 7%	2,053	12,595	17,196	5,203		6-60	1,181	1,042	25 T	25 T	16 T
Somekhanda Baling	Bird & Co (Pak) Ltd. 8% C. P. 5% C. P.	3 44	186,39	200,88	52,00	6	2-55	—2,50	—2,32	nil	nil	7 T
Some Valley Port Cement	Directors						12-59	94	1,106	nil	nil	8 T
Star Co.	Directors			14,440	2, 27		3-58	19	43	2 T	6 T	6 T
Star Paper Mills	Bajoria & Co. 5% C. P. 64% R. C. P. 7% R. C. P.	1,489	5,629	10,792	223	87	9-59	(b) 1,242	1,574	3 T	6 T	6 T
Star Trading & Inv.	Bajoria & Co.			25			6-59	—6	—25	7 T	6 T	6 T
Star Products	J. K. Agents Private Ltd.	1,201	4,258	8,812	2,690	79	12-59	(a) 1,766	(a) 10,216	15 T	12 T	12 T
Star Stone & Lime	Directors	772	1,216	2,644	2		12-59	478	438	20 T	17 T	17 T

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	July 1961 Ra. 000	July 1960 Ra. 000			General Ra. 000	Others Ra. 000	Carry Forward Ra. 000				Invest- ments Ra. 000	Stocks & Stores Ra. 000	Out Standings Ra. 000	Cash Ra. 000	Others Ra. 000
NORTHERN INDIA (Continued)															
Kumardhubi Fireclay	18 45	22 75	10	3,000	628	3,467	33	9,825	1,12,681	6,621	397	5,474	5,206	20	196
54% R. C. P. T.	58 20	54 50	100	400											
54% Debentures			100	2,000											
Kusum Products	10 00	2 25	10	800		41	88	3,570	4,211	2,690	13	3,471	1,165	127	
54% R. C. P. T.	64 00 N	64 00	100	800											
44% Debentures			1000	1,000											
Lactarlane & Co.	8 19	3 50	5	634		5	68	1,176	777	589	152	1,121	773	23	
7% C. P.			100	309											
Deferred	1 75	0 97	1	66											
Macneill & Barry	103 00 N	98 50	100	15,000	4,300	3,188	293	8,764	5,717	1,905	23,234	1,522	13,630	1,152	6,000
54% C. P. T.	51 57	55 50	100	10,000											
5% Debentures			1000	7,500											
Martin Burn Limited	28 00	26 69	10	14,696	8,000	3,496	260	66,384	5,724	1,819	19,675	20,194	52,510	778	2,518
5% C. P.	85 50	78 00	100	6,000											
4% Convertible Notes			500	835											
Marwar Trading Corp.	160 00	190 00	100	525		1,926	—8	126			1,947		602	20	
McLeod & Co.	213 00	211 50xd	100	4,000	3,700	3,711	248	15,305	3,101	1,270	26,391	923	7,231	563	
5% 1st C. P. T.	47 78	49 25xd	100	1,000											
5% 2nd C. P.	57 00xd	63 50xd	100	4,000											
Deferred			10	500											
Convertible Notes			4,500												
Metal Box Co.	51 87	45 50xd	10	16,100	10,000	6,475	2,337	20,450	33,632	12,574	379	24,326	10,681	1,977	
6% R. C. P. T.	84 00	81 00	100	3,000											
6% R. C. P. T.	10 12	10 67xd	10	5,000		1,043	—1,442	6,882	11,854	6,682	15	7,587	570	39	
Metal Corporation	99 00	88 00	100	700											
5% C. P. T.			1000	1,200											
54% Debentures	13 62	19 84	85	8,693			—2,085	2,165	100	47	51		5,410	3,260	
Midnapore Zamindary	4 96	5 09	10	446		5	1	123	733	286	1	36	55	29	9
Moradabad Water Supply			10	885	850	262	20	1,936	2,746	1,626	70	1,789	877	117	
C. & E. Morton (India) Ltd			10	400	11,00	4,00	10	70,63	63	24	11,42	26	82,39	1,60	
Motor & General Finance			25	250											
10% C. P.			20	100											
7% 2nd C. P.			10	275											
7% 3rd C. P.			10	9,000	8,000	5,757	86	24,014	10,546	5,135	8	15,304	23,429	1,136	
National Insulated Cable	38 62	28 25	10	1,000											
44% Debentures			2,000	1,000											
National Pipes & Tubes	27 37	17 00	10	3,000	1,500	6	116	2,692	4,519	2,156	2	3,427	2,245	277	
44% R. C. P.			100	1,000											
National Rolling	23 31	14 44	10	4,000	1,500	519	131	4,195	8,322	3,577	3	4,449	2,086	62	
National Rubber	12 25	18 25	10	4,997	400	516	15	10,213	8,355	3,367	10	7,894	3,213	863	151
6% C. P.	76 00	69 00	100	945											
National Tobacco Co.	20 87	23 12	10	7,997	6,000	5,755	904	18,873	15,041	8,118	91	28,611	4,213	2,878	2,422
5% R. C. P.	73 50	77 50	100	2,500											
44% R. C. P.	66 25	65 59	100	1,998											
4% Debentures			1000	1,200											
New Bharat Vanijiya	7 50		10	1,500			22	686	4	2		2,721	484	1	
14% C. P.	75 00	90 00	50	1000											
New India Investment	41 50xd	53 50	75	2,332	1,000	102	45	1,065	5	4	4,012		384	149	
Octavious Steel & Co.			100	5,000	3,300	3,102	334	5,671	1,036	361	8,649		8,898	185	
6% C. P. T.			100	1,000											
Orient Paper	34 75	46 00	10	14,682	2,000	30,150	422	26,765	100,140	30,778	2,35	20,165	8,285	1,853	
54% R. C. P.	83 00	83 50	100	12,000											
54% R. C. P. T.	63 75	61 50	100	6,000											
54% Debentures			1000	10,000											
Oriental Cement	15 06	13 87	10	22,500		6,500	877	31,080	53,955	18,650	1,592	14,918	6,45	4,525	1,636
44% C. P.	35 06 N	35 06	100	4,000											
Orissa Minerals	45 87	40 75	10	2,000	1,455	4,400	111	7,396	6,891	2,826	4,342	4,256	5,620	125	104
Philips India	32 69	34 00	10	22,000	446	4,623	47	21,146	14,874	4,882	247	17,327	19,126	1,565	305
Port Shipping	11 12	9 87	10	1,408	111	74	—258	1,522	2,886	1,397	5	143	1,233	4	249
Publicity Society	20 00	15 00	4	286	150	313	122	1,323	195	189	70	1,584	534		
Punjab Minerals			10	300			—140	23	159	2	1		170	1	9
R. B. Rodda	3 40	5 00	10	650	100	92	5	912	137	61	43	701	600	89	
54% R. C. P.			100	350											
Kallis India	138 75	140 00	100	22,500	500	100	449	17,616	7,039	3,389	8,630	18,552	14,501	2,917	
5% C. P. T.	67 00	88 00	100	7,500											
Reliance Firebrick	23 00	25 37	10	6,000	319	1,121	37	4,029	3,716	2,569	1,088	952	2,341	152	
Rohini Industries	19 00	41 25	10	25,080	20,070	4,255	193	82,276	147,638	61,895	11,274	50,754	15,232	1,05	663
7 to 9 C. P.	115 00	118 00	100	2,000											
44% C. P.	56 00	58 25	100	8,477											
64% Debentures			1000	9,500											
6% Debentures			1000	12,200											
Sahu Properties	2 45	2 69	5	750		369	1	239			1,649		199	10	
6% Debentures			500												
Scientific Instrument Co.			100	999	1,45	1,29	4	14,91	1,71		72	5,80	18,27	1,16	
Sen-Raleigh	24 75	24 62	10	7,000	650	3,223	161	25,076	25,462	3,219	853	14,223	3,077	307	408
5% C. P.	150 00	158 00	100	3,000											
Shaw Wallace & Co.	23 25xd	26 19	10	7,500	3,300	2,368		514	52,853	14,012	3,763	17,983	19,997	15,336	694
5% C. P. T.	67 50	67 25	100	7,500											9,775
Shiva Jute Press			100	450	110	10	32	85	975	522	20	30	178	6	
Shree Gopal Paper	24 69	28 31	10	12,531	4,575	7,321	137	28,349	34,080	12,674	4,916	12,250	4,786	2,674	19,156
8% C. P. P.	50 50	92 00	100	7,458											
7% R. C. P.	91 90xd	92 50	100	1,000											
54% Debentures			1000	1,000											
5% Debentures			1000	3,000											
Smith Stanistreet	15 25	14 06	5	1,000	600	869	99	4,687	2,440	1,505	302	5,203	1,343	448	
10% Pref. cum. ac to 7	63 12	69 62	50	500											
Senakunda Balins			100	600	5,02	16,73	—5,67	6,025	38,53	13,27		54,01	7,79	77	
8% C. P.			100	200											
5% C. P.			100	350											
Sono Valley Port Cement.	4 94	5 81	5	7,500	1,415	435	62	6,596	22,510	15,876	106	6,282	2,349	423	214
Star Co.	80 50	80 00	100	1,040	735	397	3	728	460	11	1,611		845		
Star Paper Mill	12 59xd	13 44	100	6,000	450	389	6	9,541	7,736	4,304	107	9,503	5,584	1,209	2,876
64 C. P.	85 40	87 50	100	1,000											
5% R. C. P.	65 90xd	73 00	100	3,000											
7% R. C. P.	62 80xd	87 00	100	2,333											
Star Trading & Invst	8 00 N	8 00	25	500			—143	736	2	1	122	817	150	2	
Straw Products	9 31	12 75	10	1,500	3,408	6,467	93	4,612	11,849	2,852	983	3,613	1,919	6,061	895
Sutna Stone & Lime	19 00	17 50	10	484	65	481	35	789	1,954	701	18	41	401	141	

Indian Finance MISCELLANEOUS

NAME	Managing Agents Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended Rs. 000	NET PROFIT		DIVIDEND PER SHARE		
								Latest Rs. 000	Previous Rs. 000	Latest	Previous	Second prev.
NORTHERN INDIA (Continued)												
Tide Water Oil	Andrew Yule & Co. Ltd.	875	6,079	7,037	2,832	34	10-60	426	292	30 T	22 T	15
Titagarh Paper Mills	F. W. Heilgers & Co. Private Prefd. Ordinary	14 720	40,746	98,948	1,427	962	3-60	11,597	13,763	25 T	25	23 1/2
	8% C. P.									10 T	10	10
	4 1/2% C. P.									8 T	8	8
	5 1/2% Debentures									4 1/2 T	4 1/2	4 1/2
Tungabhadra Industries	Cotton Agents Private Debentures	753	32,847	35,296	4,219	19	9-59	1,151	676	nil	nil	nil
Union Co.	Directors			195			3-58	21	65	nil	nil	nil
Union Carbide	Directors	10,732	41,039	70,992	24,334		12-59	15,502	10,553	18 T	14	14
United Flour	Shaw Wallace & Co. Ltd.	511	8,498	10,460	365	68	11-59	662	525	52 1/2 T	37 1/2	40
Walford Transport	Directors Prefd. Ordinary	1,161	18,974	19,343	3,728		12-59	953	505	20 T	14	14
										15 T	12	12
SOUTHERN INDIA												
Aluminium Industries	Seshasayee Brothers Pri.	2,178	29,180	34,072	7,460	398	3-60	4,770	3,355	18 T	12 1/2	12 1/2
Amrutnajan	R. N. Brothers	139	1,788	3,154	81	56	3-60	541	321	75 T	35	35
	7 1/2% C. P.									7 1/2 T	7 1/2	7 1/2
Andhra Cement	Andhra Engineering Co. Pri.	1,033	4,012	9,134	264	95	12-59	1,756	(a) 1,670	10 T	7 1/2	10
	6% C. P.									6 T	6	6
Andhra Scientific Co.	Srinanth Industrials Pri. Ltd.	530	693	1,752	769	29	6-57	293	179	nil	nil	nil
	5% C. P.									nil	nil	nil
Ashok Leyland	Directors	2,753	523,426	57,788	17,155		12-59	5,502	3,943	8 T	6	6
Aspinwall & Co. (Trav.)	Directors	935	2,591	4,112	872		12-59	65	32	4 T	nil	nil
Aspinwall & Co.	Directors	1,860	5,771	10,234	1,170		12-59	(b) 546	(a) 486	6 T	6	6
	6% C. P.									6 T	6	6
Asso. Industrial Engrs.	Gannon Dankerley	68		4,944	1,378	58	3-59	524	412	9	9	9
Bangalore Printing	Directors Second Ordinary	221	180	503	183		12-59	57	84	10 T	10	10
Bimby & Co.	Directors	1,425	2,125	7,662	334		12-59	3,045	2,384	10	10	10
Central Scientifics	Guru Agencies Private	88	630	1,054	178	11	3-59	112	100	10	10	10
	6% C. P. P									8	8	8
Coimbatore Chem. & Fert.	Venus & Co.			8,92		5	3-55	11	15	5	7 1/2	8
Enfield India	Directors	948	6,544	8,239	2,216		12-59	659	492	5 T	nil	nil
	7% R. C. P.									7 T	7	6
Fertilisers & Chemicals	Seshasayee Bros. Private	5,069	10,027	23,958	4,409	388	12-59	6,272	5,983	6 T	4	nil
Forest Industries	Seshasayee Bros.	107	1,175	2,489	153		3-58	871	1,159	nil	nil	nil
General Papers Ltd.	Gany & Co.	52	2,385	2,980	879	41	3-59	365	303	12 1/2	12 1/2	nil
India Cements	Eason Pri. Ltd.	1,901	15,416	27,087	506	558	3-60	(a) 7,104	3,669	11 T	18	9
	7 1/2% C. P.									11 T	7 1/2	7 1/2
Investment Trust of India	Kothari Mehta & Co., Pri. Ltd.			85		5	9-60	46	54	5	5	5
Jaypore Mining	R. S. Indus'l Corp.	64	1,14	5,76	7,17	9	6-55	1,08	1,00	10	6	51
Kirloskar Elec	Kirloskar Associates	2,208	15,532	21,826	2,694	237	6-59	2,476	2,328	10 T	7 1/2	7 1/2
Madras Indus'l Invt. Corp.	4 1/2% Debentures			1,400			6-58	750	692	3	3	3
Madras Safe Deposit	Kothari & Sons	15		59		2	6-60	28	21	6 T	5	5
Madras Vanaspathi	Kubera Vanaspathi			4			4-58	-141	-153	nil	nil	nil
	Ordinary									nil	nil	nil
	5 1/2% C. P.									nil	nil	nil
Marikar (Motors)	H. O. L. Marikar & Sons Pri	207	5,622	6,239	676	13	3-59	153	130	9	9	9
McDowell & Co.	Directors	231	3,478	4,038	1,222		12-59	(a) 436	388	30 T	20	24
	6% C. P.									8,57 T	6	6
Mettur Chem. & Indus. Corp.	Seshasayee Bros. private Ltd.	1,293	6,690	11,732	657	205	3-60	2,303	2,009	12 1/2 T	8	8 1/2
	6% C. P.									6 T	6	6
	5% Debentures											
	6 1/2% Debentures											
Modern Housing	Directors											
	6% C. P.						6-58	2				
Mysore Chem & Fert	Directors	542	2,848	4,755	453					nil	nil	nil
Mysore Chem. Manfrs.	Directors	154	2,488	2,889	331		3-60	1,052	867	10 T	5	5
	6% C. P.						3-60	619	625	20 T	20	20
Mysore Chrome	Directors			464	165		6-58	-25	-37	6 T	6	6
Mysore Coffee Curing	Directors	89	428	812	111		12-59	282	375	14 T	12 1/2	10
Mysore Elec. Industries	Directors	916	4,425	7,417	179		3-60	1,021	659	24 T	15	11
Mysore Glass & Enamel	Directors			1	4		3-59	7		12	11	11
Mysore Indus. & Test Lab.	Directors	304	523	1,536	185		3-58	325	244	12	11	11
Mysore Lamp	Directors	272	387	1,777	296		3-59	312	297	16	15	15 1/2
	4% C. P.									4	4	4
Mysore Match	Directors			1,20	8		6-56	3	10	nil	nil	nil
Mysore Paper	Directors	2,368	8,126	14,131	196		3-60	2,311	1,648	15 T	12 1/2	10
Mysore Stone Ware Pipes	Mysore Indus'l Develop. Co.			1,213	107	25	3-60	252	368	14 T	10	10
Mysore Tobacco	Directors	455	1,067	1,989	246		3-59	313	190	12 1/2	12 1/2	15
Mysore Veg. Oil	Directors	106	2,690	1,598	109		6-60	98	137	20 T	10	6
Ogale Glass Works	S. P. Ogale & Co.	1,561	2,044	6,633	265	30	12-59	621	332	8 T	4	nil
Perry & Co.	Directors	9,042	60,805	76,236	12,858		9-59	2,153	1,868	nil	5	nil
	5% C. P.									5 T	5	5
Perry's Confectionary	4 1/2% Debentures											
Punjabur Paper	Perry & Co.	1,829	6,823	11,398	2,696	123	3-60	1,189	850	30 T	20	20
	A. & F. Harvey	1,593	5,148	9,372	383	167	6-58	1,922	1,070	10 T	7 1/2	5
Radio & Electricals	Directors	47	1,421	1,950	2,189		12-58	259	306	7 1/2	9	9
Radio & Electricals Manfrs.	Directors	1,103		7,505	243		3-60	2,410	2,242	23 T	16	10
Rane (Madras)	Jyer & Co. Ltd.	210	10,034	10,920	2,131	49	3-60	473	395	14 T	10	7
	7% 'A' C. P.									18 T	7	7
	6% C. P.									8 1/2 T	6	6
Ruby Rubbers	Ruby Industries Private	120	2,222	2,588	1,040	17	6-59	265	226	6 T	9	9
	6 1/2% C. P.									6 T	9	9

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INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS					
	July 1961 Rs. np.	July 1960 Rs. np.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 0				Investments Rs. 000	Stocks & Stores Rs. 000	Outstandings Rs. 000	Cash Rs. 000	Others Rs. 000	
NORTHERN INDIA (Contd.)																
Tide Water Oil	20 25	15 50	10	600	450	489	125	2,263	446	173	7	2,832	1,522	382	823	
Titagarh Paper Mills	36 87	41 75	10	11,205	4,849	30,291	249	43,124	90,011	43,496	1,093	21,169	25,911	1,003	3,113	
Prefd. Ordinary	3 87	3 94	2 1/2	437												
8% C. P.	99 00	116 00	100	1,150												
4 1/2% Cum. preference	73 00	81 50	100	1,500												
5 1/2% Debentures				8,000												
Tungabhadra Industries	8 12		10	3,059		30	56	6,607	6,869	1,769	25	5,400	56	163		
5 1/2% Debentures				1,503												
Union Co.	76 00	80 00	100	1,250	726	725	-21	3,237	18	14	3,406	1,384	1,64			
Union Carbide	51 75	50 75	10	20,000	5,000	6,535	4,363	39,012	38,512	9,532	303	26,312	7,375	8,941	3,000	
United Flour Mills	43 50 N	47 00xd	10	500		295	10	1,437	862	562	18	466	910	906		
Walford Transport	3 22	3 16xd	1	841	1,150	1,007	167	4,140	1,311	904	127	4,194	2,262	525		
Prefd. Ordinary	2 34	2 12xd	1	210												
SOUTH INDIA																
Aluminium Industries	23 40	24 75	10	8,000	2,000	1,984	153	24,607	13,872	5,551	84	14,489	12,524	950	379	
Amrutanjan			100	250	175	158	5	1,17	873	166	176	304	444	434		
7 1/2% C. P.	124 17	130 00	100	309												
Andhra Cement	9 70	11 00	10	7,102	350	359	23	8,717	16,052	6,938	594	4,807	2,320	41		
6% Cum. preference	92 74	101 80xd	100	249												
Andhra Scientific Co.	11 29	10 50	10	800			-487	1,586	926	534		838	842	28		
5% C. P.	7 04	11 59	10	200												
Ashok Leyland	9 10	9 45	5	24,679	650	1,914	20	19,413	22,070	6,077	101	17,509	9,458	84		
Aspinwell & Co. (Trav.)	4 30	4 72	10	1,000		411		696	573	352	64	992	801	29		
Aspinwall & Co.	6 64	6 60	10	3,588	44	911	1	4,194	3,322	1,853	593	1,504	5,050	3 5		
6% c. p.	7 62	7 62	10	214												
Asso. Indusl. & Engg.	82 10	85 50	100	2,480	35	2	5	837	313	170	433	2,081	67	28		
Bangalore Printing	13 95	14 30	10	316	188	108	7	151	783	454	50	232	17	82		
Second Ordinary			10	31												
Binnv & Co.	213 00	196 00	100	10,000	3,650	1,300	439	10,684	3,628	1,881	21,177	399	2,485	264		
Central Scientifics	6 75	6 84	5	150	161	70	7	158	128	66	10	180	255	92		
6% C. P. P	5 10	5 35	5	150												
Coimbatore Chem & Fert			25	139				3.39	1.45	29	1	3.11	21	30		
Enfield Industries	12 75	21 50xd	10	1,499		353	5	2,432	4,801	718		2,665	461	62		
6% C. P.	95 00	100 00xd	100	1,000												
Fertilisers & Chemicals	10 45xd	12 90	10	34,598		1,462	1,935	30,424	51,368	28,028	2,575	10,560	6,839	2,068	23,059	
Forest Industries	2 95	3 36	2 1/2	1,992			-210	1,627	613	438		324	1,163	1,747		
General Papers Limited	10 27	13 62	10	750	300	166	6	490	121	43	46	878	616	89	4	
India Cements	6 61	7 08	5	14,945		5,998	79	26,555	44,225	10,339	865	6,472	10,020	555		
7 1/2% Cum. preference	81 00	92 00	100	3,335											115	
Invst. Trust of India	70 00	70 50	100	1,000	40	221	4	90			1,212		7	37		
Jeppore Mining			100	400	2,40	31	46	10,94	6.35	1.63	36	8.83	4.10	4		
Kirklokar Elec	12 70	13 00	10	3,871	1,212	1,218	4	8,199	7,808	3,665		6,789	3,113	353	172	
Madras Indusl. Invst. Corp.			1000	12,996		380	5	13,734	15	5	3,648	1	23,878	3,192		
4 1/2% Debentures																
Madras Safe Deposit	43 75	47 50	80	158		14	1	103	119		95		13	50		
Madras Vanaspathi (a.s.)	15 00	15 00	100	1,500		-1,234	2,817	3,943				58	9	1	61	
Ordinary			10	193												
5 1/2% C. P.	55 00	17 20	100	794												
Marikar (Motor)	59 00	51 00	50	436	400		2	1,300	247		89	686	930	395		
6% C. P.	52 33	50 00	50	209												
McDowell & Co.	33 20	35 00	10	600	390	30	149	1,591	1,486	667	137	1,326	685	194		
6% C. P.	86 84	94 30xd	100	400												
Mettur Chem. & Indl. Corp.	14 70	19 75	10	5,925	322	1,914	13	3,893	14,366	7,381	1,424	4,649	3,735	211		
6% C. P.	9 70	96 00	10	2,000												
5% Debentures	84 00		100	1,275												
6 1/2% Debentures			100	1,500												
Modern Housing			100	1,792			-1,259	307	577	227	249	696	740	130	5	
8% C. P.			100	1,272												
Mysore Chem & Fert	11 67	10 60	10	2,481	693	411	11	2,314	5,564	4,080	359	1,775	928	1,363		
Mysore Chem. Manfr.	24 00	27 00	10	600	200	252	85	2,294	1,119	897	208	1,777	1,303	10		
6% C. P.	8 50	8 48	10	200												
Mysore Chrome			10	494	98		-206	405	634	169	1	265	42	9		
Mysore Coffee curing	15 00	16 30	10	799	50	194	1	1,231	752	489	83	560	1,351	21		
Mysore Electric Indus.	220 00	175 00		1,405	130	500	4	1,814	1,330	628		876	2,111	155		
Mysore Glass & Enamel			10	631			-144	30	523	219		87	41	61	24	
Mysore Indus. & Test. Lab	8 30	8 00	5	938	60	257	4	800	653	437	436	576	819	188		
Mysore Lamp	28 50	24 75	10	656	535	404	3	469	1,219	685		928	778	77		
4% C. P.	5 95	6 30	10	250												
Mysore Match Co.	14 87	10 00	10	499			-1,30	77	3.65	84	16	97	20	30	2	
Mysore Paper	21 35xd or	26 35	10	2,500	1,250	2,043	52	5,333	15,221	10,396	56	3,594	2,129	390		
Mysore Pottery	15 00		10	600	300	268	7	395	1,132	763	159	246	479	108		
Mysore Stoneware Pipes	9 85	13 48	10	1,000	180	176		737	1,930	1,127	188	626	401	77		
Mysore Tobacco			8	270	134	76	3	690	518	398	255	242	317	239		
Mysore Veg. Oil																
Qale Glass Works	5 40	6 00	5	1,487		399	116	3,929	5,081	2,346	4	1,808	1,175	209		
Perry & Co.	7 15xd	8 40	10	3,000	4,750	2,056	230	27,358	5,363	2,972	2,477	13,103	22,523	1,143		
5% C. P.				257												
4 1/2% Debentures	5 05	5 57cr	1	750	500	302	152	3,919	1,255	600	12	2,956	1,738	248		
Perry's Confectionery			25	1,505	850	3,552	103	3,205	10,674	5,446	1	2,204	1,100	185	898	
Punalur Paper																
Radio & Electricals	2 85	4 35	5	1,500	600	10	1	1,903	744	205	11	2,237	394	14	442	
Radio & Electricals Manfg.	20 50	18 16xd	10	2,457	550	177	22	7,046	3,837	2,169	48	2,738	5,636	175		
Rane (Madras)	6 96	6 25	5	1,226	368	13	18	2,782	828	482	225	2,151	1,35	689		
7 1/2% A.C. P.	4 30	4 70	5	175												
6% C. P.	4 40	4 65	5	190												
8% C. P.	6 20	8 83	10	890			4	1,785	1,571	276	140	1,051	373	41	25	
Ruby Rubbers	10 00	10 00xd	10	246												
6 1/2% C. P.																

Indian Finance MISCELLANEOUS

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Pre- vious	Second Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTHERN INDIA (Continued)												
Simpson & Co.	Directors	1,731	48,485	59,241	6,341	...	5-58	3,513	5,043	9	6	13
Spencer & Co.	Directors	4,826	28,675	37,924	10,630	...	6-60	2,382	2,342	18T	18T	15
Standard Motor Products	64% 'A' C. P.	...	...	...	...	...	...	...	...	64	64	64
	84% 'B' C. P.	...	...	...	...	...	...	...	...	84	84	84
	Standard Motor Co.	1,819	35,428	38,975	11,746	...	12-60	2,854	1,815	9T	9T	74
Stanes & Co. T	64% C. P.	...	...	...	...	...	...	...	...	64	64	64
	Deferred Directors	...	...	...	...	...	...	...	...	...	...	...
Stanes Motors	7% C. P.	581	6,243	8,088	740	...	9-60	882	791	32T	20	20
T. I. Cycles	Directors	...	...	...	...	...	...	...	...	7	7	7
	Directors	...	...	...	...	...	...	...	...	20	15	124
Textool Co.	Directors	...	...	...	...	...	...	...	...	...	...	...
Thomas & Co. A. V.	Balaundaram & Co.	4,904	9,061	16,637	4,132	82	4-60	1,049	1,085	15T	15T	12
A.V. Thomas & Co., (India) Ltd	Directors	292	446	1,345	95	...	12-58	233	236	25	15	15
	6% Cum. Preference	...	...	...	...	...	...	...	...	25	15	15
Travancore Cements	Directors	46	126	204	196	...	6-60	88	52	nil	nil	nil
	5% Cum Preference	...	...	...	...	...	...	...	...	5	5	5
Trav. Chem. & Manfg. Co.	Easel Ltd.	1,120	3,334	1,717	...	30	12-59	(a13)1,008	996	6T	6	6
Travancore Ogale Glass	Directors	144	1,361	3,282	342	...	3-60	485	315	15T	10	7
	64% R. C. P.	...	...	...	...	...	...	...	...	8,937	64	64
United Coffee Supply	Ogale Bros. Private Ltd.	434	...	1,209	6	10	12-59	156	137	6T	4	nil
United Elec. Industries	Directors	452	3,883	5,364	802	...	6-58	205	193	11	10	14
	5% Cum. Pref.	192	1,332	2,287	17	...	12-59	33	—178	nil	nil	nil
Vanjined Matches	Directors	85	4,24	5,43	1,36	...	12-54	18	31	nil	nil	nil
Vasant Soap Works	64% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
	Ramkrishna & Sons	23	162	270	34	6	12-58	—30	—11	nil	nil	nil
W. I. Plywood	Directors	...	...	...	...	...	...	...	...	nil	nil	nil
	54% C.P.	...	...	...	...	...	...	...	...	10T	10	10
W. I. Plywood	Directors	642	3,740	5,800	2,275	...	3-60	1,609	1,524	10T	10	10
	6% C. P.	...	...	...	...	...	...	...	...	6T	6	6

(a) After transferring Rs 2,000,000 from Dividend Equalisation Fund.	(i) After writing back £61,971 being over provision in previous years.	(q) Bonus shares in the ratio of one fully paid ordinary share for every five ordinary shares will be issued in lieu of Dividend.
(b) After transferring Rs 67,000 from Dividend Equalisation Reserve.	(j) After transferring Rs 719,682 from General Reserve.	(r) Includes Rs 17,96,170 being indemnity receivable from the Government of India.
(c) After transferring Rs 1,00,000 from General Reserve.	(k) After transferring Rs 125,000 from General Reserve.	(s) After transferring Rs 700,000 from Repair and Replacement Reserve and Rs 64,000 from Taxation Reserve.
(d) After transferring Rs 1,500,000 from General Reserve.	(l) After transferring Rs 150,000 from provision for contingencies.	(t) Dividend in the form shares in The Punjab National Bank at one share for every 20 shares held in Bharat Nidhi.
(e) After transferring Rs 1,10,000 from General Reserve Rs 40,000 from Dividend Equalisation Fund.	(m) After transferring Rs 800,000 from General Reserve.	(u) After transferring Rs 600,000 from Dividend Equalisation Reserve and writing back Rs 283,463 being excess provision made in previous years.
(f) Includes Rs 185,478 being surplus on sale of Fixed Assets.	(n) After transferring Rs 141,948 being excess provision for depreciation and Rs 19,398 being Investments written off.	(v) After transferring Rs 450,000 from General Reserve.
(g) After transferring Rs 1,300,000 from provision for Bad and Doubtful debts.	(o) After transferring Rs 300,000 from General Reserve.	
(h) After transferring Rs 62,000 from General Reserve.		

COTTON

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw	Sales	Stocks	Managing	Year ended	Net Profit	Net Profit	DIVIDEND PER CENT		
				Materials			Agents			for the	Latest	Pre- vious	Second Pre- vious
							Commission		period				
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Ahmed Advance	Tata Industries Private ... 5% Cum. preference ... 54% Debentures	49,168	1,016	5,565	13,502	6,849	22	12-60	(a)1,442	(b)3,127	6 T	10 T	7
Ahmed Mfg. & Calico	Karamchand Premchand Pri. 44% 1st Cum. preference ... 44% 2nd Cum. preference ... 44% 3rd Cum. preference ...	139,120	2,372	40,893	108,316	28,424	1,267	3-61	22,167	16,611	5 16 T 44 T 44 T 44 T	5 24 T 44 T 44 T 44 T	5 174 44 44 44
Aiz Mills	Chinubhai Naranbhai 44% 'B' R. C. preference ... 5% 'C' R. C. preference ... 44% 'D' R. C. preference ...	25,376	513	4,908	12,772	2,077	50	12-59	(a)9,830	(a33)706	16 T 44 T 5 T 44 T	124 44 5 44	14 44 5 44
Apollo Mills	Rajputana Textiles Privt & Co.	56,468	898	7,390	13,666	2,151	25	12-59	—910	—2,475	nil	nil	nil
Arvind Mills	Narettam Lalabhai 5% Cum. preference T. ... 44% Cum. preference T. ... 44% R. C. preference T. ...	66,412	1,216	11,504	37,387	4,969	892	12-60	10,039	8,535	45 T 5 T 44 T 44 T	40 T 5 T 44 44	nil 28 5 44
Asan Mills	Lalibhai Dalpatbhai 5% C. P. T. ... 44% R. C. P. T. ...	37,368	914	8,693	21,206	1,494	50	12-59	(a47)1,632	(a46)1,987	23 T 5 T	20 44	30 5 44
Asan Jahi Mills	Government of Andhra	36,136	716	9,076	11,951	4,896	...	9-59	315	30	44	44	44
B. R. Cotton	Directors ... 6% Cum. preference ... 44% Debentures	30,596	1,021	8,986	14,647	2,996	...	3-59	—693	—624	nil nil nil	nil nil nil	nil nil nil
Bisnod Mills	B. Ram, Balchand	60,640	1,338	141.15	203.58	28.33	6.69	12-55	24.54	6.30	...	...	...
Bombay Dyeing	Newrajee Wadia & Sons Private	223,552	3,984	56,270	99,942	33,652	600	12-59	(b)11,014	(a25)10,267	104 14 T	...	...

August 1961 INDUSTRIALS (Contd)

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	July 1961	July 1960			General	Others	Carry Forward				Invest ments	Stocks & Stores	Out Standings	Cash	Others
	Rs. np.	Rs. np.													
SOUTHERN INDIA (Continued)															
pson & Co.	...	...	10	7,500	2,500	10	1,887	20,428	14,009	7,263	16,355	7,778	1,175	265	...
nceer & Co.	22 25	22 50	10	4,000	5,609	4 583	756	8,976	15,382	7,819	4,159	11,086	3,140	1,165	2,553
% 'A' C. P.	7 55	50cd	10	2,320	...	...	...	...	...	...	...	...	...	...	...
% 'B' C. P.	10 20	11 00cd	10	3,680	...	...	...	...	...	...	...	...	...	...	...
ard Motor Products	16 12	16 70	10	3,790	600	1,940	3	10,003	13,584	3,974	2	9,257	59	40	3,517
% C. P.	95 00	102 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
erred	...	...	1	300	...	...	...	...	...	...	...	...	...	...	...
es & Co. T.	32 50	33 00	10	1,156	200	1,328	41	2,155	1,362	739	1,342	1,042	2,124	431	546
% C. P.	62 65	83 10	100	150	...	...	...	...	...	...	...	...	...	...	...
es Motors	...	...	10	691	400	1,438	7	944	931	477	208	1,338	832	649	...
I. Cycles	...	...	100	7 060	2,459	5,997	64	10,374	14,170	3,274	467	9,349	3,340	279	1,547
ool Co.	181 00	190 00	100	3,322	500	868	5	14,490	6,949	2,620	16	6,212	8,541	88	...
mas & Co A V (Allep.)	21 00	21 00	10	200	300	308	6	750	686	356	152	118	1,012	182	...
rdinary	...	...	106	35	...	...	...	...	...	...	...	...	...	...	...
Cum Preference	5 80	6 48	10	121	...	...	...	...	...	...	...	...	...	...	...
% Thomas & Co India	4 00	4 00	10	300	...	...	3	150	110	33	158	234	108	55	41
Cum Pref.	3 25	5 45cd	10	200	...	...	...	...	...	...	...	...	...	...	...
ancore Cements	7 67	8 25cd	10	5,000	...	1,177	29	6,204	13,789	5,799	48	3,956	397	19	...
% Chem. & Manfg. Co.	18 75	18 00	10	1,000	...	108	72	1,188	1,805	607	25	919	518	7	...
% R. C. P.	9 10	10 00cd	10	300	...	...	...	...	...	...	...	...	...	...	...
ancore Ogale Glass	6 50	7 50	10	999	...	15	12	545	1,585	666	...	350	113	100	...
ted Coffee Supply	...	...	15	600	314	419	8	1,086	1,050	590	356	857	545	215	...
ted Elec. Industries	9 50	9 50	10	936	...	6	—348	1,549	839	224	...	1,129	356	69	...
% C. P.	10 20	10 00	10	15	...	...	...	...	...	...	...	...	...	...	...
inad Matches	...	...	6	270	...	...	—14	2,43	7,72	3,94	9	3,66	1,63	23	...
% Cum. preference	...	...	10	450	...	...	...	...	...	...	...	...	...	...	...
ant Soap Works	...	...	100	225	...	49	—423	455	463	168	...	90	33	2	8
% C. P.	...	...	100	121	...	...	...	...	...	...	...	...	...	...	...
% Plywood	223 50	301 00	100	3,129	250	2,394	5	4,749	9,882	2,555	1	2,488	1,245	71	12
% C. P.	92 00	100 00	100	618	...	...	...	...	...	...	...	...	...	...	...

Indian Finance COTTON

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Central India	Tata Industries Private	115,188	2,064	19,001	32,883	11,875	...	6-60	—893	—5,269	nil	nil	nil
Century Spg. & Mfg.	5% Cumulative preference Birla Gwalior Priv. Ltd.	126,752	2,752	42,628	93,019	17,164	932	12-59	16,477	(a)14,648	31 1/2	22	22
Coorla Spg. & Wvg.	6% R. C. P. Cowasjee Jehangir & Co.	24,848	680	6,896	15,272	1,093	54	3-40	1,106	(n)1,060	11 T	7 1/2	12 1/2
Davangere Cotton Dawn Mills	R. Hanumanthappa & Sons Rannarain Sons Ltd.	25,214 40,962	300	8,565 5,845	14,139 14,186	4,611 3,264	156 184	3-60 5-59	1,961 2,022	1,635 1,421	12 T 20	9 10	9 15
Edward Textiles Elphinstone Spg.	P. Subba Rao Director 7% C. P.	48,718 41,300	928 886	11,843 9,369	23,282 22,671	4,986 6,824	85	12-60 12-60	2,238 3,608	683 1,854	8 T 14 1/2	9 T 18 T	7 1/2 nil
Finlay	James Finlay & Co. Ltd.	49,528	784	7,393	23,004	4,677	135	12-58	(a36)2,581	(a15)1,901	16	20	20
Gaekwar Mills Gokak Mills	Directors F. F. Campbell & Co. pri.	...	...	6,659 21,562	17,160 27,367	6,217 1,008	...	12-60 12-59	2,797 (i)1,085	2,680 (x)1,396	16 T 6 T	6 T 8	10 8
Gold Mohur Hind Mills	5% Debentures James Finlay & Co. Hind Agents Private	45,768 71,596	1,020 1,387	6,414 185.72	22,636 324.27	5,730 115.33	328 2,80	12-59 6-36	(a1)4,313 22.77	(a7)2 15.63	21 1/2 T 6	15 4	15 4
Hindustan Spg.	5% C. P. Directors	49,448	1,122	12,682	19,781	2,575	...	3-60	(a23)2,375	(a37)1,651	50 T	35	35
India United	4 1/2% R. C. P. T. Agarwal & Company Deferred	244,300	6,278	44,496	100,283	37,978	19	12-58	(a46)5,553	—3,852	44	44	91
Indore Malwa Jaipur Spg. & Wvg.	Directors Shree Laxmi Traders	51,180	1,420	...	28,771 6,166	6,933 2,944	...	12-59 12-58	(a13)390 —221	284 —55	7 T nil	5 nil	6 nil
Jam Ranjitsinghji Khatou Makaniji	5 1/2% R. C. P. Directors Khatou Makaniji & Co. Private	...	...	5,502 15,155	8,399 51,009	2,951 8,992	...	6-58 6-60	—315 9,161	(a43)—107 5,814	11 T 32 T	4 16	6 10
Kashinor Mills Lakshmi Cotton	Killick Industries Limited Directors 5% Cum. preference T.	120,504 48,996	1,846 1,219	31,592 10,328	52,453 22,619	5,628 4,973	110	12-59 12-59	(a2)1,152 (i)1,543	(a27)1,914 (a32)2,504	9 1/2 T 10 T	10 5	18 5
Maftatal Fine Spg.	N. C. Purbhoomdas & Co. 4 1/2% 1st R. C. P. 4 1/2% 2nd R. C. P.	51,996	896	8,358	24,491	2,025	532	12-59	5,745	4,287	29 T 6 43 T	18 4 1/2	15 4 1/2
Mahendra Mills	J. R. Patel & Sons Pri Ord. P. P. 6 1/2% R. C. P.	...	...	9,210	14,660	2,478	145	12-59	3,841	2,659	8 T 9 30 T	6 6 1/2	6 7 1/2
Marsden Spg. & Mfg. Minerva Mills	Marsden Agents Co. Pri. N. Sirur & Company Private	23,508 39,896	482 704	5,821 8,738	16,001 12,810	3,950 6,863	50	12-58 12-60	522 693	(a19)852 —37	6 nil	6 nil	7 nil
Model Mills Modern Mills	B. A. Dadabhai & Co. N. Sirur & Company Private	52,408 49,200	952 644	89,83 8,171	141,66 16,746	36,34 6,736	54	6-55 10-59	4,85 1,815	—7,72 (a4)866	10 T 10 T	6 10	...
Monogram Mills Morarjee Goudas	M. Babubhai & Sons, Private Piramal Sons Private Ltd.	27,460 70,416	528 1,652	7,285 13,537	19,089 40,202	5,030 9,975	125	12-60 6-60	1,522 3,784	852 3,300	11 1/2 T 21 1/2 T	8 1/2 T 15	...
Mysore Spinning	4 1/2% Cum. preference N. Sirur & Company Private 4 1/2% Cum. preference T.	50,480	500	9,679	17,117	3,416	45	2-60	881	387	14 T 4 1/2 T	10 4 1/2	...
Navsari Cotton	Directors 5% C. P.	...	...	4,806	10,712	2,946	...	12-60	1,300	766	12 T 7 1/4 T	12 T 7 1/4 T	12 5
New City of Bombay New Commercial	W. H. Brady & Co. Ltd. Tricunlal Bhogilal 4 1/2% 2nd R. C. P.	45,944 45,836	432 866	8,333 8,926	12,049 14,014	1,222 4,798	...	12-59 12-59	—1,164 2,389	—288 2,349	14 T 14 T	10 10 1/2	...
New Great Eastern	Board of Directors 5 1/2% Cum. preference T.	49,012	1,018	6,741	13,247	4,299	...	12-59	—1,251	(p)101	10 T	10	...
New Kaiser-I-Hind	Directors 5% C. P.	54,052	1,219	10,333	28,977	10,366	...	3-60	634	—1,814	5 1/2 T	5 1/2 T	...
New Shorrock Spg Osmanshahi Mills	Maftatal Chandulal & Co. Bannilal Bissardas Private	51,106 37,788	907 902	9,795 11,101	28,515 20,787	2,902 6,117	872	12-59 9-60	8,798 758	7,240 —982	44 T 12 T	28 18	24 16
Podar Mills	Podar Sons Private 4% Cum. preference	32,600	930	10,257	14,875	1,717	49	12-59	(a16)1,393	(a36)1,271	12 T	18	16
Pulgaon Cotton Raja Motilal	Hardyal sons Mukundlal Basnilal & Sons	...	...	6,294 3,752	10,800 7,159	2,630 2,779	...	6-59 12-58	—125 377	—184 429	10 T 10 T	8 8	...
Robit Mills	Directors 5 1/2% Cum. preference T. 4% R. C. P. (2nd) 4% R. C. P. (5th)	35,196	648	8,849	21,900	4,745	...	12-59	(m)1,622	(e)1,802	10 T 5 1/2 T	8 4 1/2	...
Ruby	Chunilal Jeewandas & Co.	...	...	2,951	7,117	1,173	35	3-59	228	121	10	6	...
Sassoon & Alliance Sassoon Spinning Sholapur Spinning	Directors M. G. Invt. Corporation Pri. Directors Half. Ord. 3% R. Cum. preference 6% Debentures	9,520 94,884 55,332	277 2,127 2,234	4,727 26,627 2,086	7,777 53,158 2,967	2,523 5,620 1,333	...	12-59 12-59 3-59	31 (a2)3,702 —2,030	—73 (a28)2,461 —5,456	nil 25 T nil	nil 20 nil	nil 20 nil
Shorrock Spinning Shree Niwas Cotton	Maftatal Chandulal Ahmed Marwar Textiles (Agency)	36,648 69,070	720 1,640	8,123 18,866	20,344 35,538	1,430 6,131	253	12-59	2,958	3,134	30 T	22	20
Shree Sajjan Mills Shree Subhlaxmi Shri Ambika	4% R. Cum. preference 6 1/2% Debentures G. Laldhar & Co. Shree Govind Cotton Co. Pri H. Kalidas & Company	...	...	25,75 4,351	60,56 11,565	13,77 2,463	22	3-55 12-59	1,81 —344	42 —406	nil nil	nil 25	nil 25
Simplex	4% Cum. preference (2nd) F. F. Campbell & Co. Pri.	49,840	1,114	17,490	27,295	6,295	25	3-60	(a20)2,012	(a24)855	15 T	10	17
Sir Silk	6 1/2% Debentures Birla Brothers private	...	...	4,887	23,153	4,810	...	9-59	1,487	1,500	nil	nil	nil
Standard	Maftatal Gopalbhai & Sons 4% 1st R. C. P. 4% 2nd R. C. P.	97,568	2,409	25,513	62,102	5,344	795	12-59	9,396	(a21)9,141	29 T	29	22 1/2
Swadeshi Mills	Tata Industries pri. Ltd. 5% Cum. preference	72,236	2,000	15,524	44,211	8,737	461	12-60	6,304	(a45)4,336	17 T	14 T	9
Swan Mills	James Finlay & Co. Ltd.	39,328	551	8,304	23,595	3,058	447	12-59	(a17)5,932	(a22)3,352	36 T	25	25

12 August 1961 MILLS (Contd)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depre- ciation	Liquid Assets				
	July 1961	July 1960			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Rs. np.	Rs. no.			Rs.	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
WESTERN AND CENTRAL INDIA															
Central India	120 00	124 00	100	4,687	1,407	1,076	—10,424	55,989	46,487	15,061	2,778	20,802	2,100	314	315
5% cum. preference	393 75	386 25	500	5,000	...	...	...	...	...	...	...	...	...	...	...
Century Spg. & Mfg.	665 00	510 00	100	12,295	17,528	16,179	122	38,276	94,276	37,531	1,127	32,499	5,480	1,050	...
6% R. C. P.	107 00	106 00	...	12,500	...	...	...	...	...	...	...	...	...	...	...
Coorla Spg. & Wvg.	135 00	133 00	100	2,600	1,173	2,023	76	3,105	12,199	7,824	89	4,097	380	36	...
Davangere	116 50	114 00	100	2,966	1,610	1,262	9	8,230	12,128	5,771	...	5,240	2,436	44	...
Dawn Mills.	133 00	129 00	50	2,800	1,063	1,611	12	8,124	9,369	5,909	380	6,406	2,333	30	...
Edward Textiles	297 50	327 00	200	3,400	3,267	262	—280	6,121	9,861	6,786	1,373	7,167	435	109	890
Elphinstone Spg.	77 00	65 50	50	3,000	1,200	2,996	106	9,692	16,481	8,715	56	9,882	892	247	651
7% C. P.	66 50	64 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Finlay	319 00	350 00	100	5,000	6,139	1,024	37	8,819	18,117	9,584	1,019	9,424	2,026	17	...
Gaekwar Mills	205 00	265 00	100	4,000	1,773	48,697	24	11,943	14,223	9,244	1,619	10,153	3,529	256	2,065
Gokak Mills	185 50	153 00	100	4,881	2,624	225	1	7,392	18,703	9,162	210	6,713	2,154	16	490
6% Debentures	...	...	...	4,000	...	...	...	...	...	...	...	...	...	...	...
Gold Mohur	262 00	230 00	100	5,000	5,037	797	10	5,045	9,235	6,862	81	9,081	1,062	2,292	...
Hind Mills	...	...	10	5,000	4,27	5,46	25	127,39	144,07	82,06	10	124,26	20,36	65	...
5% C. P.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Hindustan Spg.	5208 00xd	4900 00	1000	1,200	4,993	7,280	—192	4,207	21,682	14,290	1,585	6,617	2,220	874	...
4 1/2% R.C.P.T.	625 00	650 00	1250	1,200	...	...	...	...	...	...	...	...	...	...	...
India United	15 12	13 44	10	200,00	...	116	—5,770	42,892	50,902	36,818	295	44,161	2,469	504	...
Deferred	1 82	1 98	1	5,000	...	...	...	...	...	...	...	...	...	...	...
Indore Malwa	158 00	126 60	100	5,000	1,299	151	—1,253	12,976	16,452	12,105	2,606	8,748	2,137	335	...
Jaipur Spg. & Wvg.	...	...	100	2,500	...	139	—366	686	4,203	2,281	...	3,231	112	194	...
5 1/2% R. C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Jam Ranjitsinghji	1250 00	1500 00	1000	1,554	1,546	284	—577	4,203	5,941	3,388	32	4,141	220	38	26
Khatou Makanji	562 50	587 50	100	5,985	5,400	2,879	39	24,955	37,613	26,891	2,042	18,862	10,169	458	...
4% Cum. preference	75 00	75 50	100	2,992	...	...	...	...	...	...	...	...	...	...	...
Kashinor Mills	288 00	360 50	100	10,000	1,700	9,760	28	12,066	38,190	29,567	720	21,525	2,594	91	...
Lakshmi Cotton	605 00	505 00	250	3,200	3,498	2,245	27	6,596	19,863	14,817	100	8,883	3,007	129	...
5% cum. preference T.	157 25	166 00	250	1,600	...	...	...	...	...	...	...	...	...	...	...
Mafatal Fine Spg.	822 50	1350 00	100	5,800	10,030	4,192	7	5,728	21,843	14,679	7,588	5,336	2,740	3,731	2,098
4 1/2% Ist. R. C. P.	78 30	86 00	100	1,450	...	...	...	...	...	...	...	...	...	...	...
4 1/2% 2nd. R. C. P.	80 50	92 00	100	1,450	...	...	...	...	...	...	...	...	...	...	...
Mahendra Mills	315 00	315 00	100	2,500	...	3,096	...	16,723	23,594	7,606	...	5,366	2,344	95	27
Ordinary P. P.	40 00 N	40 00	40	500	...	...	...	...	...	...	...	...	...	...	...
6 1/2%	99 00	99 00 N	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Marsden Spg. & Mfg.	200 00xd	...	200	2,731	2,437	903	42	5,714	7,925	5,294	92	5,896	3,051	185	...
Minerva Mills	80 00	80 00	100	2,960	315	462	...	12,569	10,675	5,485	95	8,725	594	70	712
Model Mills	70 00	50 00	250	9,334	392	21,99	—2,59	84,32	169,26	78,82	25	99,68	789	2,72	...
Modern Mills	75 00	100 00	50	4,647	1,750	1,254	32	8,180	14,123	7,057	124	9,241	570	62	...
Monogram Mills	200 00xd	...	200	2,600	2,944	883	10	8,251	9,553	5,642	75	7,219	2,077	134	1,271
Morarjee Goudaldas	408 00	368 00	100	5,175	4,250	820	43	14,747	30,282	21,700	14	13,618	4,464	81	...
4% cum. preference	64 00	70 70	100	1,725	...	...	...	...	...	...	...	...	...	...	...
Mysore Spinning	68 00	95 00	50	2,978	3,219	1,279	25	7,397	11,773	6,935	2,723	6,541	1,465	76	...
4 1/2% cum. preference	22 76	25 00	50	745	...	...	...	...	...	...	...	...	...	...	...
Navsari Cotton	216 25	216 25	100	3,150	703	4,472	43	4,122	6,710	4,691	1,302	7,224	2,577	397	1,472
5% C. P.	91 00	91 00 N	100	500	...	...	...	...	...	...	...	...	...	...	...
New City of Bombay	145 00	136 00	100	2,400	178	939	...	3,585	8,376	4,870	8	3,225	207	156	...
New Commercial	667 00	...	...	6,300	1,363	1,414	6	14,069	15,738	11,277	1,172	8,168	9,631	245	...
4% 2nd. R. C. P.	...	...	100	325	...	...	...	...	...	...	...	...	...	...	...
New Great	220 00	185 00	100	3,000	...	466	—1,250	8,113	11,025	6,337	10	6,133	257	40	...
5 1/2% C. P.	106 50	105 00	200	800	...	...	...	...	...	...	...	...	...	...	...
New Kaiser-I-Hind	60 00	64 00	100	4,500	...	40	—2,257	14,417	13,340	9,715	964	11,520	1,773	212	106
5% C. P.	65 00	74 50 N	100	1,500	...	...	...	...	...	...	...	...	...	...	...
New Shorrock Spg.	2025 00	125	125	5,200	7,346	6,896	163	9,001	19,298	12,222	4,409	7,125	4,477	6,430	89
Osmansbahi Mills	65 00	47 00	100	8,723	1,886	158	1	8,975	17,771	7,408	170	8,218	588	300	104
Pedar Mills	143 00	166 00	100	4,500	3,280	1,018	16	2,107	8,065	3,195	3,058	3,462	443	87	...
4% Cum. Preference	63 00	66 50	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Pulgon Cotton	11 00	10 24	10	1,500	...	24	—662	7,331	5,595	3,028	10	5,068	366	183	...
Raja Motilal	107 00	88 00	100	2,821	900	1,205	11	6,215	10,762	4,264	53	3,926	620	55	...
Rohit Mills	207 50	...	100	4,875	684	1,695	14	15,376	14,991	8,509	151	8,062	8,226	278	...
5% C. P. T.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
4% R. C. P. [2nd.]	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
4 1/2% R. P. [2nd.]	...	...	100	250	...	...	...	...	...	...	...	...	...	...	...
Ruby	62 00	65 00	25	1,500	300	368	72	2,784	6,236	3,516	26	1,919	348	12	...
Sassoon & Alliance	14 88	9 52	10	1,000	178	...	—330	7,636	2,994	1,674	...	2,948	1,204	12	...
Sassoon Spinning	60 00	68 00	10	3,770	6,112	6,068	...	10,568	28,169	16,424	190	9,766	3,713	4,413	339
Sholapur Spinning	...	...	1000	1,590	126,86	3,191	—26,638	17,697	31,938	20,602	148	2,764	889	38	...
Half Ordinary	...	...	500	10	...	...	...	...	...	...	...	...	...	...	...
3% R. C. P.	...	...	100	3,196	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	3,443	...	...	...	...	...	...	...	...	...	...	...
Shorrock Spinning	...	...	100	2,925	5,877	2,363	28	3,972	12,424	8,325	203	4,295	3,244	9,261	63
Shree Niwas Cotton	259 00	273 50	100	8,000	2,800	2,353	42	18,553	17,414	7,341	9,211	12,545	2,894	77	426
4% R. C. P.	64 00	63 00	100	...	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	...	...	...	3,000	...	27	—66	34,83	36,43	17,73	94	38,81	1,85	27	...
Shree Saijan Mills	...	...	100	2,615	...	300	—750	7,102	5,065	1,206	...	3,399	1,854	27	...
Shree Shublamini	125 00 N	125 00 N	100	2,100	388	9,776	59	10,199	24,370	14,591	4,945	15,910	11,107	6,930	...
Shri Ambica	...	...	100	6,376	21,000	...	...	...	...	...	...	...	...	...	...
5% cum. preference	...	...	100	560	...	...	...	...	...	...	...	...	...	...	...
4% cum. preference [2nd]	...	...	100	700	...	639	—250	12,491	22,778	10,086	110	9,394	2,967	38	273
Simplex	194 00	177 00	50	5,040	1,634	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	...	...	...	6,000	...	...	—323	42,497	57,518	1,000	96	9,463	5,421	103	...
Sir Silk	...	...	10	9,427	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	100	20,000	...	...	...	...	...	...	...	...	...	...	...
Standard	1905 00	1970 00	100	19,975	8,634	16,521	91	14,907	38,761	22,324	557	14,441	6,804	11,368	1,722
4 1/2% Ist. R. C. P.	75 50	75 50	100	600	...	...	...	...	...	...	...	...	...	...	...
4% 2nd. R. C. P.	76 00	76 00	100	600	...	...	...	...	...	...	...	...	...	...	...
Sudachi Mills	277 00	257 50	100	10,000	9,211	1,367	25	16,761	36,119	16,309	698	14,345	2,611	1,241	3,158
5% Cum. preference	88 00	81 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Sven Mills	600 00	498 00	100	3,600	6,842	1,372	26	7,370	19,834	10,947	72	7,409	1,947	896	...

COTTON

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents' Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER SHARE		
											Latest	Previous	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA (Contd.)													
Tata Mills ...	Tata Industries Pri. Ltd. ...	65,448	1,800	15,074	40,552	8,060	239	12-60	4,306	2,013	20r	10 T	6
Victoria Mills ...	Mangaldas Mehta ...	50,056	958	8,404	21,930	3,003	119	12-59	1,604	1,326	20r	20	20
Vijaya Mills ...	H. Acharya & Co. ...	36,176	780	8,683	20,971	3,476	135	12-59	1,807	1,429	5.72r	4	4
Vishnu Cotton ...	The Bombay Co. (Pri) Ltd. ...	47,240	1,331	10,189	21,181	4,386	50	12-59	(h)1,164	(a)1,060	5.72r	4	4
	7% Cum. preference T. ...										450r	4	4
	5% Debentures ...										7r	7	7
NORTHERN INDIA													
Basanti Cotton ...	Calcutta Agency ...	13,044	356	3,210	8,334	1,215	36	12-58	189	543	5	6	6
Bengal Fine Spinning ...	B. C. Nawn & Bros Pri ...			4,908	6,560	563	24	12-58	174	425	nil	4	6
Bengal Luxmi Cotton ...	Directors ...	6,601		6,216	11,522	3,508		3-59	181	(a)30369	nil	5	5
	Ordinary Partly Paid ...										nil	10	10
	Ordinary Partly Paid ...										nil	5	5
	5% R. C. P. ...										nil	5	5
Bengal Nagpur ...	Directors ...	29,936	810		7,154	5,578		12-57	(a)-671	(a) 171	nil	5	7
	7% C. P. ...										nil	7	7
Birla Cotton ...	Birla Brothers Private ...	39,896	1,088	20,625	31,991	7,329	50	3-59	188	1,312	nil	7	15
Bowrah Cotton ...	Kottelwell Bullen & Co. Ltd. ...	42,960	841	8,886	19,772	5,790	152	12-60	2,171	1,763	10 T	8	8
	7% 'B' Pref. ...										8	8	8
	6% Debentures ...										nil	8	8
Cawnpore Textiles ...	Bess Sutherland & Co. Private ...		591	4,706	13,088	931		12-59	1,318	-850	nil	8	8
Delhi Cloth ...	Bharat Ram Ch. Ram & Co. Pri. ...	141,180	2,352	169,489	317,863	51,021	1,834	6-60	26,954	23,378	10r	10r	4
	Ordinary ...										4r	4r	4
	4% 1st 2nd C. P. ...										4r	4r	4
	4% 3rd C. P. ...										5r	5r	5
	5% 4th C. P. ...										5r	5r	5
Dunbar Mills ...	Kottelwell Bullen & Co. ...	42,944	518	13,000	24,239	9,270	275	12-60	4,420	1,982	20 T	10	10
Elgin Mills ...	B. I. Corporation ...	48,452	1,190	22,531	39,976	5,760	373	9-60	5,822	4,523	11 1/2	11 1/2	7 1/2
	8% C. P. ...										10 1/2	10 1/2	8
	5% C. P. ...										6 1/2	6 1/2	5
Jagatjit Cotton ...	K. C. Thapar & Bros. Pri. ...	26,560	530	14,095	26,710	2,294	321	1-60	2,986	3,036	14 1/2	10	11 1/2
	5% C. p. p. ...										7 1/2	5	6 1/2
Jay Shree Textiles ...	Birla Brothers Private Ltd. ...			4,747	10,343	3,464		12-59	1,791	1,865	8	6 1/2	5
Kesoram Cotton ...	Birla Brothers Ltd. ...	74,672	1,992	36,547	91,180	20,030	892	3-61	17,484	(a)6,401	12 T	5r	2 1/2
	10% C. P. ...										10 T	7r	7
Mahini Mills ...	Chakravarti Sons & Co. ...	23,484	435	9,012	18,792	6,043	213	12-57	2,261	3,052	7.85r	5 1/2	5 1/2
	Ordinary ...										12 1/2	12 1/2	12 1/2
	5% R. C. P. ...										5	5	5
Muir Mills ...	Indian Tex. Syndicate ...	88,640	1,834	145,19	218,04		60	12-55	-5,06	-10,24	nil	nil	nil
New Victoria ...	J. P. Srivastava & Sons Pri ...	70,072	1,333	12,938	23,797	10,887		12-57	-635	-2	nil	nil	nil
	Deferred ...										nil	nil	nil
	6% C. P. ...										nil	nil	nil
Oriana Textiles ...	B. Patnaik & Co. Private ...	47,728	864	13,261	25,699	6,698	36	3-59	-160	-134	nil	nil	nil
	5% R. C. P. ...										nil	nil	nil
Raza Textiles ...	J. P. Srivastava & Sons. ...	34,532	600	5,766	13,465	4,757		12-58	-1,640	-440	nil	nil	nil
	64% 'A' C. P. ...										nil	nil	nil
	64% 'B' C. P. ...										nil	nil	nil
Shree Madhusudan ...	Directors ...			19,720	57,255	7,748		6-60	(m)3,872	120	nil	nil	nil
	44% C. P. ...										nil	nil	nil
Sutlej Cotton ...	Birla Brothers Private ...	27,340	992	14,267	33,331	5,054	654	3-60	6,129	5,158	85.70r	60	60
Swadeshi Cotton ...	Directors ...	112,216	2,081	46,756	100,510	25,679		12-58	753	5,083	4	11 1/2	11 1/2
	Prefd. Ord. ...										4	11 1/2	11 1/2
	6% C. P. ...										6	6	6
SOUTH INDIA													
Adoni Spinning ...	Kothari & Sons ...	24,000		6,350	7,194	344	10	12-59	652	374	nil	nil	nil
	6% c. p. ...										nil	nil	nil
Asher Textiles ...	Setna & Co. ...	25,744		5,801	8,393	2,745	28	6-60	910	335	12 1/2	6	6
Bangalore Woollen ...	Binny & Co. (Madras) Ltd. ...	40,608	1,157	21,361	55,200	7,139	658	12-59	6,261	6,448	10	10	30
	6% C. P. ...										6	6	6
Buckingham & Carnatic ...	Binny & Co. ...	120,288	2,762	36,953	107,336	10,563	856	12-59	(r)10,892	(a)8,674	10	10	10
	7 1/2% C. P. ...										7 1/2	7 1/2	7 1/2
	5% Debentures ...										7 1/2	7 1/2	7 1/2
Cambodia ...	Peirce Leslie & Co. Ltd. ...	37,356	4	7,563	11,264	576	35	12-59	-319	-1,464	nil	nil	5
	7% C. P. ...										nil	nil	5
Cannanore Spg. ...	K. Damodaran ...	20,000		4,437	7,827	383	52	3-60	859	684	17r	15	12 1/2
Cauvery Spg. ...	Directors ...	17,600		5,342	9,239	1,320		3-60	884	590	13r	9	9
	64% C. P. ...										13r	9	9
	51% Debentures ...										8.93r	6 1/2	6 1/2
	51% Debentures ...										8.93r	6 1/2	6 1/2
Coimbatore Cotton ...	R. Rhema Naidu & Co. ...	28,864		8,955	11,313	3,237	54	12-59	1,129	788	6	6	9
Coimbatore Kamala ...	Directors ...	17,264	24	2,703	4,355	900		12-58	-84	89	nil	nil	nil
	Partly Paid ...										nil	nil	nil
	6% Debentures ...										nil	nil	nil

Statute Book on hand.

MILLS—Contd.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocation			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	July 1961	July 1960			General	Others	Carry Forward				Invest- ments	Stocks and Bonds	Out- standings	Cash	Others
	Rs. np.	Rs. np.													
WESTERN AND CENTRAL INDIA (Contd.)															
Tata Mills ...	63 50xd	46 50	25	6,558	2,975	3,200	26	23,968	30,714	12,532	34	14,047	2,641	643	851
5% Debentures ...			1000	3,951											
Victoria Mills ...	472 50	372 50	100	1,600	4,396	2,057	77	6,004	10,896	6,484	64	5,443	4,936	79	
4% R. Cum. preference ...			25	800											
Vijaya Mills ...	685 00		500	3,500	1,924	2,246	37	10,617	14,585	9,647	149	6,686	6,609	497	94
4% 2nd C. P. T. ...			100	358											
4% 3rd R. C. P. T. ...			100	280											
Vishnu Cotton ...	131 25	114 00	100	3,200	1,242	1,839	-1,121	7,136	19,482	13,001	454	7,394	2,310	75	38
7% Cum. preference T. ...	410 00	422 50	500	1,566											
5 1/2% Debentures ...				3,000											
NORTHERN INDIA															
Basanti Cotton ...	8 37	8 25	10	1,500	115	200	41	2,330	3,916	2,509	1,155	2,596	129	99	
6 1/2% C. P. ...	8 56	9 25	10	500											
5 1/2% Debentures ...			500	700											
Bengal Fine Spinning ...	6 25	8 00	10	631	500	201	28	4,639	5,061	1,603	5	2,313	1,135	70	
5% C. P. ...			100	983											
Bengal Luxmi Cotton ...	26 00	39 00	40	1,012	108	50	168	5,767	8,353	6,250	20	4,081	872	14	
Ord. partly paid ...			30	131											
Ord. partly paid ...			20	170											
5% R. C. P. ...			40	523											
Bengal Nagpur ...	4 31	5 12	10	2,700			-812	6,840	8,045	6,024	37	6,634	681	55	
7% C. P. ...	75 00	75 00	100	300											
4 1/2% Debentures ...			400	400											
Birla Cotton ...	20 00	20 00	10	3,500	5,922	1,595	-117	14,667	14,217	11,384	2,087	13,955	4,185	578	
Bowrah Cotton ...	24 12	203 00	100	2,400	750	665	114	13,816	15,245	6,787	53	7,747	1,995	84	606
8% 'A' C. P. ...	94 60	104 00	100	600											
7% 'B' Pref. ...	71 00	65 00	100	600											
6 1/2% Debentures ...															
Cawnpore Textiles ...	8 62	7 87	5	3,000	600	2,893	-329	856	8,145	6,608	998	2,369	1,532	478	
Delhi Cloth ...			25	33,836	12,889	33,668	272	95,547	144,604	83,759	2,681	99,093	25,414	5,418	
Ordinary ...			24	100											
4 1/2% 1st & 2nd C. P. ...			25	2,000											
4 1/2% 3rd C. P. ...			25	3,735											
2 1/2% 4th C. P. ...			10	1,195											
5 1/2% Debentures ...			1000	10,000											
Dunbar Mills ...	26 50		10	2,850	3,638	410	216	14,256	15,769	9,855	58	10,821	3,793	142	642
6% Debentures ...			10	2,500											
Elgin Mills ...	19 87	21 62	10	6,300	300	13,759	89	16,783	21,331	15,872	8,633	16,671	7,177	541	269
8% C. P. ...	100 00	108 00	100	1,100											
5% C. P. ...	6 97	7 50	10	420											
5% C. P. ...	18 75	17 00	10	3,871	900	2,348	103	19,463	22,441	12,777	1,817	14,651	898	98	7,103
Jagotij Cotton ...	73 75	81 75xd	100	1,547											
5% C. P. P. ...				3,000											
Debentures ...			10	4,918		802	34	2,545	8,800	4,300	19	4,726	1,508	137	
Irawade Textiles ...	15 56	17 62	1000	1,371											
2 1/2% Debentures ...			1000	68											
2 1/2% Debentures ...			1000	2,000											
Kesoram Cotton ...	30 00xR	33 75	10	16,000	8,010	21,884	245	45,092	87,124	21,469	4,518	24,308	3,005	412	5326
7% C. P. ...	104 09	106 00	100	2,000											
5 1/2% R. C. P. ...	86 00		100	9,994											
Mohini Mills ...			25	600	5,00	3,045	73	9,899	11,191	9,664	1,558	6,996	5,753	3,768	
Ordinary ...			10	1,997											
5% R. C. P. ...			10	3,000											
Muir Mills ...	58 00	80 00	100	3,000	25,00	25,00	-51,31	105,33	164,51	115,59	1,05	105,64	7,36	1,05	
6% C. P. ...	73 75	83 00	100	3,000											
New Victoria ...	1 72	1 44	24	2,742			-1,807	17,071	12,305	7,649	121	13,579	2,513	51	
Deferred ...			1	307											
6% C. P. ...	3 37	2 91	5	2,605											
Orissa Textiles ...	9 35	8 78	10	4,740			-3,746	21,212	23,794	12,034	10	10,081	2,404	452	
5% R. C. P. ...	65 00	64 50	100	2,500											
Raza Textiles ...			10	6,000		4,306	-3,083	6,271	11,130	5,627	1,093	6,745	1,857		
6 1/2% 'A' C. P. ...			100	750											
6 1/2% 'B' C. P. ...			10	1,000											
Shree Madhusudan ...	13 12		10	6,000		16	33	23,359	22,689	2,151	10	13,333	4,827	84	116
4 1/2% C. P. ...	79 00		100	3,000											
6 1/2% Debentures ...			1,000	6,500											
Sutlej Cotton ...	100 00	97 50	10	1,500	31,800	8,131	398	10,770	11,710	9,193	14,843	15,765	5,393	14,099	
Swadeshi Cotton ...	12 12	9 50	10	1,750	6,000	17,523	3	68,197	63,382	19,698	19,516	32,668	14,589	2,206	64
Prefd. Ord. ...	9 44	8 62	10	157,50											
6% C. P. ...	73 23	61 00	100	3,500											
SOUTH INDIA															
Adoni Spinning ...	12 35	9 75	10	2,993		544	31	4,123	7,305	721	120	2,219	404	181	182
6% c. p. ...	7 80	10 75	10	2,000											
Asher Textiles ...	204 05	212 87	100	1,199	200	300	3	3,921	4,908	2,615	10	2,992	311	17	
Bangalore Woollan ...	207 00	198 00	100	12,150	3,500	12,400	269	12,286	37,967	30,619	855	21,673	2,552	7,313	1,463
6% C. ...	111 64	114 90xd	100	600											
Buckingham & Carnatic ...	236 00	206 00	100	17,848	7,650	24,824	231	17,853	80,580	47,898	1,371	32,722	8,009	552	1,731
7 1/2% C. ...	120 00cd	125 00xd	100	2,130											
5% Debenture ...			1,000	6,531											
Cambodia ...	11 08	10 00	10	2,600	1,900	19	-2,179	3,707	5,123	2,605	31	1,924	1,063	11	
7% C. P. ...	108 00	108 00	100	100											
Cannanore Spg. ...	160 00	154 00xd	100	1,500	511	18	19	2,159	5,383	3,376	24	1,591	473		
Cauvery Spg. ...	14 87	14 50	100	937		661	15	2,524	6,826	3,333	32	1,577	572	102	
6 1/2% C. P. ...	89 50	97 00	100	652										40	
5 1/2% Debentures ...			100	375											
6 1/2% Debentures ...			100	550											
Coimbatore Cotton ...	185 00	173 00	100	3,399	900	1,490		5,211	11,151	4,162	325	3,418	441	28	
Coimbatore Kamala ...	102 00	102 00	100	341			-477	3,226	2,860	1,547	12	1,083	938	45	
Party Paid ...	50 00	50 00	50	72											
6% Debentures ...			500	250											

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreci- ation	LIQUID ASSETS				
	July 1961	July 1960			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Rs. np.	Rs. np.	Rs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
SOUTH INDIA (Contd.)															
Coimbatore Murugan ...	119 00	99 00	100	1,750	306	100	—137	3,259	4,504	2,602	140	2,014	1,255	36	...
6% C. P.	76 48	88 00	100	71	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Pioneer ...	348 80	351 50	100	2,000	...	1,828	1	6,464	8,021	4,409	2,410	2,917	1,320	134	...
3 1/2% C. P.	78 50	78 75	100	100	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Spinning ...	51 00	50 00	50	2,077	...	5	—1,258	10,590	13,577	8,909	11	5,555	1,170	10	...
Channalekshmi Mills ...	239 00	226 00	100	4,860	1,700	1,265	1	6,161	13,145	6,109	578	4,609	1,596	160	...
Gnanambikai Mills ...	...	...	100	927	2,76	...	...	11,78	16,99	8,06	...	11,49	3,04	48	...
5 1/2% Cum Preference ...	...	...	100	21	...	...	...	...	...	...	...	...	...	...	...
Hemalatha Textiles ...	7 25	7 25	10	1,500	125	52	21	1,466	2,903	1,624	...	2,055	131	130	...
5% Cum Preference ...	61 40	65 00	100	431	...	...	...	...	...	...	...	...	...	...	...
Janardana Mills ...	75 25	67 00	50	890	8,56	2,10	...	10,75	31,40	19,97	1,20	8,21	4,12	5,35	...
Jawahar Mills ...	12 25	11 00	5	1,686	78	1,290	2	5,299	8,244	4,148	38	3,671	477	72	...
Ordinary ...	...	...	10	50	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	...	...	2	200	...	...	...	...	...	...	...	...	...	...	...
Kasturi Mills ...	22 50	23 50	25	780	...	340	—304	1,233	3,296	2,235	18	752	212	7	...
Kothari Textiles ...	12 50	12 55	10	6,720	800	1,772	56	10,978	16,980	4,934	535	8,136	1,241	167	...
6% Cum. Preference ...	8 65	9 35	10	1,200	...	...	...	...	...	...	...	...	...	...	...
6% 'B' Cum Preference ...	...	...	10	600	...	...	...	...	...	...	...	...	...	...	...
Lakshmi Mills ...	169 00	172 00	50	7,100	1,400	7,090	19	13,821	32,303	17,687	4,942	9,081	11,396	206	...
A. Clas Ordinary ...	83 00	82 00	25	3,550	...	...	...	...	...	...	...	...	...	...	...
Loyal Textile Mills ...	42 75	35 50	50	3,152	...	405	—529	5,435	9,050	3,520	24	3,991	579	38	...
5% Cum. Preference ...	60 00	65 00	100	1,499	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	...	...	5	200	...	...	...	...	...	...	...	...	...	...	...
Madura Mills ...	39 00	33 70	15	17,502	17,807	28,528	721	24,196	67,044	44,322	5,359	48,087	10,326	563	1,697
Matbar Spinning ...	...	...	200	1,200	350	17	—502	1,858	29,08	1,964	60	1,808	111	2	...
Mettur Industries ...	400 00	399 00xd	100	6,000	825	2,136	153	4,879	6,895	5,318	1,892	4,877	229	3,431	1,987
Palamalai Ranganathan ...	93 00	93 00	100	240	...	...	—263	2,050	1,609	521	5	915	120	8	...
Partly Paid ...	...	...	50	109	...	...	...	...	...	...	...	...	...	...	...
Palani Andavar Mills ...	250 00	149 50	50	400	100	1,062	...	4,414	7,629	3,197	16	1,829	348	151	...
'B' Ordinary ...	300 00	209 25	75	600	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	125 00	88 50	50	206	...	...	...	...	...	...	...	...	...	...	...
Pankaj Mills ...	65 00	60 00	100	1,500	...	...	—2,512	5,557	3,655	2,201	3	2,706	164	23	197
Premier Mills ...	269 00	238 00	100	2,500	400	975	12	6,703	12,097	5,315	300	2,708	707	93	...
Radha Krishna Mills ...	...	...	100	1,681	1,400	1,523	2	3,359	11,378	7,138	2,915	3,937	269	122	1,221
'B' Ordinary ...	...	...	50	841	...	...	...	...	...	...	...	...	...	...	...
'C' Ordinary ...	33 00	30 50	25	...	...	...	...	...	...	...	...	...	...	...	...
Rajapalayam Mills ...	141 00	135 00	100	1,614	403	1,484	...	3,681	6,386	2,779	31	2,387	976	181	...
Rajeswari Mills ...	...	...	50	899	101	204	...	1,573	2,851	1,422	214	694	142	48	...
Ordinary ...	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...
Sri Ramakrishna ...	224 00	224 00xd	100	1,492	10	309	...	5,338	8,359	5,004	362	1,991	1,484	1	...
Ordry. P. P.	...	...	10	45	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning ...	45 50xd	46 00	50	1,502	90	1,056	7	2,790	6,188	3,178	114	1,389	46	320	568
Rayalseema Mills ...	155 00	112 50	100	2,233	750	384	1	1,711	5,678	2,855	122	1,038	730	366	...
Sivananda ...	26 71	25 21	10	1,000	500	144	3	3,055	5,157	2,599	215	1,118	422	388	...
Sri Kr. Rajendra ...	72 00	76 00	50	3,670	725	1,575	31	4,225	10,619	7,223	750	4,868	982	53	...
Sri Sarada Mills ...	67 00	...	100	635	...	...	1	25,15	27,24	9,11	11	13,60	3,44	19	...
7% C. P.	100 00	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Tirumurti ...	112 00	94 00	100	1,455	300	56	...	2,393	5,047	2,514	91	1,311	259	9	...
Tirupati Cotton ...	11 25	10 20	10	1,278	...	120	23	3,267	4,655	775	134	1,144	178	96	...
0 1/2% Cum Preference ...	8 75	10 00	10	744	...	...	...	...	...	...	...	...	...	...	...
Tiruvancore Rayons ...	39 75	37 25	10	10,000	7,000	2,670	261	15,074	54,173	30,659	133	8,365	1,979	2,251	3,733
5% Cum. Preference ...	7 55xd	8 45	10	5,000	...	...	...	...	...	...	...	...	...	...	...
4% Debiture ...	...	...	5000	1,610	...	1,535	...	...	...	...	...	...	...	...	...
Trichinopoly Mills ...	12 25	11 75	10	1,399	250	614	1	630	2,041	1,500	87	1,956	249	60	...
Varanta Mills ...	250 40	238 50	100	2,100	1,800	2,041	18	4,094	9,130	5,796	703	5,090	1,303	52	...
5 1/2% C. P.	93 79	101 75	100	300	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	94 02	102 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Sri Venkatesa Mills ...	197 00	172 00	50	3,372	150	1,292	1	5,857	14,587	8,217	65	3,150	1,113	23	...
5% C. P.	50 00xd	47 00	50	50	...	...	...	...	...	...	...	...	...	...	...
Vijayalakshmi Mills ...	95 73	92 75	100	1,383	60	100	...	3,119	5,285	2,436	97	961	7,26	29	...
Vijayeswari Textiles ...	125 80xd	106 00	100	1,600	...	36	4	1,639	2,813	135	...	490	101	9	...
Virudhunagar Textile ...	49 00xd	48 50	50	1,218	...	210	...	983	2,505	1,046	9,500	1,197	36	1,859	39
5% Cum. Preference ...	50 00xd	55 00	100	241	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	...	...	1	...	...	...	...	...	...	...	...	...	...	...	...
Deferred (P. P.) ...	...	...	As. 4	8	...	...	...	...	...	...	...	...	...	...	...

secured from Ex-managing Agents in respect of loss suffered by the Company by same

(a) After writing back Rs 186,987 being provision for liabilities no longer required.	(c) After transferring Rs 4,00,000 from General Reserve; and Rs 76,000 from Reserve for Reduction in valuation of Stores.	(e) After writing back Rs 226,648 being provision for liabilities and Rs 27,296 being provision for taxation.
(b) Includes Rs 60,000 transferred from Taxation Reserve.	(d) After writing back Rs 340,861 being provision for liabilities.	(f) Includes Rs 60,190 being Refund of Income-tax (g) After writing back Rs 110,296 being provision for liabilities no longer required and Rs 11,048 being provision for taxation.

(i) After transferring Rs 85,000 from General Reserve.	(l) After writing back Rs 9,563 being Development Reserve on block sold and including Rs 128,996 being unclaimed dividends forfeited.	(m) 8 per cent Preference shares carry a fixed annual leave preferential dividend of 8 per cent per annum with a right to participate in further dividend of 2 per cent per annum, rateably with the ordinary shares after they are paid dividend at 8 per cent per annum.
(j) After transferring Rs 278,000 from General Reserve.	(n) After writing back Rs 180,000 from Excess provision for taxation.	(n) After transferring Rs 1,00,000 to Reserve for contingencies.
(k) After transferring Rs 16,000 from General Reserve.	(p) Includes Rs 762,399 being adjustments in respect of provision for taxation.	

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS					Others Rs. 000
	July 1961	July 1960			General	Others	Carry Forward				Investments	Stocks and Stores	Outstanding	Cash		
															Rs. n.p.	
luckie	25 94	26 25	10	446	671	714	...	1,078	2,294	853	15	1,025	461	41	...	
% C. P. P.	31 00	37 06	100	75	...	...	...	...	...	...	...	...	...	...	...	
unda (Ass. m)	16 50 N	19 00	10	277	450	...	...	1,435	1,297	482	508	919	137	43	...	
undabag	26 50	22 69	10	700	300	456	54	1,038	1,641	501	1	1,131	285	11	...	
uttipore	7 00	7 00	10	300	...	80	...	478	536	195	1	217	24	3	...	
% C. P.	7 87	6 12	10	450	...	...	...	835	1,693	447	41	438	243	37	21	
% Debentures	4 40	5 30	10	300	...	...	...	...	...	...	...	...	...	...	...	
ghmar	24 62	25 37	10	550	862	577	20	979	2,606	1,004	53	1,056	73	11	...	
itakhal	6 69xd	7 05	10	400	270	14	43	247	927	318	64	328	77	45	...	
% Debentures	...	...	1000	150	...	...	...	...	...	...	...	...	...	...	...	
narhat	330 00	335 00	100	2,700	2,952	11	93	4,264	6,367	2,680	86	3,450	1,643	1,554	...	
% C. P.	82 42	105 00	100	400	...	...	...	...	...	...	...	...	...	...	...	
radighi	27 12	29 75	10	1,200	1,200	425	86	1,079	4,261	2,394	2	1,518	345	236	...	
amatia	28 58xd	27 00xd	10	510	1,040	18	43	1,765	1,849	686	78	1,171	493	571	...	
igachi	19 12	23 00	5	495	315	253	35	899	1,744	1,090	262	558	97	259	...	
tiyan	21 12	26 00	10	250	400	210	35	459	558	296	1,002	139	31	45	...	
atikawa	35 50	24 56	10	640	520	554	38	1,705	1,566	560	1	1,426	566	458	...	
oynagar	22 00	18 87	10	900	960	895	6	1,259	5,161	2,647	500	1,860	269	356	...	
ypara	173 00	204 00	100	908	925	949	44	1,214	3,016	1,078	349	1,364	198	140	...	
% C. P.	101 00	109 00	100	100	...	...	...	...	...	...	...	...	...	...	...	
hnauth	26 19	23 12	10	3,300	700	1,112	384	3,719	7,376	3,100	531	4,260	282	67	...	
domfield	4 06	2 25	10	400	...	...	...	568	803	102	8	121	24	30	...	
ibentures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...	
kalhat	13 70	14 50	10	600	200	126	52	620	1,357	317	1	303	53	1	...	
rmahjan	19 94	17 19	10	750	454	452	70	802	1,441	434	53	701	402	465	...	
% C. P.	66 00 N	62 00	100	100	...	...	...	...	...	...	...	...	...	...	...	
rpukhuri	15 06	18 06	10	450	150	85	110	776	1,386	552	3	601	123	8	...	
oke Bond	17 25	17 25	10	3,500	735	776	254	3,007	9,438	3,417	510	1,642	788	2,731	79	
% C. P. T	63 50	66 25	100	3,500	...	...	...	...	...	...	...	...	...	...	...	
rron	145 00xd	169 00	100	600	570	371	18	663	1,514	515	15	785	99	287	...	
ntal Cachar	72 50	80 00	100	1,000	525	240	195	1,891	2,785	1,817	3	1,103	423	149	...	
among	9 19	10 31	100	280	75	50	19	135	431	93	2	158	52	9	...	
undypore	...	...	100	250	...	...	...	47	58	...	2	...	9	277	...	
oonabhutti	271 00	261 00xd	100	900	1,420	28	96	1,778	2,995	1,119	401	1,113	375	508	...	
% C. P.	100 00	95 00xd	100	200	...	...	...	...	...	...	...	...	...	...	...	
undeecheria	24 94	24 94	10	300	450	358	558	2,034	1,290	461	2	696	503	1,445	...	
evadon	...	...	10	400	750	324	53	1,055	1,106	310	1	530	926	329	...	
uracheria	8 40	9 31	10	600	850	410	52	577	1,066	286	28	511	263	906	...	
jojo Valley	50 75	69 00	10	120	325	484	35	578	1,165	394	1	431	202	137	...	
sai & Purbuttia	154 00	146 00	100	840	650	127	118	2,137	4,104	1,856	...	1,013	1,365	18	...	
elakhat	19 00xd	23 75	10	1,753	985	87	13	1,583	2,882	806	573	715	820	238	...	
sunseri	16 44	17 69	3	120	500	185	10	2,079	2,404	647	2	1,518	203	58	...	
% C. P.	2 12	3 00	10	...	...	...	...	...	...	...	...	...	...	...	...	
irugarkh	39 62	29 12	100	450	577	633	69	1,243	1,872	399	59	747	457	233	...	
laram	108 00	102 00	10	209	107	72	3	91	375	166	1	103	42	118	...	
makusi	27 25	29 00xd	10	473	500	210	157	814	1,691	743	150	818	63	246	...	
% C. P.	3 10	3 90	10	70	...	...	...	...	...	...	...	...	...	...	...	
ufflaghur	33 12	41 73xd	10	701	900	281	384	1,488	2,754	1,469	508	1,290	109	561	...	
st India	20 12	24 50	16	1,000	500	355	131	1,429	3,193	1,154	119	1,166	186	6	...	
ntern Cachar	2 94	2 94	10	700	...	...	...	1,084	873	135	1	359	78	42	...	
lenbarrie	176 00xd	149 00	100	300	280	291	28	429	998	473	...	398	41	37	...	
ugo	136 00xd	196 00	100	120	264	...	...	315	499	285	2	326	63	55	...	
helbarrie	8 56	10 31	10	490	33	28	...	755	1,037	315	163	291	49	45	...	
urkha.a	210 00	160 00	100	750	270	403	39	688	1,893	1,188	4	1,104	139	200	...	
elle	10 94	9 75	10	200	176	126	...	226	867	343	48	164	97	13	...	
% C. P.	80 00	70 00	100	200	...	...	...	...	...	...	...	...	...	...	...	
ilapukri	26 37	26 44	10	504	573	70	9	2,084	1,774	637	744	498	850	10	...	
ohpur	16 94	19 94	10	676	308	225	131	873	2,256	1,032	147	761	53	20	...	
opalpur	19 32	22 62	25	1,050	5,00	4,98	132	7,66	17,66	7,49	3,12	8,26	3,94	3,96	...	
rob	...	...	10	1,192	900	2,319	45	3,822	5,903	1,755	8	2,779	1,010	80	...	
rob	11 19	14 37	5	361	...	...	...	...	...	...	...	...	...	...	...	
ungaram	165 00	153 00	100	1,344	1,050	1,376	38	1,584	2,942	1,239	857	1,461	192	976	...	
anaqua	16 31	18 25	10	500	550	614	22	512	584	560	224	440	19	309	...	
entepara	136 00	154 00	100	3,600	1,500	2,336	...	1,842	7,147	2,371	508	3,033	464	607	...	
% C. P.	101 00 N	109 00	100	50	...	...	...	...	...	...	...	...	...	...	...	
leimara	25 50	24 25	10	3,200	2,575	3,637	260	3,966	11,551	5,885	863	4,212	1,118	2,019	...	
% C. P.	97 00	106 00	100	300	...	...	...	...	...	...	...	...	...	...	...	
lettikhira	9 78	13 31	10	1,260	950	250	75	949	3,045	1,329	2	1,527	172	26	...	
lograjuli	25 25	25 37	10	500	674	13	14	751	1,197	467	52	431	717	22	...	
oolungorie	195 00	182 00xd	100	870	1,330	89	66	1,326	2,808	1,566	12	1,017	147	118	...	
uldibari	28 06	28 75	10	825	2,116	42	87	1,283	2,908	1,215	190	1,311	645	519	...	
uyirpara	16 12	13 56	10	700	512	...	29	224	1,117	555	2	421	30	392	...	
syahree	23 62	20 56	10	5,857	4,900	486	91	5,979	16,370	5,470	798	3,638	2,062	145	...	
% R. C. P.	...	...	100	195	...	...	...	...	...	...	...	...	...	...	...	
% R. C. P.	...	...	50	38	...	...	...	...	...	...	...	...	...	...	...	
senkollae	20 50	22 87	10	600	1,566	56	133	1,701	1,927	1,027	226	726	108	1,457	...	
% C. P.	...	...	10	36	...	...	...	...	...	...	...	...	...	...	...	
ulibari	39 00	23 10	10	900	550	312	51	1,478	2,024	582	2	1,588	249	10	...	
ulisti	7 37	6 06	10	246	...	...	66	1,806	357	33	179	298	276	10	...	
allinugger & Khoreel	82 00	102 00	100	450	200	130	5	501	387	6	406	328	497	84	...	
ilkoet	19 62	19 25	10	900	875	1,096	59	1,326	2,696	841	307	1,240	221	511	...	
ingley Golaghat	157 00 N	160 00	100	360	1,800	322	130	2,281	2,237	850	981	1,182	740	12	...	
% Preference	71 43 N	80 00	100	240	...	...	...	...	...	...	...	...	...	...	...	
otamullai	10 50	15 44	5	100	...	15	...	2,942	2,193	398	...	977	101	...	...	
% Pref.	15 00	15 06	25	218	...	...	...	...	...	...	...	...	...	...	...	
ratnabohari	10 36	10 22	10	500	240	94	3	574	1,269	297	2	318	47	12	...	

NAME	Managing Agents Agents/Secret.	Total Crop in mds/Kgs	Average price per pound/Kgs	Total Crop in mds/Kgs previous year	Average price per pound/Kgs previous year	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PERCENT				
								Latest	Previous	Latest	Previous	Second Previous	Latest	Previous
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Kunchanpore	Duncan Bros and Co. Ltd.	4,497	1.71	3,602	1.68	10	12-58	(a)20	(h)8	nil	nil	nil	74	74
Kyang Tea Seeds	Shaw Wallace and Co. Ltd.	12,612	1.92	12,139	2.23	9	12-58	821	1,130	30	30	10	10	10
Lacktoorah	Directors	229,767	5.53	188,700	4.70	...	12-60	139	140	nil	nil	20	20	20
Ledo	Duncan Bros and Co. Ltd.	8,099	2.93	8,163	3.16	...	12-59	262	355	124 T	174	6	6	6
Lingia	Williamson Magor & Co.	...	...	...	...	...	...	...	...	...	...	...	...	...
Longview	6% C. P.	9,568	...	9,536	...	39	12-56	186	120	24	5	20	20	20
Loobah	Daga and Co. Private Ltd.	4,276	1.63	4,229	1.58	20	12-58	13	...	...	...	...	...	...
Lukwah	Octavius Steel and Co. Ltd.	15,266	2.37	15,042	2.43	54	12-58	55	668	25	25	35	35	35
Malhati	Tantia Bros. Private	487,220	4.98	475,253	4.80	51	12-60	567	557	15 T	15 T	10	10	10
Manabbarie	5% Cum Prof.	6,742	...	7,011	...	...	12-59	50	29	5 T	5	15	15	15
Manipur	D. C. Ghose & Co. Private	4,958	1.13	4,363	1.00	25	12-53	2,06	494	nil	nil	74	74	74
Margaret Hope	Gill, Arbuthnot and Co. Ltd.	3,705	3.01	4,535	3.36	20	12-59	108	186	10 T	10	10	10	10
Maronbarie	McLeod and Co. Ltd.	3,223	...	9,99	...	2	12-58	39	176	nil	64	124	124	124
Maud	Lohia Bros. Private Ltd.	4,878	2.36	3,336	2.18	20	12-58	200	120	64	15	20	20	20
Methoni	Lohia Bros. Private Ltd.	10,352	2.93	10,584	2.74	70	12-58	705	510	22 T	15	20	20	20
Mim	Octavius Steel and Co. Ltd.	2,739	8.83	2,494	7.63	6	12-60	10	39	22 T	10 T	...	...	...
Moheema	Andrew Yule and Co. Ltd.	6,440	...	5,410	...	...	12-58	162	16	nil	nil	...	...	...
Mothola	6% C. P.	...	...	...	...	25	12-60	106	30	30	20 T	20	20	20
Murphulani (Assam)	Kettlewell Bullen & Co.	3,370	5.67	4,932	5.56	8	12-60	46	262	5 T	20 T	25	25	25
Naga Hills	Andrew Yule & Co. Ltd.	9,005	1.75	7,506	1.66	...	12-58	244	1,75	5	5	74	74	74
Nagaur	Preferred Ordinary	14,240	2.20	10,858	1.85	65	12-59	668	(a)151	174 T	25	25	25	25
Nagri Farm	Duncan Bros.	5,663	2.14	4,889	3.41	20	12-59	215	303	20 T	30	15	15	15
Namburnadi	Williamson Magor	8,760	2.16	7,565	1.66	...	12-58	365	171	16	15	30	30	30
New Assam Valley	Directors	10,683	2.65	9,752	2.76	...	12-58	661	556	25	25	124	124	124
New Chumta	Macneil Barry	7,357	2.06	7,206	1.86	16	12-59	217	46	15 T	10	...	...	...
New Cinnatolia	Davenport & Co. Private Ltd.	163,289	6.64	217,637	5.84	5	12-60	65	...	...	...	...	...	...
New Doora	Duncan Bros. & Co. Ltd.	20,049	2.32	22,413	1.98	95	12-59	97	815	324 T	25	64	64	64
New Samanbagh	Andrew Yule & Co. Ltd.	14,523	2.16	12,168	2.05	86	12-58	819	482	nil	30	574	574	574
Nilpur Tea	Shaw Wallace & Co. Ltd.	2,472	2.08	3,010	1.85	2	12-58	6	83	nil	20	15	15	15
N. W. Cachar	8% C. P.	15,761	1.31	17,931	1.69	...	12-59	743	380	30 T	20	...	...	...
Okayti	Directors	2,340	4.34	2.4	4.60	...	12-59	55	287	324 T	324	...	...	...
Ondlabari	7% C. P.	7,354	1.75	7,476	1.53	...	12-58	166	148	74	10	15	15	15
Pathemara	Directors	6,159	1.70	5,815	1.66	20	12-58	41	...	...	...	...	...	...
Patrakola	Octavius Steel & Co. Ltd.	49,713	2.56	50,325	2.11	165	12-59	4,962	(d)3,768	40 T	20	10	10	10
Phakowa	Duncan Bros. & Co. Ltd.	112,988	4.90	116,337	4.48	3	12-60	21	27	nil	nil	...	...	...
Poobong	Duncan Bros. & Co. Ltd.	111,914	6.46	68,622	6.36	...	12-60	92	60	nil	nil	...	...	...
Pussimbong	Directors	2,346	2.53	1,656	2.54	...	12-58	31	84	nil	nil	...	...	...
Putinbarie	7% C. P.	2,306	1.50	2,733	1.81	...	12-58	11	96	nil	6	...	...	...
Rajabhat	Dir. ctors	10,118	2.12	9,459	2.06	25	12-59	200	43	nil	nil	...	...	...
Rajgarh	McLeod & Co. Ltd.	5,155	6.00	5,154	5.45	15	12-60	260	157	40 T	35 T	25	25	25
Rajmarg	Andrew Yule & Co. Ltd.	3,324	2.22	3,688	2.53	16	12-60	24	302	nil	nil	...	...	...
Ranicherra	Shaw Wallace & Co. Ltd.	13,410	2.15	12,748	1.99	36	12-59	412	336	10 T	74	...	...	...
Roopacherra	McLeod & Co. Ltd.	7,950	2.09	8,657	1.93	20	12-59	67	6	nil	nil	...	...	...
Rungamattie	McLeod & Co. Ltd.	237,869	4.95	275,246	4.56	18	12-60	159	194	5 T	24	74	74	74
Runglee Rungliet	Duncan Bros. & Co.	106,900	7.00	86,691	6.83	10	12-60	163	47	35	10 T	30	30	30
Rydek	Duncan Bros. & Co. Ltd.	26,144	...	25,416	...	77	12-57	867	1,365	20	30	50	50	50
Sapoi	Jardine Henderson Ltd.	17,582	...	15,712	...	...	12-59	436	437	20 T	15	15	15	15
Sarugaon	Directors	9,337	2.02	9,273	1.92	...	12-59	386	419	40 T	50	20	20	20
Seajuli	Williamson Magor & Co.	5,884	2.65	5,489	2.74	15	12-59	159	218	174 T	224	274	274	274
Seeyok	Directors	2,344	3.09	2,405	2.91	...	12-58	132	131	15	10	...	...	...
Selimbong	Gill, Arbuthnot & Co. Ltd.	2,164	3.59	2,281	3.33	10	12-58	22	35	nil	nil	...	...	...
Singal	Hoare Miller & Co. Ltd.	3,569	2.91	3,047	3.08	6	12-59	71	95	nil	nil	...	...	...
Singtom	Goonka & Co. Ltd.	3,179	3.19	3,267	2.55	10	12-58	176	(c)134	74	5	5	5	5
Sonei River	5% C. P.	5,295	1.65	4,520	1.63	...	12-58	205	98	nil	nil	...	...	...
Soom	Directors	3,903	3.17	3,905	3.49	24	12-59	242	331	30 T	50	74	74	74
Sungma	Williamson Magor & Co.	4,805	3.37	4,580	4.29	20	12-59	209	564	10 T	15	...	...	...
Taipoo	McLeod & Co. Ltd.	5,242	1.89	5,208	1.82	17	12-58	35	40	nil	nil	...	...	...
Ten Ali	Gill, Arbuthnot & Co. Ltd.	8,020	2.42	7,735	2.60	39	12-57	397	474	25	30	20	20	20
Teesta Valley	Octavius Steel & Co. Ltd.	4,708	2.82	4,153	2.89	15	12-59	38	3	nil	nil	...	...	...
Talipara	Davenport & Co. Private Ltd.	11,151	2.56	11,778	2.17	39	12-59	872	601	174 T	124	6	6	6
Telojan	Duncan Bros. & Co. Ltd.	11,243	2.23	9,945	2.35	34	12-59	376	423	25 T	25	15	15	15
Tengpani	McLeod & Co. Ltd.	8,625	2.59	8,507	2.80	44	12-59	388	412	17 T	15	...	...	...
Tezpor	Gill, Arbuthnot & Co. Ltd.	36,690	2.13	35,023	1.92	121	12-59	1,217	753	20 T	124	...	...	...
Tilkan	Shaw Wallace & Co. Ltd.	...	...	...	...	...	...	...	...	8 T	8	...	...	...
Tirihannah	8% pref. cum. as to 5	...	...	...	...	12	12-55	1,40	5.80	nil	nil	...	...	...
Tulvar	Daga & Co. Private Ltd	8,010	1.89	8,084	2.22	25	12-57	218	512	30	25	10	10	10
Tyoon	McLeod & Co. Ltd.	9,337	...	9,866	...	26	12-56	67	...	nil	nil	...	...	...
	Directors	15,510	2.71	15,467	2.47	59	12-59	720	562	30 T	15	90	90	90

(c) After transferring Rs 66,000 from General Reserve

(d) After writing back Rs 375,287 from Depreciation Reserve.

(e) After transferring Rs 125,000 from Reserve.

(f) After transferring Rs 75,000 from Dividend Equalisation Fund.

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

(h) After transferring Rs 35,000 from Revenue Reserve; Rs 72,897 from Depreciation Reserve and Rs 66,794 from Building and Machinery Reserve.

(w) After transferring Rs 148,000 from Revenue Reserve and Rs 5,000 from Development Reserve.

(x) After transferring Rs 30,000 from General Reserve and Rs 50,000 from provision for taxation and including Rs 88,023 being dividends forfeited.

12 August 1961

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATELY ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	July 1961	July 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
	Ra. np.	Ra. A.													
Kunchanpore	4 75	7 56xd	10	360	55	55	4	292	644	268	...	302	62	20	...
Kyang Tea Seeds	7 56	5 25	10	200	35	...	1	45	183	2	34	7	56	3	...
Lacktoorah	18 25	19 75	10	400	500	296	192	2,181	1,157	393	5	883	540	1,576	...
Ledo	17 00	19 25	10	650	146	571	14	629	1,525	453	188	554	115	4	78
Lingia	16 62	21 56	10	700	125	61	42	651	1,622	719	389	558	214	15	...
6% C. P.	52 00	64 00	100	506	...	...	...	...	...	...	...	...	...	...	...
Longview	11 25	11 19	10	1,032	600	568	32	1,032	2,623	623	209	871	163	18	...
Loobah	4 50	4 62	10	564	...	58	-121	776	686	129	2	285	243	189	...
Lukwah	...	...	...	800	600	391	441	2,228	1,664	493	1,981	1,140	304	39	...
5% Cum Prof.	...	...	...	475	...	...	...	...	...	...	...	...	...	...	...
Malhati	21 12	17 25xd	10	900	1,726	761	18	1,944	4,194	2,144	434	1,059	466	321	...
Manabbarie	54 25	54 25	10	200	486	86	3	782	802	356	...	435	437	27	...
Manipur	...	...	100	420	2,10	40	-6.20	8,82	7,31	1,80	...	326	32	22	2,12
Margaret Hope	14 56	13 87	10	400	200	207	73	384	878	429	2	278	196	340	...
Manabbarie	...	65 87	10	155	...	...	-373	1,425	1,181	206	2	142	86	1	...
Maud	14 00	12 50	10	800	100	2	5	1,045	1,488	433	195	456	104	181	...
Methoni	17 00	23 44	10	1,000	700	550	62	1,233	2,265	699	95	1,014	306	564	...
Mim	191 50xd	211 00xd	100	159	355	17	16	208	582	243	2	206	12	328	85
Mohema	11 50	13 31	10	480	...	30	6	605	1,224	292	...	442	62	7	...
6% C. P.	8 00	9 50	10	320	...	...	...	...	...	...	...	...	...	...	...
Mothola	445 00xd	510 00	100	150	724	641	47	420	209	11	129	...	90	989	576
Murphulani (Assam)	24 50	23 87x	10	175	791	1	6	685	2,040	730	3	4.0	...	47	545
Prad., Ord.	12 24x	25 12xa	10	200	...	...	-31	1,668	1,372	...	441	585	687	166	36
Naga Hills	19 00	26 44	10	400	291	74	...	1,668	1,372	...	441	585	687	166	36
Nagaur	210 00	179 00	100	960	965	1,022	29	820	2,679	958	406	1,146	131	394	...
Nagri Farm	26 00	25 75	10	300	250	225	130	334	730	215	112	289	151	171	...
Nambumadi	12 87	14 37	10	535	175	130	3	629	1,217	543	...	493	238	68	...
New Assam Valley	...	...	225	575	850	151	45	1,169	1,678	503	193	1,274	242	16	...
New Chumta	34 75 N	36 25	10	300	225	620	62	378	1,028	427	85	612	73	214	...
New Cinnatollah	105 00	114 00	100	500	...	...	115	1,103	1,095	364	...	549	95	64	49
New Doora	328 00	300 50	100	1,400	2,050	30	52	2,947	3,400	1,234	652	1,759	1,066	1,036	...
54% C.P.	82 20	102 50	100	200	...	...	...	...	...	...	...	...	...	...	...
New Samanbagh	19 25xd	24 94	10	400	900	5	244	1,594	1,259	576	1	739	277	1,544	...
8% C. P.	83 50 N	83 50xd	100	100	...	...	...	...	...	...	...	...	...	...	...
Nilpur Tea	...	...	100	149	60	...	23	286	395	150	1	245	17	9	...
North Western Cachar	200 00	149 00	100	700	600	274	138	1,996	2,138	398	742	981	190	55	...
Okayti	600 00	601 00	100	100	53	159	...	290	524	263	...	154	48	189	...
7% C. P.	79 00 N	79 00	100	50	...	...	...	...	...	...	...	...	...	...	...
Oodlabari	15 25	14 50	10	640	330	247	10	268	1,238	303	2	382	100	76	...
Pathemara	7 25	5 75	10	259	...	...	-223	1,205	654	94	1	619	60	...	...
Patrakola	163 00	182 00	100	3,600	5,125	1,500	226	11,363	6,551	2,750	8	3,712	2,611	11,535	...
Phakowa	127 00	150 00	100	250	185	195	17	102	632	224	1	277	13	38	14
Poobong	7 37	6 94	10	300	...	...	4	274	593	247	...	159	10	1	63
Pusanbing	8 75	10 50	10	205	113	95	-87	173	540	97	48	140	57	15	...
7% C. P.	97 00	93 00	100	205	...	...	...	...	...	...	...	...	...	...	...
Patinbari	45 00	47 59	10	100	60	135	-13	173	376	168	1	198	38	10	...
Rajabhat	16 75	18 00	10	600	577	530	-197	576	1,637	720	54	726	320	43	...
Rajgarh	23 37	37 25xd	10	200	889	2	48	497	1,613	569	3	444	342	73	51
Rajnagar	9 56	9 56	10	320	100	46	225	635	885	491	1	482	81	29	340
Ranicherra	19 25	19 31	10	765	700	851	44	880	2,013	1,515	54	1,121	477	89	...
Roopacherra	15 69	15 31	10	260	281	127	-76	1,220	1,284	371	1	658	96	36	27
Rungamattie	50 05x	75 00	50	525	550	602	17	311	1,626	508	99	592	62	97	88
Runglek Rungliet	385 00	350 00xd	100	140	310	233	21	256	474	207	225	161	1	217	...
Rydak	28 37	37 50	10	1,493	1,804	881	50	2,619	5,520	3,112	4	2,225	396	1,775	...
Sapoi	20 87	22 12	10	900	203	53	20	3,103	3,281	1,329	400	873	968	26	...
Sarageon	36 00	37 00	10	346	600	239	69	1,204	1,392	664	39	768	861	61	...
Seajuli	27 12	28 75	10	249	300	135	91	648	1,283	696	3	756	59	18	...
Seeyok	10 87	10 50	10	300	125	202	4	149	551	196	...	173	54	198	...
Selimong	...	...	10	300	105	10	28	353	600	239	...	295	121	17	...
Singell	37 25	37 50	100	625	...	...	-694	938	714	98	...	161	139	16	...
Singtom	5 87	6 37	10	900	...	19	7	341	1,323	294	207	146	90	102	...
5% C. P.	5 19	5 19	10	300	...	...	...	...	...	...	...	...	...	...	...
Sonai River	9 12 N	9 12	10	400	...	105	110	413	1,156	396	1	339	24	3	2
8% C. P.	77 00 N	93 00	100	700	...	...	...	...	...	...	...	...	...	...	...
Soom	45 00	33 50	10	300	300	165	175	488	760	349	201	...	...	...	...
Sungma	15 25	13 44	10	625	600	355	59	693	1,784	520	3	351	46	423	...
T. ppo	...	...	10	500	205	58	-28	629	1,125	478	1	294	180	564	...
Teen Ali	...	...	10	450	600	250	72	924	1,311	517	197	556	135	26	26
Teesta Valley	15 31	14 75	10	320	400	457	-80	513	1,428	398	66	836	256	207	...
Teliapara	112 00	129 00	100	900	1,675	620	32	1,556	2,107	707	69	258	163	92	...
Telojan	33 56	28 69	10	598	854	510	7	990	1,935	632	49	1,011	463	1,767	...
Tengpani	38 00	36 37	10	800	300	297	65	1,247	1,442	528	56	823	216	282	...
Tezporo	18 56	17 25	10	1,983	1,550	36	54	2,465	5,114	2,283	83	2,500	738	132	280
8% Prof. Cum. asto 5	10 00	10 39	10	205	...	...	...	...	...	...	...	...	...	...	...
Tikah	10 00 N	10 00	10	375	3,75	56	-30	17,50	16,15	1,94	1	...	...	...	...
Tirrihannah	60 00	50 00	10	220	400	575	34	858	1,361	552	2	8,77	1,70	85	...
10% C. P.	13 00	14 00	10	100	...	...	...	...	...	...	...	720	216	440	...
Tongani	6 44	8 00	10	600	390	...	6	1,170	1,528	307	...	734	114	16	81
Tukvar	7 50	8 00	10	801	250	...	39	946	1,689	475	3	417	283	118	...
Tyroom	39 00	38 12	10	520	1,050	1,450	105	2,466	5,060	1,666	53	1,396	701	47	...

SUGAR

NAME	Managing Agents/ Agents/Secretaries	Cane Crushed Mds./Tons 000	Sugar Produced Mds./Tons 000	Sales Ra. 000	Stock Ra. 000	Managing Agents allowance and Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER SHARE		
								Latest	Previous	Latest	Previous	Second Previous
Andhra	Ranga Rao. & Co.	...	...	15,381	1,759	194	9-59	2,280	2,332	20	15	12 1/2
Bairampur	Directors	...	...	6,910	4,096	...	6-60	312	(c)448	8 T	8	5
Basti	Narang Bros.	6,760	...	20,863	9,645	110	4-59	1,186	1,242	10	10	10
...	Ordry, B. Class	...	...	...	...	...	...	...	...	...	...	...
Belapur Co.	W. H. Brady & Co.	...	...	16,819	1,686	450	9-59	4,366	5,991	42	40	36
Belaund	Bangur Bros. Ltd.	3,508	3,121	11,108	3,526	72	9-60	879	852	18 1/2 T	18 1/2 T	13 1/2
Bhorat	Cotton Agents Private	2,498	...	8,339	2,910	82	6-60	842	674	15 1/2	15 1/2	10
...	5% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Bhopal	Bhiwandivalla & Co.	...	...	4,959	3,358	124	9-60	1,345	1,289	22 1/2	25 1/2	20
...	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Carew	Gladstone Lyall & Co. Ltd.	...	...	43,236	6,733	219	6-60	1,313	2,160	nil	nil	6 1/2
...	64% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
...	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
...	54% Debentures	...	...	...	...	...	...	...	...	...	...	...
Cauvery	Parry & Co.	47 (f)	4 (f)	12,886	1,920	...	6-60	1,413	1,209	6	6	...
...	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
...	Begg Sutherland & Co. Private	10,589	1050	39,635	2,739	...	10-59	1,271	—696	nil	nil	...
...	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
Champeran	Begg Sutherland & Co. Pri. Ltd.	5,881	551	22,027	6,643	108	6-60	1,156	1,355	15 T	15 T	10
...	Deccan	...	...	36,364	9,226	298	5-59	3,304	3,516	25 1/2	18	14 1/2
...	7% preference	...	...	...	...	...	...	...	...	...	...	...
Deoria	K. C. Thapar & Bros.	3,263	...	11,752	3,008	30	8-59	546	224	11 1/2	5	nil
...	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Dyer Mookin Breweries	Directors	...	...	31,617	4,651	...	3-60	8,138	5,608	25 T	16	15
...	...	...	...	...	...	...	...	...	...	...	...	...
East India Distillery (E)	Parry's Holding Private Ltd.	...	...	10,471	...	...	9-59	856	831	28 1/2 T	20	15
...	7% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Ganesh	Directors	3,304	310	12,818	595	...	10-59	848	573	10 T	10	nil
Ganga Sugar	Directors	...	...	21,080	14,541	...	3-59	2,017	2,839	12 1/2	12 1/2	17 1/2
...	7 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Gobind	Cotton Agent Private Ltd	2,149	...	7,998	1,945	49	6-59	636	558	11 1/2 T	5 T	nil
...	5 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Gwalior	Sir J. P. Srivastava & Sons Pri.	2,100	...	11,189	1,854	85	6-59	938	1,647	10 1/2	10	7
...	7% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
...	7% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Harinagar	Directors	...	...	12,603	3,111	...	9-59	1,043	551	11 T	7 1/2	5 1/2
...	Ordinary	...	...	...	...	...	...	...	...	...	...	...
Hindusthan	Bechraj & Co.	10,324	...	38,553	15,569	371	6-58	5,087	4,831	15	15	15
...	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
India	India Sugar Agencies	1,378	...	19,618	1,993	168	9-59	2,004	(p) 1,121	12 1/2 T	10	10
...	7 1/2% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Jagatit Sugar	Narang Bros & Co.	3,202	...	13,409	6,074	9	4-59	824	1,381	13 T	15	150
Jaswant	Directors	...	...	25,489	6,603	...	5-59	(a)2,129	2,380	22 1/2 T	15	5
...	5 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Jeyapore	R. S. Indus. Corp.	...	...	5,856	2,956	36	6-58	854	...	6	6	6 1/2
...	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
K. C. P.	V. Ramakrishna Sona Pri. Ltd.	...	...	37,647	0,868	390	6-60	(0)3,356	(0)3,075	15 T	15	5
...	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Kesar	Directors	4,233	404	19,772	23,458	...	7-59	1,123	855	15	10	...
...	5 1/2% R.C.P.	...	...	...	...	...	...	...	...	...	...	...
Kirlampudi	Kubera Sugar Manager. Private	118	108	102,387	5,230	82	6-60	491	754	nil	nil	nil
...	5 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
...	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Madura Sugar	Pandian Rajan & Co. Private	...	...	5,741	349	98	7-60	962	914	7 1/2 T	5 T	2 1/2
Maharashtra	M. L. Dahanukar & Co. Pri.	...	...	22,805	1,602	542	9-59	5,321	5,590	42 T	34	7
...	7% C. P.	...	...	...	...	...	...	...	...	...	...	...
Modi Sugar	R. B. Multanil & Sons	3,644	...	55,626	4,519	231	10-59	2,743	2,178	12 1/2	9	nil
Mohini	K. C. Thapar & Bros.	1,834	...	6,451	645	...	11-60	143	307	12 1/2	9	nil
...	Founders	...	...	...	...	...	...	...	...	...	...	...
...	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Mysore	Directors	...	...	44,147	1,061	...	6-60	3,350	2,760	30 T	30 T	...
...	...	...	...	...	...	...	...	...	...	...	...	...
Nawabganj	Narang Bros. & Co. Private	2,959	...	12,517	675	25	10-59	145	348	nil	nil	nil
...	'B' Class	...	...	...	...	...	...	...	...	...	...	...
...	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
New India	Cotton Agents Private	4,270	...	14,146	4,024	111	6-60	1,247	1,333	36 1/2 T	36 1/2 T	5
...	5 1/2% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...
...	7 1/2% C. R. P. P.	...	...	...	...	...	...	...	...	...	...	...
New Savan	K. C. Thapar & Bros.	2,847	...	16,224	4,261	227	5-60	252	128	5 T	3 1/2 T	20 1/2
New Swadeshi	Cotton Agents Private	4,314	...	16,224	4,261	227	6-59	2,060	920	29	20	...
...	Ordry, P. P.	...	...	...	...	...	...	...	...	...	...	...
Nizam Sugar	Hyd. Govt. Indus. Trust Fund	...	...	50,053	20,963	490	6-59	5,176	7,853	21 1/2 T	18	5
...	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
...	4% C. P.	...	...	...	...	...	...	...	...	...	...	...
Oudh	Cotton Agents Private	6,103	...	68,470	9,049	...	6-59	4,307	5,255	18 1/2	12 1/2	12 1/2
...	Ordry, P. P.	...	...	...	...	...	...	...	...	...	...	...
...	4% R.C.P.	...	...	...	...	...	...	...	...	...	...	...
Phalton Sugar	Mafatlal Apte & Kantilal	114	134	12,921	3,706	200	9-60	2,211	2,791	24 T	27 T	4 1/2
Punjab Sugar	Narang Bros Private	2,764	...	9,313	2,258	25	10-59	183	25	6	nil	nil
Purabpore	Directors	2,604	...	10,278	651	...	10-59	(b)873	65	nil	nil	10
...	10% C. P.	...	...	...	...	...	...	...	...	...	...	...
Rammugger Cane	Anderson Wright Ltd.	1,904	...	8,519	1,051	...	8-59	1,201	(a)385	21 1/2 T	15	6
...	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
...	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Ratna Sugar	Ratna Agents	2,827	...	6,513	3,091	30	6-59	662	145	17 1/4 T	3 1/2	9
...	9% C. P.	...	...	...	...	...	...	...	...	...	...	...
Ravalgong Sugar	Walchand & Co. Private	...	...	22,204	1,248	23	9-59	(b)1,143	1,726	8 1/2 T	12	5 1/2
...	5 1/2% Cum Pref.	...	...	...	...	...	...	...	...	...	...	...
...	Deferred	...	...	...	...	...	...	...	...	...	...	...
...	Debentures	...	...	...	...	...	...	...	...	...	...	...
Raza Buland	Govan Bros. (Rampur)	6,193	597	24,529	1,290	84	10-59	1,093	(a)4,254	12 1/2 T	12 1/2	15
Ryan	Directors	2,004	198	8,444	2,63	...	6-59	151	425	15 T	15 T	6
...	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Samsatpur	Directors	1,625	158	7,140	1,848	...	6-59	(k)129	(m)436	6	2 1/2	6
Shadial	H. R. Swarup & Bros.	9,000	...	28,115	8,833	54	9-60	(j)2,480	1,275	24 1/2	18	8
...	8% C. p.	...	...	...	...	...	...	...	...	...	...	...
Shree Anand	Directors	1,827	182	6,631	954	...	9-59	496	157	5 T	5 1/2	nil
...	Debentures	...	...	...	...	...	...	...	...	...	...	...

MILLS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LAYERS ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	July 1961 Rs. ap.	July 1960 Rs. ap.			General	Others	Carry Forward Rs. 000				Investments	Stocks & Stores Rs. 000	Outstand- ings Rs. 000	Cash	Others
Andhra	26 85	27 00cr	10	3,000	1,800	905	23	5,276	9,139	2,875	220	3,174	1,015	331	...
Bairampur	2 56	3 62	2 1/2	1,301	120	874	48	4,972	3,110	1,927	175	4,901	948	107	15
Basti	105 50 N	126 50	100	1,200	350	2,712	1,000	9,932	6,611	4,219	2,680	11,153	498	182	117
Ordinary 'B' Class	...	...	10	300	...	...	...	...	...	...	...	...	...	...	...
Belapur	248 00	380 00	50	7,050	11,339	1,357	76	6,291	16,116	10,888	2,375	10,461	577	8,478	2,468
Belaund	11 12	13 37	7 1/2	1,949	775	240	1	7,551	5,317	2,960	693	3,526	3,187	262	...
Bhorat	16 50	16 62	10	1,500	650	759	4	3,317	2,395	1,595	1,381	3,330	1,059	159	...
5% R. C. P. T.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Bhopal	24 52	27 40	10	1,758	1,400	268	93	4,986	4,781	2,936	55	5,675	1,745	310	117
5% C. P.	84 50	84 50	100	1,250	...	...	...	...	...	...	...	...	...	...	...
Carew	14 25	10 50	10	3,200	1,360	1,866	276	10,921	15,128	18,892	67	10,934	4,493	381	310
61% R. C. P.	80 00	85 50	100	809	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	1,750	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	400	...	...	...	...	...	...	...	...	...	...	...
Cauvery	125 00	154 00	100	4,000	...	1,489	74	3,381	9,635	960	...	2,766	1,757	70	600
6% C. P.	99 50	101 00	10	2,000	...	...	...	...	...	...	264	5,887	1,987	347	771
Cawnpore	13 12	15 12	10	3,000	2,050	4,503	—1,686	6,364	16,689	10,413	...	...	...	...	...
8% C. P.	120 00	108 00	100	1,000	...	...	...	...	...	...	37	7,911	1,475	184	73
Champeran	17 12	20 75	10	1,800	1,440	3,106	28	5,326	8,473	6,453	395	11,469	2,729	904	185
Deccan	13 57	16 00	5	3,984	2,100	2,721	67	12,648	13,656	7,119	...	...	...	...	...
7% Preference	5 35cd	6 25	10	708	...	...	...	...	...	...	...	...	...	...	...
Deoria	8 71	8 31	10	958	345	266	6	4,796	3,200	2,022	1,035	3,687	892	29	5
5% Debentures	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Darbhanga	14 00	17 56	5	2,600	31,00	2,36	112	19,18	57,83	37,24	2,58	36,93	12,89	6,97	...
Dyer Maskee	33 00	23 12	5	2,727	7,850	4,200	26	8,094	5,973	2,380	434	7,468	6,891	2,063	2,581
E. I. D. (£)	37 75	61 75	21	350	1,000	341	69	1,388	1,485	857	676	1,240	754	209	...
7% C. P.	18 25cd	32 00cd cr	21	200	...	...	...	...	...	...	...	...	...	...	...
Ganesh Sugar	19 22 N	19 87	10	2,000	150	3,696	20	3,298	7,057	2,372	2,136	1,271	1,047	25	...
Ganga Sugar	...	7 50	18	5,492	702	621	86	21,293	14,506	4,545	1,822	15,330	2,049	246	96
71% C. P.	...	...	10	1,250	...	...	...	...	...	...	...	...	...	...	...
Gobind	...	...	...	500	250	127	4	2,963	3,410	1,430	...	2,427	417	20	...
54% R. C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Gwalior	...	...	100	1,594	...	1,148	30	4,719	4,888	2,980	1,140	2,934	1,804	890	...
7% R. C. P.	...	...	100	675	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Harrinagar	...	...	100	250	1,000	1,359	12	11,915	8,171	3,763	1,615	4,788	4,407	69	...
Ordinary	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
Hindustan	325 00	317 00	100	6,000	4,662	1,850	43	20,229	21,144	8,621	284	18,201	2,156	121	...
5% C. P.	90 00 N	90 00	100	500	...	...	...	...	...	...	...	...	...	...	...
India	12 20	12 45	100	6,397	337	642	563	8,648	8,186	2,789	3,186	2,860	6,177	66	...
74% C. P. T	83 63	88 25	100	1,109	1,266	1,426	616	5,288	3,458	2,015	866	6,975	311	110	...
Jagatjit Sugar	...	...	10	2,000	1,850	291	55	9,285	13,065	7,842	66	7,776	1,088	140	187
Jaswant	5 25 N	5 25	100	1,030	...	...	...	...	...	...	...	...	...	...	...
54% B. C. P.	85 00	85 00	10	2,318	744	975	...	12,490	13,651	1,614	30	4,524	1,060	48	32
Jeypore	16 25	18 75	100	200	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	89 00	95 80	100	1,000	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	92 39	101 10	10	5,857	7,315	2,393	23	41,599	41,759	7,854	2,501	19,275	5,716	118	...
K. C. P.	24 25	26 60	10	250	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P	95 45	100 00	10	4,077	...	...	...	...	...	...	...	...	...	...	...
61% C. P.	95 00	100 50	40	1,800	1,100	342	10	8,38	8,526	5,442	177	7,005	2,268	275	330
Kesar	245 00	280 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P	...	...	100	1,200	...	625	41	7,533	7,637	3,496	1,412	5,675	233	103	131
Kirlanpudi	80 00	86 00	100	600	...	...	...	...	...	...	...	...	...	...	...
54% C. P.	121 00	120 00	100	1,950	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	10	2,000	330	307	90	1,037	2,803	1,874	...	570	72	2,193	...
Madura Sugars	170 00	239 00	50	6,750	4,525	569	162	9,517	15,205	7,221	1,734	7,369	2,641	2,294	...
Maharashtra	240 00N	240 00 N	250	500	...	...	...	...	...	...	...	...	...	...	...
7% C. P	...	...	10	7,339	1,240	1,471	12	8,525	13,625	6,143	50	8,138	2,513	404	...
Modi Sugar	...	...	10	1,000	...	249	—132	7,968	5,728	2,700	20	1,443	1,550	16	...
Mohini	2 12	4 50	1	25	...	...	...	...	...	...	...	...	...	...	...
Founders	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
5% C. P	70 00 N	70 00	10	2,179	6,253	5,643	15	14,250	16,327	10,729	3,715	7,391	7,217	4,274	256
Mysore	57 75	60 50	100	1,200	350	1,088	479	4,161	6,477	3,340	1,552	2,171	1,026	621	326
Nawabganj	60 00 N	60 00	1	500	...	...	...	...	...	...	...	...	...	...	...
'B' Class	...	...	50	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	10	789	2,225	807	35	6,160	5,767	3,325	1,702	4,791	1,698	448	...
New India	32 00	33 00	100	1,080	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P. T.	...	...	100	49	...	...	...	...	...	...	...	...	...	...	...
74% C. R. P. P.	137 72	150 00	10	1,100	325	183	8	323	4,489	3,071	57	...	437	27	...
New Savan	5 62	7 00	100	1,351	1,835	3,547	35	6,793	8,199	3,060	714	5,164	2,102	451	...
New Swadeshi	326 00	393 00	...	8	...	...	...	...	...	...	...	...	...	...	...
Ord. P. P.	...	...	25	11,002	5,252	3,394	3	43,102	30,263	18,542	343	33,876	19,131	783	480
Nizam Sugar	...	...	25	1,200	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	25	2,380	...	...	...	...	...	...	...	...	...	...	...
4% C. P	...	...	100	7,745	914	2,223	16	14,191	26,114	14,164	338	12,436	4,664	575	...
Oudh	192 00	190 00	100	3	...	...	...	...	...	...	...	...	...	...	...
Ord. P. P.	...	...	25	367	...	...	...	...	...	...	...	...	...	...	...
4% R. C. P.	...	...	50	5,000	4,075	1,792	22	8,332	13,853	7,765	217	9,944	195	379	2,398
Phaltan Sugar	128 00	190 50	100	1,280	270	957	11	4,161	3,642	2,166	1,251	2,977	580	61	251
Punjab Sugar	50 00 N	65 00	10	900	115	2,128	4	599	5,120	3,572	1	1,370	881	204	401
Purtabore	11 65x	15 75	10	600	...	...	...	...	...	...	...	...	...	...	...
10% C. P.	8 85xd	11 75xd	10	1,660	2,000	2,098	59	2,038	7,805	3,938	...	3,824	339	6	218
Rammugger Cane	30 31	27 00xd	100	400	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	79 00	85 00	500	595	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	10	1,175	...	114	77	3,226	3,260	2,416	10	3,505	255	17	...
Retna Sugar	1 45 N	0 45	100	39	...	...	...	...	...	...	...	...	...	...	...
9% C. P.	...	...	50	2,000	850	3,518	79	9,152	13,723	6,530	1,435	7,938	671	148	...
Ravalpison Sugar	63 50	111 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
54% Cum Pref.	61 00	61 70	10	400	...	...	...	...	...	...	...	...	...	...	...
Deferred	30 00	30 00	500	2,000	...	...	...	...	...	...	...	...	...	...	...
Debenture ...	...	...	10	6,359	1,077	945	391	3,905	8,823	3,683	1,438	3,015	1,607	1,435	...
Raza Buland	11 56	13 25	10	800	130	482	5	2,750	2,840	2,361	210	3,376	624	276	...
Ryan	11 75	13 25	10	808	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	8 40 N	8 40	10	1,199	85	1,391	5	3,520	5,061	2,690	5	2,587	1,175	57	6
Semastipur	10 44	12 12	100	859	450	1,930	2	17,814	16,422	7,967	671	10,711	1,737	41	89
Shadial	...	...	100	641	...	...	...	...	...	...	...	...	...	...	...
8% C. preference	...	...	10	2,000	2,341	...	30	2,089	4,826	1,750	1,611	1,301			

SUGAR

NAME	Managing Agents/ Agents/Secretaries	Cane Crushed Mds./Tons 000	Sugar Produced Mds./Tons 000	Sales Ra. 000	Stock Ra. 000	Managing Agents allowance and Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Shree Chandoo	A. H. Bhiwandavalla & Co.	...	...	11,231	3,308	130	9-60	2,445	2,532	20T	23T	18
Shree Hanuman	D. Rameshwarall	2,394	...	11,434	2,719	52	9-57	957	546	6	7 1/2	9 1/2
...	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
Shree Krishna Gyanoday	Sahu Jain Ltd.	9,659	...	36,793	10,546	203	7-59	2,298	1,474	15	10	10
...	6% Debentures	...	...	...	...	...	...	...	...	6	6	6
...	6% 'A' Pref.	...	...	...	...	...	...	...	...	5	5	5
...	5% 'B' Pref.	...	...	...	...	...	...	...	...	...	...	...
Shree Sitaram	Directors	3,442	...	12,372	3,592	...	8-60	685	515	10T	10	5
Sitalpore	Directors	1,781	...	6,026	2,320	...	6-58	193	193	nil	nil	...
South Behar	Directors	...	...	10,253	7,026	...	10-60	90	244	nil	nil	...
...	9% pref. cum as to 7%	...	...	...	...	...	...	...	...	nil	nil	...
...	Deferred	...	...	...	...	...	...	...	...	nil	nil	...
Standard Refinery & Distill.	K. C. Thapar & Bros.	...	...	6,802	3,672	10	12-59	...	...	...	...	...
...	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Travancore	Parry & Co Ltd.	...	...	16,445	3,509	127	4-60	1,259	1,065	10T	10T	5
...	5% C. P.	...	...	...	...	...	...	...	...	5T	5T	...
Ugar	Shirgaokar Bros	...	...	8,457	5,880	236	6-59	2,806	1,804	15T	8	6
...	Pref. "A"	...	...	...	...	...	...	...	...	6T	6	6
United Breweries	Directors	...	...	3,974	184	...	3-60	(c) 3,513	1,901	60T	60	60
United Provinces	Directors	4,021	...	15,536	1,796	...	9-59	1,321	654	15T	10	7 1/2
Upper Doab Sugar	R. Lal Debi Prasad & Bros.	...	...	141,100	11,001	219	9-60	3,429	3,771	15T	15T	10
...	6% R. C. P.	...	...	...	...	...	...	...	...	857T	857T	6
Upper Ganges	Cotton Agents Private	6,070	...	32,529	5,245	246	6-59	2,960	3,666	7 1/2	50	50
...	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
...	5% C. P. T.	...	...	...	...	...	...	...	...	5	5	5
Upper India	Mitra Mandal Private	7,829	...	23,833	16,069	282	4-59	3,263	(r) 2,375	30T	25	15
...	'B' Class Ord.	...	...	...	...	...	...	...	...	15	15	15
Vizagapatam	Kantilal & Sheth	...	...	...	...	12	6-54	2,06	2,30	nil	nil	...
Walchandnagar Industries	Walchand & Co. private	2061	...	55,529	6,429	377	9-59	(t) 5,395	5,570	21T	21	21
...	7% C. P.	...	...	...	...	...	...	...	...	10T	7	7
...	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...

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

(b) After transferring Rs 25,000 from General Reserve and Rs 100,000 from Stocks and Stores Reserve and including Rs 327,187 being profit on sale of Agricultural Land.

(c) After writing back Rs 2,80,018 being provision for liabilities no longer required. (d) After writing back Rs 100,000 from Reserve for stock debts and sundries

(e) After writing back Rs 98,511 being provisions no longer required. (f) Given in tons.

ELECTRIC

NAME	Managing Agents/ Agents/Secretaries	Latest		Previous		Managing Agents allowance and Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold 000's	Revenue Ra. 000	Units sold 000's	Revenue Ra. 000			Latest	Previous	Latest	Previous	Second Previous
		000's	Ra. 000	000's	Ra. 000			Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Agra Electric Supply	Martin Burn Ltd.	42,280	5,067	37,191	4,596	112	3-60	(a) 1,250	(d) 1,087	11T	10	10
Ahmedabad Electricity Co.	4 1/2% Debentures	...	49,850	...	46,061	795	3-60	12,574	11,861	7T	6 1/2	6 1/2
...	Killick Industries Ltd.	...	...	...	...	...	...	...	...	...	...	...
Aligarh	4 1/2% Debentures	...	...	...	...	31	3-54	1,70	1,68	9 1/2	10	9 1/2
Amalgamated Elec'ty Co.	Jain & Co.	57,568	9,088	49,306	8,154	329	3-60	2,050	1,939	5 1/2T	5 1/2	5 1/2
...	N. C. Javeri & Co.	...	...	...	...	...	...	...	...	5T	5	5
...	5 1/2% C. P.	...	...	...	...	...	...	...	...	10	10	...
Anand	5% C. P.	...	506	...	474	15	3-59	92	89	10	10	...
...	Sonawala Co. Private	...	...	...	...	...	...	...	...	6	6	6
...	6% C. P.	...	...	...	...	...	...	...	...	6 1/2T	8	8
Andhra Valley Power	Tata Hydro Elec. Agencies Pri.	...	19,787	...	19,026	402	3-60	6,661	(h) 6,878	7T	7	7
...	7% C. P.	...	...	...	...	...	...	...	...	...	...	...
...	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Bareilly Elec'ty Supply	Martin-Burn Ltd.	14,224	2,405	13,056	2,230	59	3-60	(d) 477	(h) 399	11T	10	10
...	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Benares Electric	Martin-Burn Ltd.	43,234	5,118	38,909	4,812	94	3-60	(i) 1,041	(j) 1,020	11T	10	10
...	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Berhampur Electric Supply	Directors	2,225	769	2,029	625	...	3-60	118	123	nil	3	6
...	6% C. P.	...	...	...	...	...	...	...	...	6T	6	6
Bombay Elec. Supply	Octavius Steel & Co.	5,396	1,417	4,893	1,253	36	3-59	229	189	5	5	8 1/2
Bombay Suburban Elec.	Killick Industries Ltd.	121,270	12,234	99,869	10,143	303	3-60	(c) 4,279	(m) 3,384	8	7 1/2	7
Breach Elec. Supply	Rajputana Textiles Agencies	2,180	629	2,063	588	27	3-60	173	191	6 1/2T	6	5
...	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Calcutta Elec. Supply	Directors	...	8,229	...	7,467	...	3-59	2,574	2,560	7	7	8 1/2
...	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
...	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Cochin State Power	Chandrie & Co.	45,12	5,71	44,20	5,49	...	3-54	1,83	1,99	10	10	5 1/2
Cuttack Elec. Supply	Octavius Steel & Co. Ltd.	5,400	1,299	4,594	1,206	45	3-59	274	276	6 1/2	6 1/2	8
...	...	...	...	...	...	...	...	...	...	...	...	...
Dharwar	Directors	...	488	...	371	...	3-60	182	140	8T	7	7
...	5% C. P.	...	...	...	...	...	...	...	...	5T	5	5

12 August 1961
MILLS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital Ra. 000	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities Ra. 000	Gross Block Ra. 000	Deprecia- tion Ra. 000	LIQUID ASSETS				
	July 1961 Ra. np.	July 1960 Ra. np.			General	Other	Carry Forward				Investments	Stocks & Stores	Outstand- ings	Cash	Other
	Ra. np.	Ra. np.			Ra. 000	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Shree Chandoo	25 25	33 00	12 1/2	3,750	1,671	242	62	6,331	8,831	6,154	1,306	7,155	882	14	21
Shree Hanuman	16 40xd	16 00	100	2,500	50	1,050	12	5,080	6,446	3,441	66	4,765	1,524	331	...
...	55 00 N	55 00	1000	500	...	...	...	...	...	...	...	...	...	...	...
Shree Krishna Gyanoday	11 25	15 00	18	3,999	2,100	663	41	12,263	13,684	8,062	860	12,695	2,639	40	511
...	63 30	85 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
...	54 25	72 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Shree Sitaram	7 12	11 10xd	10	1,589	1,180	592	45	5,723	3,648	2,400	2,776	4,292	781	33	...
Sitalpore	6 44	6 69	10	1,000	35	25	—339	4,666	3,242	1,485	228	2,630	674	28	67
South Behar	3 87	20 50	100	915	...	...	—1,398	8,592	5,118	1,147	1,487	2,938	2,091	23	...
...	20 50 N	20 50	100	500	...	...	...	...	...	...	...	...	...	...	...
...	0 25 N	0 25 N	2 1/2	440	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery	...	...	100	1,500	...	...	...	...	...	...	...	...	...	...	...
...	...	...	100	964	...	108	—1,101	11,400	1,160	546	...	4,924	6,044	283	6
Travancore	10 40	11 89	10	3,000	400	1,651	147	3,767	6,910	3,356	...	4,430	1,429	1,012	39
Ugar	7 30	8 75	100	2,795	1,377	1,236	30	11,919	10,800	5,031	844	9,476	1,192	150	...
...	140 00 N	140 00	190	34	...	...	...	...	...	...	...	...	...	...	...
United Breweries	104 00	108 00	10	1,200	2,598	2,160	124	4,607	5,948	1,886	4,637	1,544	401	36	...
United Provinces	15 50xd	16 81xd	10	1,600	356	902	109	2,371	3,853	2,880	68	2,731	1,240	72	...
Upper Doab Sugar	...	...	100	4,906	1,100	4,401	26	17,633	22,892	9,160	197	13,473	1,912	102	...
...	...	...	100	1,351	...	...	...	...	...	...	...	...	...	...	...
Upper Ganges	70 60	68 00	10	800	2,200	2,167	44	10,911	18,328	9,743	852	7,243	2,032	116	...
...	69 00	79 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
...	69 00	79 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Upper India	102 00 N	102 00	100	350	2,200	1,382	51	21,064	10,605	4,961	101	17,620	4,275	86	...
...	8 75 N	8 75	25	2,568	...	...	...	...	...	...	...	...	...	...	...
Vizagapatam	...	...	10	747	...	...	—4,83	39,40	29,22	8,99	25	14,44	7,00	55	...
Walchandnagar Indra.	163 50	310 08	100	10,100	2,800	9,613	178	20,814	54,734	12,906	931	24,045	3,283	920	...
...	115 00	117 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
...	...	...	...	2,500	...	...	...	...	...	...	...	...	...	...	...

(f) After transferring Rs 475,000 from Dividend Equalisation Reserve and including Rs 345,000 being difference in producers price.

(g) After transferring Rs 150,000 from Dividend Equalisation Fund and Rs 185,000 from provision for bad and doubtful debts.

(h) After transferring Rs 200,000 from Dividend Equalisation Reserve and Rs 228,000 from Investment Reserve. (i) After transferring Rs 225,000 from General Reserve.

(j) After transferring Rs 431,036 from General Reserve and Rs 180,000 from Dividend Equalisation Reserve.

(k) After transferring Rs 280,000 from General Reserve. (l) After transferring Rs 1,000,000 from Machinery Replacement Reserve Rs 250,000 from Investment

Reserve and Rs 450,000 from Labour Housing and Amenities Reserve. (m) After transferring Rs 225,000 from General Reserve. (n) The entire loss of Rs 388,405 has been wiped off by transfer from Reserve Fund. (o) After transferring Rs 680,000 from General Reserve. (p

NAME	Managing Agents Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allowances and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Pre- vious	Second Pre- vious
Chargh Power	Andrew Yule & Co. 5% 'A'. C. P. 4 1/2% 'B'. C. P.	...	8,007	...	6,625	140	3-60	1,721	1,222	10 T 5 T 4 1/2 T	7 1/2 5 4 1/2	7 5 4 1/2
Ellore Elec. Supply	Chandrie & Co.	1,668	3,20	14,65	2,91	14	3-54	68	63	7 1/2	7 1/2	6 1/2
Gouropore Elec. Supply	Macneill & Barry 4% Debentures	...	6,675	...	6,151	91	3-59	1,106	1,245	10	10	7 1/2
Jadivada Elec. Supply	Mechelec Engineering Co	...	1,66	...	1,18	8	3-54	(c) 19	19	4	4	3
Jhansi Elec. Supply	Moona Lall & Sons 6% Debentures	27,23	9,42	21,85	7,82	32	12-53	1,47	1,58	6 1/2	8 1/2	8 1/2
Korhat Elec. Supply	K. N. Himat Singh & Co. 6% C. P.	...	1,37	...	...	4	3-54	45	...	nil	nil	...
Kabulpore Elec. Supply	6% Debentures Martin Burn Ltd.	29,088	2,344	33,171	3,154	731	3-60	(k) 676	(g) 406	10 T	9 20	9 20
Kanadukathan	Directors	...	1,93	...	2,14	...	3-56	82	88	3	3	3
Karakal Elec. Supply	A. S. Ahilam	...	2,32	...	1,87	12	3-60	66	49	10 1/2	8	8
Kumbakonam Elec. Supply	India Company Private 6% Cum. Prof.	9,151	1,709	7,617	1,345	25	3-60	571	447	10 T 8 5/7 T	9 6	10 6
Mangalore Elec. Supply	Octavius Steel & Co. 5% Debentures	36,50	10,02	34,22	9,37	42	3-56	2,36	1,44	10	10	10
Mirzapur Elec. Supply	Directors	2,293	641	2,047	577	...	3-59	109	103	5	8	10
Muzaffarpore Elec. Supply	Octavius Steel & Co.	3,927	1,301	3,513	1,162	41	3-59	224	275	10	10	10
Natra Elec. Supply	Directors	4,811	880	4,231	781	...	3-58	193	214	6	8	...
Nadiad	Sonawala Co. Private 6% C. P.	...	624	...	529	27	3-59	169	146	9	7 1/2	...
Nasik Deolali	Rajputana Textiles Agency 7% Cum. Prof.	7,019	1,689	6,563	1,622	54	3-59	436	361	8 1/2	6 1/2	7
Nagapattinam Elec. Supply	6% Debentures India Co. Private Ltd. 6% C. P.	6,920	764	5,431	573	39	3-60	205	156	60 T 8,57 T	7 1/2 6	8 6
Natra Elec. Supply	Octavius Steel & Co. 5% Debentures	35,279	4,861	32,980	4,455	122	3-59	(b) 1,265	1,456	7 1/2	7 1/2	10
Nona Electric	Rajputana Textiles Agency pri. 7% Cum. Prof. 6% Debentures	85,671	6,965	76,754	6,314	165	3-60	(q) 1,614	(r) 1,397	9 1/2 T 7 T	8 7	7 1/2 7
Noranganur	Directors	...	5,87	...	781	...	3-59	113	96	6	5	...
Nor Erode Elec'ty	Partly Paid Octavius Steel & Co. 6 1/2% R. C. P.	31,532	3,182	26,354	2,364	65	3-60	784	519	12 T 6 1/2 T	10 6 1/2	10 6 1/2
Nor Elec'ty Supply	6 1/2% R. C. P.	2,983	751	1,918	615	27	3-60	157	181	6 1/2	5	5
Norhampton Elec. Supply	Martin Burn Ltd.	3,341	850	2,845	773	37	1-59	185	187	5	5	nil
Norhampton Hydraulic	Octavius Steel & Co. Development of Industries	...	6,00	...	5,31	40	6-55	2,20	2,04	6	6	6
Nor (Jheriah) Elec. Supply	Partly Paid Bird & Co. pri. Ltd. 5% Debentures	...	7,572	...	6,352	96	3-60	647	543	10 T	7 1/2	6 1/2
Nor Arcot Elec'ty	Directors 6% C. P. 5 1/2% C. P.	21,265	1,788	17,425	1,427	...	1-254	366	272	6 1/2 6 5 1/2	6 1/2 6 5 1/2	6 1/2 6 5 1/2
Nor Madras Electric	Seshasayee Bros Private Ltd. 5 1/2% 1st C. P. 5 1/2% 2nd Prof. 4% Debentures 5% Debentures 5 1/2% Debentures	...	8,993	...	6,929	80	3-60	2,952	(a) 1,983	9 T 5 1/2 5 1/2	9 5 1/2 5 1/2	8 1/2 5 1/2 5 1/2
Nor Elec'ty Co.	Killick Industries Ltd. 6 1/2% C. P.	...	7,551	...	7,106	143	3-59	1,483	1,271	7 6 1/2	7 6 1/2	7 6 1/2
Nor Hydro Electric	Tata Hydro. Elec. Agencies Pri. 7% C. P. T.	...	15,873	...	15,353	504	3-60	7,411	(a) 7,725	8 1/2 T 7 T	8 7	8 7
Nor Power Co	Tata Hydro. Elec. Agencies Pri. 7 1/2% C. P. T. 4% Debentures 4% Debentures	...	35,320	...	32,144	832	3-60	14,474	(p) 13,251	8 1/2 T 7 1/2 T	8 7 1/2	8 7 1/2
Norvelly Tuticorin Elec....	Octavius Steel & Co. 6 1/2% R. C. P.	22,290	2,268	19,847	1,750	38	3-60	514	(i) 480	10 T 6 1/2 T	10 6 1/2	10 6 1/2
United Provinces Elec.	Martin Burn Ltd. 4 1/2% Debentures	98,647	11,872	88,831	11,026	161	3-60	(i) 2,322	(a) 2,400	11 T	10	10
Upper Ganges Valley	Martin Burn Ltd.	11,902	1,943	11,960	2,076	57	3-58	284	287	10	12 1/2	9 1/2
Upper Jumna Valley	Martin Burn Ltd.	22,675	3,185	18,715	2,974	60	3-60	339	390	13 1/2 T	12 1/2	12 1/2
Vellore Elec. Corp.	Chandrie & Co. Private 6% C. P.	106,03	9,24	87,02	7,68	37	3-56	2,77	1,95	10 6	10 6	10 6
West Coast Elec.	Chandrie & Co. Private 5 1/2% C. P.	116,22	10,92	120,77	11,89	58	3-53	2,60	2,51	10 5 1/2	10 5 1/2	10 5 1/2

(a) After transferring Rs 60,000 from Deferred Taxation Reserve.
(b) After transferring Rs 170,887 from Tariffs and Dividend Control Reserve.
(c) After transferring Rs 180,000 from Deferred Taxation Reserve.
(d) After transferring Rs 80,000 from Deferred Taxation Reserve and Rs 50,826 from Tariff and Dividend Control Reserve.
(e) After transferring Rs 190,000 from Deferred Taxation Reserve.
(f) After transferring Rs 80,146 from Deferred Taxation Reserve and Rs 80,923 from Tariff and Dividend Control Reserve.
(g) After writing back Rs 44,000 from Deferred Income Taxation Reserve.
(h) After transferring Rs 30,000 from Deferred Taxation Reserve and Rs 55,000 from Tariff and Dividend Control Reserve.
(i) After transferring Rs 294,224 from Tariffs and Dividend Control Reserve and Rs 180,000 from Deferred Taxation Reserve.
(j) After transferring Rs 173,600 from Tariff and Dividend Control Reserve.
(k) After transferring Rs 75,000 from General Reserve and Rs 10,000 from Tariff and Dividend Control Reserve.
(l) After transferring Rs 482,716 from General Reserve.
(m) After transferring Rs 1,482,880 from General Reserve.
(n) After writing back Rs 177,005 from excess provision in previous years and transferring Rs 10,714 from General Reserve.
(o) After transferring Rs 181,886 from Tariffs and Dividend Control Reserve and Rs 80,000 from excess provision.
(p) After transferring Rs 72,000 from Reserve for Tariffs and Dividend Control.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	July 1961 Rs. np.	July 1960 Rs. np.			General Rs. 000	Other Rs. 000	Carry Forward Rs. 000				Investments Rs. 000	Stocks and Stores Rs. 000	Outstandings Rs. 000	Cash Rs. 000	Others Rs. 000
Dishergarh Power ...	95 00	67 60	100	4,320	2,250	189	439	2,651	10,125	3,805	3,765	930	1,190	419	24
5% A.C.P. ...	69 00	78 50	100	1,600											
4 1/2% B.C.P. ...	69 20	75 00	100	1,200											
Ellore Electric Supply ...	20 00	10 35	10	300		37	4	2.33	6.26	1.73	18	75	61	67	1
Gouarpore Electric Supply ...			100	5,000	1,400	1,324	31	4,543	17,713	5,981	423	1,609	1,583	51	
4% Debenture ...			1000	2,500											
Gudivada Electric Supply ...			100	118		3	3	1.03	2.01	62	6	23	38	18	
Jhansi Electric Supply ...	5 92	6 62	10	535		29	3	9.71	21.44	9.16	5	2.98	4.18	25	
6% Debentures ...			1000	380											
Korhat Electric Supply ...			10	250		8	—17	1.48	5.88	2.44		32	82	17	1
6% Cum Preference ...			100	50											
6% Debenture ...				35											
Kabulpore Electric Supply ...	11 50	13 31	10	2,250	1,340	1,363	30	4,110	10,732	4,042	281	626	795	319	303
Kanadukathan ...			500	500		1	10	2.14	8.92	4.35	57	81	62	11	56
Karaikkal Electric Supply ...	9 05	9 75	10	210		58	22	374	588	178		116	110	29	
Kumbakonam Elec. Supply ...	10 50	10 15	10	1,500	75	533	2	2,168	5,182	1,672	85	414	331	187	
1% Cum. Pref. ...	9 00	9 60	10	250											
Mangalore Electric Supply ...			10	560	28	3.09	57	5.49	20.16	8.99	56	1.92	1.35	1.41	
5% Debentures ...			500	137											
Mirzapur Electric Supply ...	6 50	7 00	9	495	125	99	39	386	1,310	640	29	231	133	80	
Muzaffarpore Elec. Supply ...	10 00	10 00	10	582	183	210	9	2,402	3,633	1,233	28	368	365	135	90
Nutra Electric Supply ...	11 37	10 00	10	700	9	99	22	988	1,784	783	126	250	300	137	
Nadiad ...	54 00	54 00	50	250		359		414	1,345	332	14	91	1.23	86	26
6% C. P. ...	39 00	39 00	50	350											
Nasik Deolali ...	105 00	105 00	100	1,168		1,000	1	1,424	4,237	1,460	222	394	286	348	28
7% Cum Pref. ...	91 50	91 50	100	100											
6% Debenture ...				1,000											
Nagapattam Electric Supply ...	9 30	8 75	10	498		198	1	440	1,534	576	54	143	174	108	
5% C. P. ...	9 00	9 50	10	100											
4 1/2% Debentures ...			100	200											
Patna Electric Supply ...	10 81	10 37	10	3,507	2,605	1,440	79	4,628	14,185	5,606	439	2,188	2,367	527	
5% Debentures ...			500	2,000											
Poona Electric ...	95 00	112 10	100	4,889		1,257	4	7,598	15,773	6,160	2,411	525	959	1,158	191
7% Cum Pref. ...	101 00	101 00	100	400											
6% Debentures ...				800											
Saharanpur ...			100	469		93	4	872	1,415	570	181	158	227	6	
Partly Paid ...			10	28											
Salem Erode Electricity ...	12 87	12 50	10	680	600	733	33	2,957	5,452	1,962	278	468	544	814	
6 1/2% R. C. P. ...	8 52	8 80	10	400											
Saugor Electric Supply ...			10	300	197	147	3	1,374	1,806	451	40	284	170	171	
Shahjahanpur Elec. Supply ...	6 25	6 87	10	910	165	52	37	636	1,120	545	154	398	535	124	14
Shillong Hydraulic ...		4 96	2	773	1.66	1.56	60	911	21.61	9.00	21	53	102	88	3,40
Partly Paid ...															
Sijua (Jheriah) Elec. supply ...	9 37	9 44	10	1,680	221	1,168	2	1,706	7,035	4,496	345	1,302	1,046	545	79
5% Debentures ...			1000	1,200											
South Arcot Electricity ...			100	1,674	1.10	88	15	36.27	53.94	13.65	3.19	5.57	2.91	1.01	6.15
6% Cum Preference ...			100	200											
5 1/2% Cum Preference ...			100	200											
South Madras Electric ...	10 15	10 00	10	7,000		1,989	3	7,042	20,638	6,768	291	1,903	2,160	2,309	
5 1/2% 1st Cum Preference ...	8 10	9 00	10	2,200											
5 1/2% 2nd Cum Preference ...	8 25	9 00	10	800											
6% Debentures ...			100	200											
5% Debentures ...			100	100											
5 1/2% Debentures ...			100	200											
Surat Electric Co. ...	90 00	88 50	100	6,062	454	1,880	5	3,835	14,351	4,680	375	1,231	1,049	340	72
5 1/2% Cum Preference ...	107 00	108 00	100	500											
Uda Hydro Electric ...	108 00	105 50	100	23,939	6,001	4,156	25	34,563	70,196	18,909	4,629	3,333	5,245	178	12,001
7% C. P. T. ...	152 00	103 00	100	8,928											
Tata Power Company ...	1050 00	1080 50	1000	51,536	11,290	14,796	33	65,981	171,629	39,366	4,291	10,807	13,469	349	27,900
7 1/2% C. P. T. ...	1050 00	1100 00	1000	8,697											
6% Debentures ...				11,746											
5% Debentures ...				25,000											
Tinnevely Tuticorin Elec. ...	11 80	12 50	10	970	438	329	30	2,040	4,550	1,733	267	600	386	234	
6% R. C. P. ...	8 67	9 10	10	450											
United Provinces Electric ...	122 00	128 00	100	5,600	2,580	5,277	85	18,912	40,886	14,567	1,382	3,173	3,188	1,360	33
4 1/2% Debentures ...			100	3,000											
Upper Ganges Valley ...		16 50	10	598	243	224	9	1,800	2,109	936	92	464	522	415	10
Upper Jumna Valley ...	16 00	18 19	10	500	515	646	37	4,392	5,232	1,225	153	370	690	868	2
Vellore Elec. Corporation ...	13 35	11 50	10	400	48	1,57	1,45	16,94	24,17	6,57	65	2,46	2,16	2,76	9
6% Cum Preference ...	6 28	6 75	10	125											
West Coast Electric ...	14 90	11 90	10	1,000		1,67	52	15,16	26,59	6,42	45	3,25	2,68	1,41	1,00
9 1/2% Cum Preference ...	6 15	6 50	10	250											

SOUTH INDIA

NAME	Managing Agents, Agents/Secretaries	CROP HARVESTED			Sales Ra. 000	Stocks Ra. 000	Managing Agents Commission Ra. 100	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tee	Coffee	Rubber					Latest	Previous	Latest	Previous	2nd Pay. view
		000 lbs.	000 Cwts.	000 lbs.					Ra. 000	Ra. 000	Latest	Previous	2nd Pay. view
Alageswar	Ramani & Co. Directors	7	...	...	782	42	9	6-60	100	116	71	71	10
Amalgamated Coffee	6% Cum. Pref. 5 1/2% Debentures	...	...	...	1,214	1,092	...	3-60	316	291	10 1/2	7 1/2	6
Anandam	A. V. George & Co. 7% C. P.	288	...	112	613	69	13	12-59	145	106	15 1/2	10	13
Anapalai	6% Debentures Associated Planters Private	...	...	9	1,663	1,400	43	6-60	432	620	20 1/2	25	35
Arthala	6% Debentures R. N. Kapur & Co. Ltd.	2,86	...	...	4,35	76	...	3-59	40	14	nil	nil	nil
Athimattam	6% C. P. M. Sebastian	...	...	62	89	3	...	2-56	34	24	5	3 1/2	3 1/2
Bababudin	A.V. Thomas & Co. (Mysore) 6% C. P.	...	2	...	411	...	8	6-60	59	132	8 1/2	12 1/2	25
Bedra	Young India Agencies Private 7 1/2% C. P.	...	...	...	594	378	14	5-60	146	164	15 1/2	17 1/2	17 1/2
Balanoor	Young India Agencies Private 7 1/2% C. P.	338	2	43	1,221	440	17	3-60	266	336	16 1/2	17 1/2	17 1/2
Belmadies	Planting Agencies Pri 6% C. P.	...	...	...	363	...	5	3-60	53	50	7 1/2	7 1/2	12 1/2
Be Be	Mg. Director 6 1/2% C. P. T.	...	...	360	610	27	...	3-59	152	168	5	6 1/2	6 1/2
Blue Mountain	6 1/2% R. C. P. T. Kothari & Sons Agencies Pri.	1,621	...	...	7,808	231	309	6-60	2,933	907	12 1/2	12 1/2	12 1/2
Chandramalai	Directors 7 1/2% Cum. Pref.	362	...	...	777	150	...	6-60	154	111	10 1/2	12	15
Chembra Peak	Peirce Leslie & Co. Ltd.	1,550	...	...	3,675	448	54	3-60	736	645	20 1/2	15	10
Cochin Malabar	Peirce Leslie & Co. Ltd. 7% C. P.	...	...	...	4,910	931	107	2-60	1,544	1,626	12 1/2	15	10
Coffee Lands	Consol Coffee Estates 5% C. P.	...	...	...	5,206	317	2	6-60	551	1,601	6 1/2	25	20
Consolidated Coffee	Mg. Director 6% C. P.	...	...	...	...	...	...	6-60	(h)3,141	4,710	26 1/2	25	20
Coonoor Tea	Matheson Bosanquet & Pvt. Co. 6% C. P.	350	...	...	946	144	10	9-59	241	259	20 1/2	20	20
Coorg Tea	Srinivas Agencies 6 1/2% R. C. P.	354	...	...	648	160	20	3-60	177	208	20 1/2	20	30
Cottanad Plantations	Associated Planters pri. 7 1/2% C. P. P.	150	...	43	560	229	18	3-60	114	112	10 1/2	15	15
Cowcoody	Peirce Leslie & Co.	...	...	...	...	...	13	6-60	185	126	25	25	65
Devashola	Mg. Director Young India Agencies Private	325	...	...	908	108	...	12-59	283	341	25 1/2	25	17 1/2
Devon	7 1/2% C. P.	302	1	...	766	197	5	3-60	97	110	15 1/2	15	17 1/2
Emerald Valley	Parkins Private Ltd.	128	...	...	262	64	8	12-58	75	38	6	6	10
Etal Rubber	Young India Agencies	...	...	83	131	51	7	12-59	68	59	9 1/2	6	6
Haileyburia	Parkins Private Ltd. 5% C. P.	1,722	...	...	2,705	807	48	12-59	(d)423	1,079	12 1/2	20	15
Highland	5 1/2% Debentures A. V. Thomas & Co.	1,271	...	111	2,544	237	56	12-58	557	472	15 1/2	7 1/2	20
Kadur	6% C. P. Young India Agencies Private	...	...	...	124	115	2	5-60	18	18	7 1/2	7 1/2	7 1/2
Kailas	6 1/2% C. P. A. V. George & Co.	...	...	999	1,662	171	65	2-60	637	588	22 1/2	20	25
Kalam	6% Debentures Peirce Leslie & Co.	507	...	...	1,045	121	20	3-60	281	270	20 1/2	15	12 1/2
Kalpetta	7% Debentures A. V. Thomas & Co.	292	...	267	939	227	15	4-60	180	202	12 1/2	12 1/2	10
Karimnagar Rubber	E. I. Agencies Private 6% Cum. Pref.	...	...	133	187	64	8	12-59	36	56	4 1/2	10	6
Kil Kotagiri	5% Debentures Peirce Leslie & Co.	890	47	...	2,609	313	68	10-59	897	949	35	15	15
Kannur	Peirce Leslie & Co. Ltd. 7 1/2% Debentures	...	...	...	789	...	20	10-60	273	220	20 T	26 T	20
Karshamala	Jee Oommen & Co. Pr. Ltd. 6 1/2% Cum. Pref.	241	115	...	531	118	15	3-60	150	204	nil	8	6 1/2
Lingspur	Peirce Leslie & Co. Ltd. Matheson Bosanquet & Co. Pri.	260	...	...	747	81	23	3-60	349	197	25 1/2	10	10
Malabar Agricultural Co.	Vimons Private Ltd. 6% C. P.	403	...	...	849	114	10	6-60	131	...	nil	nil	nil
Malabar Industrial	Mg. Director Johnson's Estates & Agencies	85	...	320	626	8	...	2-60	49	76	6	7 1/2	10
Manor	Vasanthi & Co. Private	135	...	...	1,145	96	37	3-60	483	519	15 1/2	16	17
Manimala	Ruby Industries Private 5% C. P.	...	...	...	121	118	10	3-60	97	9	10 1/2	5	12
Marsura	6% Debentures Associated Planters Private	...	...	260	431	164	12	6-60	120	128	20 T	20 T	20
Midland	A. V. Thomas & Co. Ltd. 6% C. P.	1,501	...	...	4,504	429	101	3-60	1,332	1,050	12 1/2	10	10

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NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	July 1961	July 1960			General	Others	Carry- forward				Invest- ments	Stocks & Stores	Out Standings	Cash	Others
	Ra. np.	Ra. np.													
Alageswar	2 98	2 45	2	600	530	68	9	606	1,668	421	71	112	219	164	...
Amalgamated Office	12 50	13 85	10	675	...	163	24	1,151	1,903	297	...	1,391	74	16	...
6% C. P.	7 00	6 90	10	600	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	500	475	...	...	...	...	...	...	...	...	...	...	...
Anandam	13 33	14 50	10	250	...	579	31	245	1,382	125	...	83	9	5	...
7% C. P.	7 81	7 81	10	250	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	100	123	...	...	...	...	...	...	...	...	...	...	...
Anapalai	3 95	4 75	2	1,208	228	...	34	2,602	2,059	233	259	1,452	852	66	...
6% Debentures	...	...	100	384	...	...	...	...	...	...	...	...	...	...	...
Arthala	4 00	4 00	5	300	...	11	119	1,360	992	148	723	115	49	11	10
6% C. P.	9 20	9 20	10	200	...	...	...	...	...	...	...	...	...	...	...
Athimattam	0 85	1 17	2	325	...	50	3	55	370	17	...	5	49	27	...
Bababuddin	8 00	9 00	5	400	100	86	2	168	730	106	74	336	14	8	...
6% C. P.	7 67	8 14	10	300	...	...	...	...	...	...	...	...	...	...	...
Bedra	3 60	3 97	2	425	300	100	26	424	856	93	12	392	158	99	...
7 1/2% C. P.	8 50	8 52	10	150	...	...	...	...	...	...	...	...	...	...	...
Balanoor	16 30	16 70xd	10	1,099	386	30	4	698	1,725	339	22	541	423	95	...
7 1/2% C. P.	10 30	10 30	10	250	...	...	...	...	...	...	...	...	...	...	...
Balmadies	2 35	2 50	2	300	150	85	1	94	424	50	34	9	138	118	...
6% C. P.	8 38	8 80	10	75	...	...	...	...	...	...	...	...	...	...	...
Be Be	2 70	3 50	5	866	...	336	1	225	1,336	...	268	52	30	20	150
6 1/2% C. P. T.	2 35	2 76	5	143	...	...	...	...	...	...	...	...	...	...	...
6 1/2% R. C. P. T.	5 71	6 02	10	286	...	...	...	...	...	...	...	...	...	...	...
Blue Mountain	3 10	5 22	2	5,250	1,850	1,091	284	3,411	7,901	1,366	18	475	2,489	2,386	...
Chandramalai	2 75	3 00	2	550	500	9	19	344	1,646	340	...	146	73	34	...
7 1/2% C. P.	1 88	2 00	2	137	...	...	...	...	...	...	...	...	...	...	...
Chembra Peak	3 90	5 50	2	933	1,550	37	139	680	2,633	816	1	623	165	104	...
Cochin Malabar	7 30	8 43	3	2,691	1,800	...	22	1,674	5,249	817	...	1,303	400	158	...
7% C. P.	51 25	52 50	50	113	...	...	...	...	...	...	...	...	...	...	...
Coffee Lands	18 25	26 00	10	2,258	2,850	261	92	1,774	5,364	1,319	118	789	2,732	583	...
5% C. P.	74 78	76 50	1	1,041	...	...	...	...	...	...	...	...	...	...	...
Consolidated Coffee	21 15	26 70	10	7,155	6,025	606	61	5,738	15,860	4,090	598	1,420	7,499	372	...
6% C. P.	21 96	25 50	23	1,873	...	...	...	...	...	...	...	...	...	...	...
Coonoor Tea	28 12	27 75	10	378	335	946	29	403	2,163	164	3	199	19	21	...
6% C. P.	83 14	91 75	100	150	...	...	...	...	...	...	...	...	...	...	...
Coorg Tea	5 42	5 50	2	480	...	478	3	259	1,248	212	1	240	51	140	...
6 1/2% R. P.	4 40	4 72	5	250	...	...	...	...	...	...	...	...	...	...	...
Cottanad Plantation	10 40	13 25	10	400	45	487	1	429	1,369	75	1	263	79	27	...
7 1/2% C. P. P.	10 12	10 80	10	100	...	...	...	...	...	...	...	...	...	...	...
Cowcoody	4 65	5 85	2	409	200	...	28	273	312	77	15	223	8	427	...
Devashola	30 25	31 50	10	600	455	27	1	283	1,226	338	131	124	16	204	...
Devon	14 50	14 65	10	449	255	71	4	348	1,081	229	10	248	142	76	...
7 1/2% C. P.	95 00	95 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Emerald Valley	6 00	5 95	5	350	125	8	3	97	369	60	...	87	12	175	...
Gokul Rubber	1 88	1 93	2	450	20	...	1	101	380	16	115	54	41	57	...
Haileyburia	14 70	15 50	10	2,500	850	928	2	1,530	5,208	926	4	1,184	476	340	...
5% C. P.	72 50	72 50	100	250	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	1000	230	...	...	...	...	...	...	...	...	...	...	...
Highland	14 00	15 50	10	1,800	481	518	21	678	3,013	640	416	401	219	389	...
6% C. P.	7 43xd	8 45	10	300	...	...	...	...	...	...	...	...	...	...	...
Kadur	2 85	2 84	2	120	35	14	2	102	165	5	...	124	10	29	...
6 1/2% C. P.	6 50	6 15	10	50	...	...	...	...	...	...	...	...	...	...	...
Kalais	5 45	5 57	2	1,185	578	500	27	774	2,090	288	18	214	5	525	...
6% Debentures	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Kalais	5 00	4 55	2	608	650	116	48	237	1,488	334	...	253	51	460	...
6% Debentures	...	...	500	218	...	...	...	...	...	...	...	...	...	...	...
Kaipetta	12 30	12 45	10	800	638	266	1	371	1,797	349	22	335	95	177	...
Karikode Rubber	8 22	9 45	10	200	...	125	2	103	539	31	15	70	19	23	...
5% Cum. Pref.	6 99	7 20	10	150	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	55	...	...	...	...	...	...	...	...	...	...	...
Kil Kotagiri	4 70	5 55	2	859	1,425	470	28	868	3,275	465	...	599	30	479	...
6% C. P.	8 37	9 10xd	10	250	...	...	...	...	...	...	...	...	...	...	...
Konnerode	4 55	5 50	2	400	375	...	15	235	982	185	...	144	5	141	...
7 1/2% Debentures	...	...	500	94	...	...	...	...	...	...	...	...	...	...	...
Kurchemala	4 87	8 60	10	345	510	...	...	...	1,144	98	1	134	36	18	...
6 1/2% Cum Pref.	5 88	6 50	10	130	...	...	...	...	...	...	...	...	...	...	...
Lingsapur	5 00	6 86	2	426	300	507	69	492	530	43	222	645	10	431	...
Lucky Valley Tea	11 90	12 00	10	500	70	1	36	386	928	61	...	104	21	1	...
Malabar Agricultural Co.	7 30	7 30	10	500	50	50	11	1 105	2,280	240	1	127	44	4	...
6% C. P.	16 56	16 56	20	500	...	...	...	...	...	...	...	...	...	...	...
Malabar Industrial	11 58	12 35	10	450	61	92	1	387	738	52	45	33	197	29	...
Malankara	17 75	20 25	10	1,350	173	512	10	515	2,139	408	...	165	8	456	...
Mannar	2 63	2 69	2	350	10	17	18	83	343	22	6	120	5	26	...
Manimala	8 75	8 75	10	400	...	...	...	...	775	7	...	5	...	6	8
5% C. P.	9 00	9 00	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	100	...	...	...	...	...	...	...	...	...	...	...
Marsura Rubber	8 20	9 05	5	325	250	...	10	221	758	...	...	197	53	48	...
6% Preference	7 10	7 65	10	250	...	...	...	...	...	...	...	...	...	...	...
Midlands	11 65	12 45	10	4,050	310	1,311	66	1,998	9,079	1,184	189	964	290	177	...
6% C. P.	7 40	8 30	10	1,720	...	...	...	...	...	...	...	...	...	...	...

PLANTINGS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital Rs. 000	RESERVE & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities Rs. 000	Gross Block Rs. 000	Depreciation Rs. 000	LIQUID ASSETS				
	July 1961 Rs. np.	July 1960 Rs. np.			General	Other	Carry- forward Rs. 000				Invest- ments Rs. 000	Stocks & Shares Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Other
	Rs. np.	Rs. np.			Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Milamalai	38 25	42 00	25	300	...	623	1	192	1,248	289	77	129	119	131	...
14% C. P.	24 75	26 25	25	300	...	...	...	...	...	...	...	...	...	...	...
Mysoore Amalgamated	5 90	6 25	5	225	40	...	1	159	337	31	...	196	27	13	...
6% C. P.	6 25	7 00	10	117	...	...	...	...	...	...	...	...	...	...	...
Mysoore Coffee	5 45	5 40	2	600	100	150	18	978	1,207	114	...	166	550	36	...
Mysoore Plantations	2 06	2 05	2	500	95	50	17	492	1,140	166	...	138	132	26	...
6% C. P.	7 00	7 00	10	250	...	...	...	...	...	...	...	...	...	...	...
Neelamalai	4 10	5 00	5	3,600	875	1,305	5	1,769	8,196	1,403	55	1,129	911	468	...
5% C. P.	6 10	7 08	10	1,800	...	...	...	...	...	...	...	...	...	...	...
Nellampathy	2 48	2 77	2	1,200	503	204	...	672	2,624	536	7	408	178	347	...
6% C. P.	7 28	8 10	10	450	...	...	...	...	...	...	...	...	...	...	...
Nellithanam	12 05	12 05	10	190	279	...	94	114	497	121	21	21	64	12	...
7% C. P.	...	...	10	10	...	...	...	...	...	...	...	...	...	...	...
Nonmeny	19 60	18 95cd	11	335	408	5	46	495	1,632	276	...	207	14	12	...
7% C. P.	9 35cd	9 21cd	11	300	...	...	...	...	...	...	...	...	...	...	...
New Glen Morgan	...	...	2	650	2,00	3,02	4	3,48	11,68	1,30	82	1,09	1,51	1,11	...
Nilambur	15 20	19 25	10	200	120	359	3	184	797	56	...	39	31	356	...
6% C. P.	6 55cd	6 90	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	100	...	...	...	...	...	...	...	...	...	...	...
Nilgiri Tea	8 90	7 50	10	1,406	70	675	27	516	3,987	633	9	355	109	90	...
64% C. P.	3 80	4 25	5	281	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	500	1,000	...	...	...	...	...	...	...	...	...	...	...
Nonsuch Tea	28 20	28 15	10	2,310	...	1,213	13	1,468	3,395	356	449	668	95	753	...
Ossoor	2 60	3 50	2	650	500	71	42	377	775	67	95	314	44	480	...
5% Debentures	...	...	...	400	...	...	...	...	...	...	...	...	...	...	...
Ochterlooy	3 65	5 10	2	1,946	1,040	1,243	3	771	4,892	1,666	...	1,115	64	598	...
Panchura	5 80	4 55	1	150	130	2	68	271	294	26	128	146	94	4	...
Parkside	29 50	27 87	10	1,354	450	1,197	50	1,095	3,158	472	...	406	119	936	...
Peermade	22 70	23 50	10	1,700	200	958	37	1,471	4,352	1,592	69	875	198	602	22
6% C. P.	87 50	92 50	100	150	...	...	...	...	...	...	...	...	...	...	...
Peninsular	20 00	21 35	2	600	300	36	109	457	868	78	187	200	16	304	...

(h) Includes Rs 467,286 being Refund of Tax. (j) After transferring Rs 20,000 from Dividend Equalisation Reserve. (m) After transferring Rs 50,000 from General Reserve.

ENGINEERING COMPANIES

NAME	Managing Agents/ Agents/Secretaries	Year Ended	New Profit		Dividend %		Market Quotation as on Last Day of		Paid-up Capital	Reserves including Latest Allocation		Gross Block	Depreciation	Investments		Liquid Assets																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																
			Latest	Previous Period	Latest	Previous	Second Previous	July 1961		July 1960	Rs. p.			Rs. p.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Other Rs. 000																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
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GILDED SECURITIES

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 31-7-61	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 31-7-61	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 31-7-61
GOVERNMENT OF INDIA LOANS						MADHYA PRADESH						MUNICIPAL LOAN					
Rupee Loans						BOMBAY MUNICIPAL LOAN											
NON-TERMINABLE LOANS																	
8,93,34,000	3	1896-97	3 Months' notice	30-6/31-12	72-20	2,01,28,000	3	1948	1964	1-3/1-9	96-60	25,00,000	5	1928	1958	1-1/1-7	
						1,02,18,100	3 1/2	1951	1962	17-3/17-9	99-75	26,21,000	5	1929	1959	1-2/1-8	
						1,02,18,100	4	1953	1963	15-1/15-7	99-80	17,97,000	3	1950	1960	1-6/1-12	
						1,50,00,000	4	1955	1967	1-3/1-9	97-75	110,00,000	4	...	1963	1-3/1-9	
						1,50,00,000	4	1956	1968	3-3/3-9	99-50	215,00,000	4	...	1964	1-3/1-9	
						2,00,00,000	4 1/2	1958	1970	15-1/15-7	101-05	244,14,500	4	...	1964	1-3/1-9	
							4	1959	1971	19-5/19-2	97-55	200,00,000	3 1/2	1950	1965	15-2/15-8	95-00
							4	1960	1969	28-2/29-8	98-40	10,00,000	3 1/2	1951	1965	16-2/16-8	
TERMINABLE LOANS						UTTAR PRADESH											
37,00,69,000	2 1/2	1946	1961	1-2/1-8	99-50	2,20,93,600	2 1/2	1946	1961-66	1-3/1-9	99-45	9,00,000	3 1/2	1936	1966	14-3/14-9	
40,55,07,000	2 1/2	1946	1960	15-1/15-7	99-75	1,57,42,600	3	1936	1961-66	15-3/15-9	92-10	175,34,000	3 1/2	1951	1966	3-4/3-10	
78,86,72,000	2 1/2	1947-48	1962	15-5/15-11	99-05	1,94,11,700	3 1/2	1951	1962	17-3/17-9	100-00	33,00,000	3 1/2	1952	1966	3-4/3-10	
18,77,48,000	2 1/2	1946	1976	16-3/16-9	83-45	5,45,15,500	3 1/2	1953	1963	15-1/15-7	100-00	90,00,000	3 1/2	1952	1966	16-2/16-8	
118,17,46,000	3	1938	1963-65	1-6/1-12	98-85	6,11,45,200	4	1952	1964	1-2/1-8	100-04	24,50,000	3 1/2	1936-37	1967	1-2/1-8	
30,33,10,000	3	1950	1964	15-6/15-12	98-85	8,58,00,000	4	1955	1967	1-3/1-9	99-00	69,00,000	4	...	1967	1-3/1-9	
118,11,78,000	3	1943	1966-68	1-4/1-10	96-38	7,00,00,000	4 1/2	1958	1970	15-1/15-7	101-10	30,00,000	3	1938	1968	14-3/14-9	
115,05,83,000	3	1945	1970-75	15-4/15-10	91-30	...	4	1956	1968	3-3/3-9	99-10	30,00,000	3	1939	1969	1-3/1-9	
248,91,37,000	3 1/2	1946	1986	16-3/16-9	71-90	...	4	1958	1970	15-1/15-7	101-10	64,00,000	3	1940	1970	1-3/1-9	
87,27,36,000	3 1/2	1956	1962	16-1/16-7	99-85	...	4	1959	1971	19-1/19-8	98-60	48,00,000	3 1/2	1940-41	1971	1-3/1-9	
75,29,00,000	3 1/2	1953	1961	1-6/1-12	99-95	...	4	1960	1969	28-2/29-8	98-75	25,00,000	3 1/2	1941-42	1972	1-3/1-9	
58,54,92,000	3 1/2	1958	1963	12-5/12-11	100-00							135,00,000	4	...	1973	1-3/1-9	
194,17,90,000	3 1/2	1954	1964	19-4/19-10	99-97							20,00,000	4	1943-44	1974	1-3/1-9	
103,67,92,000	3 1/2	1955	1965	1-1/1-7	99-88							20,60,000	4	1913-15	1974	1-6/1-12	
63,81,83,000	3 1/2	1956	1967	16-1/16-7	99-13	3,81,77,200	2 1/2	1946	1961	1-3/1-9	99-50	22,00,000	3 1/2	1944-45	1975	1-3/1-9	
30,00,00,000	3 1/2	1958	1968	26-2/26-8	98-73	5,01,49,800	3 1/2	1951	1962	17-3/17-9	100-00	25,00,000	3 1/2	1945-46	1976	1-3/1-9	
1,37,90,98,000	3 1/2	1959	1969	1-1/1-7	98-43	1,03,309,100	4	1953	1963	15-1/15-7	100-05	54,00,000	3	1947-48	1977	1-3/1-9	
66,63,54,000	3 1/2	1956	1974	16-1/16-7	99-73	5,24,81,200	4	1952	1964	1-2/1-8	99-85	75,00,000	3 1/2	1947	1977	1-2/1-8	85-50
56,99,30,000	3 1/2	1957	1967	1-2/1-8	100-40	7,08,08,000	4	1965	1967	1-3/1-9	98-50	61,00,000	3	1949	1979	1-3/1-9	
34,33,89,000	3 1/2	1958	1968	12-5/12-11	100-30	12,58,00,000	4	1956	1968	3-3/3-9	99-00	88,14,500	3 1/2	1949	1979	15-3/15-9	86-00
49,17,27,000	4	1957	1972	1-2/1-8	100-40	5,00,00,000	4 1/2	1958	1970	15-1/15-7	101-05	10,00,000	5	1950	1980	1-5/1-11	
49,51,44,000	4	1958	1973	12-5/12-11	100-35	...	4	...	...	...	97-90	80,00,000	3 1/2	1950-51	1980	1-5/1-11	
86,06,33,000	4	1959	1979	1-1/1-7	100-80												
...	4	1960	1980	18-1/18-7	99-95												
STATE GOVERNMENT LOANS						MADRAS						CALCUTTA MUNICIPAL LOANS					
WEST BENGAL						MYSORE GOVERNMENT											
1,75,00,000	3 1/2	1951	1962	17-3/17-9	98-25N	5,99,72,900	3	1936	1956-61	20-10/20-4	...	10,00,000	5 1/2	1932	1962	1-4/1-10	103-23
3,60,23,300	4	1953	1963	15-1/15-7	99-95	2,95,85,200	4	1933	1953-63	1-6/1-12	100-50	33,91,000	3 1/2	1935	1965	1-1/1-7	97-251
2,00,00,000	4	1952	1964	1-2/1-8	99-90	3,33,47,200	4	1933	1963	15-1/15-7	99-80	60,00,000	3	1936	1966	1-4/1-10	90-251
7,00,00,000	4	1955	1967	1-3/1-9	98-60	3,25,80,000	4	1955	1967	1-3/1-9	100-40	47,50,000	3	1938	1968	1-6/1-12	89-50
7,00,00,000	4	1956	1968	3-3/3-9	99-50	4,10,00,000	4	1956	1968	3-3/3-9	98-45	17,64,400	3 1/2	1942	1972	1-4/1-10	96-50
5,00,00,000	4 1/2	1958	1970	15-1/15-7	101-05	3,00,00,000	4 1/2	1957	1969	16-3/16-9	101-00	21,10,000	3 1/2	1951	1960	1-2/1-8	98-25
2,69,69,400	4	1959	1971	19-8/19-2	99-00	5,00,00,000	4 1/2	1958	1970	15-1/15-7	101-05	15,49,000	3 1/2	1951	1961	1-2/1-8	98-00
7,00,00,000	4	1959	1969	28-2/29-8	99-25	...	4	...	...	...	98-00	6,35,000	3 1/2	1951	1966	1-4/1-10	99-50
BOMBAY						KERALA GOVERNMENT											
5,63,12,200	3	1949	1962	1-2/1-8	99-15	30,00,000	3 1/2	1937	1956-61	1-6/1-12	...	72,50,000	4 1/2	1952	1962	1-5/1-11	98-50
2,97,86,380	3 1/2	1951	1962	17-9/17-3	99-15	...	4	1953	1963	15-1/15-7	98-90	87,36,000	4 1/2	1954	1979	1-3/1-9	101-31
5,50,35,400	4	1953	1963	15-1/15-7	99-75	...	4	1956	1966	3-3/3-9	98-00	2,22,71,000	4 1/2	1955	1985	1-6/1-12	95-...
3,61,30,900	4	1952	1964	1-2/1-8	98-85	...	4	...	...	...	97-75	1,67,32,000	4 1/2	1958	1970	1-7/1-1	100-51
9,00,00,000	4	1955	1967	1-3/1-9	...	...	4	...	...	...	...	1,80,36,000	4 1/2	1958	1968	1-9/1-3	100-51
7,50,00,000	4	1956	1970	3-3/3-9	99-50N	...	4	...	...	...	...						
6,58,12,500	4	1958	1971	19-8/19-2	...	...	4	...	...	...	...						
6,00,00,000	4 1/2	1957	1969	16-3/16-9	...	...	4	...	...	...	...						
18,00,00,000	4 1/2	1958	1970	15-1/15-7	101-20	...	4	...	...	...	...						
10,00,00,000	4 1/2	1958	1970	15-1/15-7	...	...	4	...	...	...	...						

Calcutta Stock Exchange

PRICE TRENDS DURING JULY, 1961

	1st	3rd	4th	5th	6th	7th	10th	11th	12th	13th	14th	17th	18th	19th	20th	21st	24th	25th	26th	27th	28th	29
Indian Iron	27.82	27.72	27.88	27.90	28.44	28.17	27.77	27.66	27.77	27.84	27.84	27.90	28.08	27.84	28.04	27.92	27.70	27.46	26.78	27.02	26.98	26.7
TEKMACO	20.15	20.18	20.28	20.30	19.80	19.65	19.65	19.70	19.60	19.45	19.60	19.50	19.87	19.90	19.10	19.20	18.90	19.70	18.40	18.50	18.30	18
Orient Paper	34.30	34.30	34.70	34.60	35.20	35.10	35.00	35.00	35.80	36.10	35.70	36.50	36.98	36.88	35.75	35.50	35.15	34.90	35.00	34.90	34.85	34
Shree Gopal	26.62	26.62	26.37	26.90	26.00	26.00	26.75	26.50	26.50	26.60	26.50	26.50	26.62	26.50	26.62	26.37	25.00	25.12	24.87	25.00	24.62	24
Rohtas	19.44	19.62	19.87	19.66	20.50	19.84	19.75	19.87	19.66	19.75	19.69	19.75	19.81	19.69	19.66	19.44	19.37	19.26	19.00	19.12	19.09	19
Dunlop	51.44	51.69	52.50	53.25	53.87	52.81	52.00	53.87	52.31	52.12	52.75	53.00	53.06	52.75	52.25	52.00	51.50	50.87	50.62	50.87	50.50	50
Hindustan Motor	22.44	22.37	22.66	22.26	23.19	22.91	22.56	22.31	22.44	22.50	22.25	22.56	22.62	22.44	22.31	22.19	21.84	21.75	21.37	21.69	21.62	21
Indian Cable	37.69	37.81	38.12	37.62	38.91	37.87	37.69	37.87	37.31	37.50	37.37	37.94	37.75	37.37	37.87	37.12	36.75	36.62	36.06	36.37	36.12	36
Indian Aluminium	33.62	33.50	33.81	34.56	34.87	34.44	34.31	34.56	34.19	35.72	34.69	35.00	35.84	35.44	35.50	35.06	34.87	34.75	34.25	34.44	34.31	34
Indian Copper	5.73	5.80	5.74	5.69	5.65	5.78	5.75	5.81	5.59	5.62	5.56	5.64	5.68	5.63	5.65	5.58	5.50	5.43	5.36	5.33	5.28	5
Howrah	20.50	20.50	20.87	20.75	20.75	20.56	20.75	20.37	20.37	20.37	20.37	20.56	20.25	20.37	20.37	20.37	20.06	19.87	19.75	19.80	19.50	19
Burrakin Coal	20.12	20.12	20.19	20.19	20.44	20.25	20.25	20.19	20.31	20.31	20.26	20.12	20.12	20.19	20.19	19.87	19.81	19.62	19.56	19.62	19.50	19
Bengal	385.00	390.00				398.00										390.00					390.00	385
New Central	19.44	19.62	20.69	20.25	20.12	20.31	20.12		19.94	20.06	20.26	20.06	19.92	19.50	19.12	18.87	19.00	18.87	18.37	18.50	18.50	18
Brooke Bond						16.44	16.63	16.80	16.62		17.19					17.19						17
Jay Shree		23.75	24.08		28.87					24.12	24.62		24.62	24.81			24.94					24.81
Carow Sugar	13.50	13.31	13.50			18.37	18.81	18.28	13.19			18.19	18.06	18.06		12.94	12.94				13.37	14.37
Jessop				20.31	20.87	20.44	20.56	20.99	20.62	20.56	20.56	20.87	21.00	20.61	20.94	20.94			19.69	19.61	19.61	19
J. K. Steel	38.06	38.12	34.87	34.80	35.50	35.31	35.37	35.00	34.50	34.26	35.96	34.87		35.37	40.00	38.62	39.25	40.00	38.50	38.87	38.75	38
I. Steamship	9.00	8.87	9.12	8.87	8.94		8.87	8.66	8.66	8.62	8.69		8.66	8.62	8.67	8.56	8.50	8.53	8.56	8.44	8.37	8
Alkali Chemical		37.25	37.62		36.25			38.94	39.12	39.62		40.37	40.00		39.87	40.06	40.12	40.00	40.12	40.00	39.87	39
Kesoram	35.12	35.75			36.87	37.00	36.44	37.81	37.44	37.65		37.37	37.62			37.12	30.00	30.78	30.62			
P. K. Rayon	19.12	19.06	19.75	20.00	20.62	20.06	20.12	21.25	20.56	21.31	21.19	20.69		21.06	20.62	20.44	19.94	19.75	19.62	19.47	19.61	19
Punjab National	22.62	22.30	22.62	22.76		22.87				22.00	26.62	24.00	23.87				23.50	23.75	23.67	23.87	24.00	24
United Commercial	91.00	90.50			91.00		91.00				91.37	91.50			91.50		90.75		91.50			9
1996 Loan						72.66	73.00	72.66		72.75					72.22	72.26					71.90	

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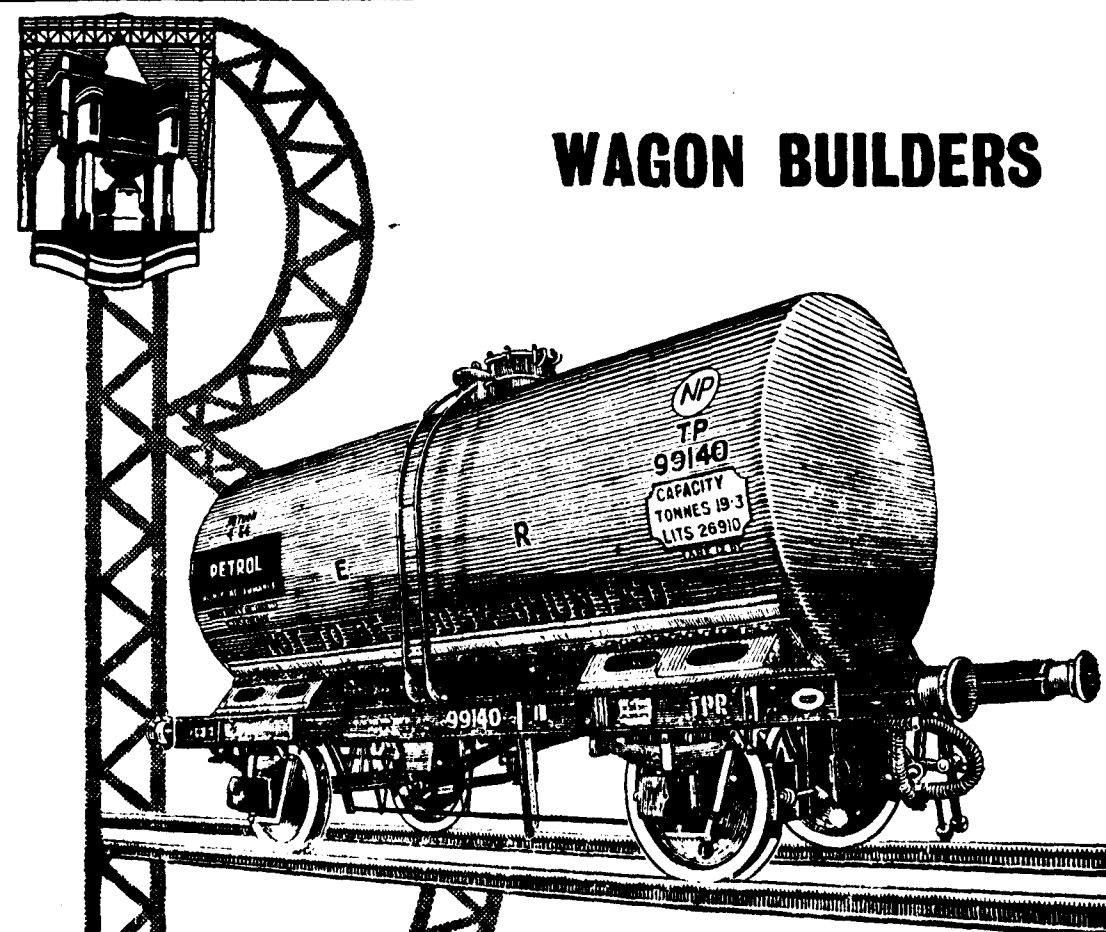
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A Formal Welcome

WELCOME to the Third Plan presented early this week to Parliament has necessarily to be a formality. The subject has been discussed to near-inanition in the thirteen months since the draft outline was made public and the changes that circumstances and second thoughts have forced on the planners have been diligently plotted over the year. Elsewhere in this issue will be found a synoptic view of the Plan as it has finally emerged and a discussion of some of the important changes that have been incorporated in the final version of the Plan. In the coming weeks, we shall be returning to specific questions raised by the programmes and strategy outlined. Meantime certain general considerations may be restated.

The basic fact about the Indian economy that needs to be constantly remembered is that the decisive blow on Indian poverty is still to be dealt. To say this is not to denigrate the efforts of a decade of planning but to recall the real dimensions of our tasks. As the first chapter of the Plan, attributed to Mr Nehru's draftsmanship, puts it, the ideal of a good life for the masses of our people is still in the realm of desirable things. What has been achieved so far and what is planned for in the next five or even fifteen years are but manifold efforts at making the first tentative challenges. The aim of the Third Plan is the modest one of increasing the national income at the rate of 5 per cent per annum and the expectations in terms of per capita income are even less ambitious. The strategy to be adopted in achieving this aim has clarified itself by trial and error during the first and second plans. One of the most refreshing things about the plan is the ready admission of the mistakes of the past and though it cannot be said that the lessons learnt have been fully digested, the Third Plan shows a livelier awareness of the complexities and inter-relatedness of the various aspects of developmental effort than the earlier essays in planning did. This has tended to give it a certain inconclusiveness and a sense of loose-ends not having been gathered and neatly tied up. This has been deplored in totally different quarters for totally different reasons. But the tentativeness of the Plan in some of the most crucial points is its virtue rather than its defect. Much unkind fun has been made of the two sets of targets—a physical programme for Rs 8,000 crores and a financial expectation of only Rs 7,500 crores. But the Plan's explanation of this admittedly ambiguous situation can be rejected only by those who prefer a neat model to a clearer indication of the ambiguities of the situations. It would have been repeating the mistakes of the second plan and also plainly disingenuous, if these doubts had been concealed behind bland assumptions one way or the other.

The most crucial tangible uncertainty is, of course, over the resources available for the plan. This has been admitted by the Plan. Paradoxically, the one expectation over which we are supposed to have the least control, has been the only one about which anything can be said with a fair degree of certainty. We

refer to the expectations of foreign aid for the Plan. This gives rise to several thoughts at once, some of them not very flattering to our self-esteem. The expectations of domestic savings are the subject matter of the widest range of guesses. On the eve of the finalisation of the Third Plan, studies of domestic savings gave an optimistic picture of potentialities, but such studies, including that by the NCAER are admittedly based on several assumptions that are not easily verifiable. Even supposing that these estimates are correct, the assumption that all these savings will be available for the plan may be misplaced. The second plan's experience has been particularly painful. Against an expectation of surplus from taxes at 1955-56 rates for plan purposes of the order of Rs 350 crores, there was an actual deficit of Rs 50 crores. And though the gigantic tax effort demanded in the name of the plan was over-fulfilled (Rs 1052 crores against an expectation of Rs 450 crores and an uncovered gap of Rs 400 crores), the nibbling by non-plan expenditure on it has made government come perilously near bad faith. The Third Plan has programmed for large surpluses from current revenue (Rs 550 crores) and additional taxation and additional surpluses from state undertakings (Rs 1,710 crores). The details of these hopes are either sketchy or non-existent. Beyond general deductions from rates of possible savings and buoyancy in current revenue, there is little else to go on. And the most crucial objection to these projections of public sector expectations is that it is blandly assumed that the private sector has no need of part of the additional savings estimated and could be left to its own devices. It is a serious weakness in a plan that embraces, on principle, the whole economy, that it figuratively washes its hands off when it comes to matters for which it has no direct responsibility.

Three things, can be desiderated as essential for the success of the Third Plan. First among these is the pursuit of a rational price policy. There is every danger, with the gradual erosion of the cushions of import surplus and other aids to hold prices, of the rewards of planning being set at naught by a general increase in prices. With shortage in raw materials and rise in its prices noted recently, cost inflation is a distinct danger. Secondly the success of the plan depends to a very great extent on our export performance. Though the targets of export earnings have been arithmetically put up in the plan, the measures to be adopted to realise them are still in a state of tentative formulation. And even when they are avowed, practice varies notably from profession. The element of cost which is crucial in any programme of export earnings, is yet to be grappled with seriously. The third important imponderable of the plan is the organisational and administrative adequacy of the country for the tasks that the plan will impose. As always, this aspect of the plan is least discussed, since it involves going into details. But if we are not careful, it may turn out that the plan is hopelessly ambitious, not in its financial and physical expectations, but in its human expectations.

"WITH
THE
WIND"

...entreated the Ancient Mariner, "we must sail with the wind, Mr. Tubophile, or else we'll be all at sea".

"That's exactly where we are, Sir Mariner", retorted Mr. Tubophile warmly, "all at sea. I am bound for the shores of Cathay and you have sailed me to the coast of Australia. Rabbits and Kangaroos! I'll not sail with the wind, for the wind or by the wind. In fact, I'll not sail at all...not in these wind guided, wind powered galleons of tubeless times—deuced uncomfortable, destination uncertain and quite unreliable with or without the wind. I'll brave the high seas again in my own well tubed times, when marine boilers with tubes supply sure power to luxury liners which reach the right destination—wind or no wind. Sir Mariner, full steam ahead now. Rabbits and Kangaroos! I mean all sails up".

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THE THIRD PLAN

Where It Differs from Draft Outline

WHEN Parliament discussed the Draft Outline of the Third Plan about this time last year, the complaint was heard that the word 'Socialism' nowhere found a place in all the 265 pages of the Outline. The same complaint cannot be raised against the final report on the Plan—incidentally this is three times the size of the Draft Outline with its 774 pages—which was presented to Parliament last Monday. The third section of the chapter on "Objectives and Development" is significantly titled "Progress Towards Socialism", and declares categorically: "It is a basic premise in India's Five Year Plans that, through democracy and widespread public participation, development along socialist lines will secure rapid economic growth and expansion of employment, reduction of disparities in income and wealth, prevention of concentration of economic power, and creation of the values and attitudes of a free and equal society. These are vital objectives."

If the foregoing constitutes a clarification of the objectives which was considered timely and necessary, the setting up of two targets—one for financial outlay and the other for the physical programmes included in the Plan—is a striking departure in the strategy of planning. In explanation of this double set of figures, which many who have tried to follow the course of planning found rather confusing, it is explained that the programme for development "should proceed in a connected manner in accordance with an approved scheme of priorities so that, as requisite foreign exchange and personnel become available, corresponding internal resources are also found and rapid progress is achieved." Moreover, past experience has shown that "if a Plan for a five-year period is prepared only in terms of the financial resources in sight at the time of the preparation of the Plan, the fullest use cannot be made of all the opportunities which present themselves in the course of the implementation of the Plan."

The Plan as it has finally emerged contains few departures from the estimates which were considered by the National Development Council last January and approved at the subsequent meeting of the Council which concluded on 1 June, 1961. The Plan envisages a total outlay, during the five-year period, of Rs 11,600 crores, of which Rs 7500 crores will be the outlay in the public sector, and Rs 4100 the investment expected in the private sector. The total outlay represents an increase of Rs 350 crores over the level indicated in the Draft Outline. This increase is made up of Rs 250 crores in public sector outlay and Rs 100 crores in private investment. The outlay in the public sector is made up of Rs 6300 crores investment (of which Rs 200 crores represent transfers to private sector) and Rs 1200 crores current outlays on salaries of staff, subsidies etc.

As compared with the Draft Outline, investment in the public sector shows an increase of Rs 100 crores and current outlays of Rs 150 crores. The limit for the programmes included in the Plan has been fixed at Rs 8,000 crores approximately (excluding inventories) of which the plans of the States account for Rs 3,847 crores, and of Union territories Rs 175 crores. The Plan has been drawn up on the basis that the physical programmes to be accepted for implementation over the five-year period should not be altogether limited by the financial resources in sight at the stage

of drawing up the Plan, although the outlays have necessarily to be regulated with reference to the resources actually mobilised from year to year. As indicated above, the financial limit on outlays has been fixed at Rs 7,500 crores for the public sector.

With this limit, allocations have been increased under most of the heads of development as detailed below. The most significant increases are in the fields of development of power and transport and communications. The allocations under the different heads of development of the outlay of Rs 7,500 crores, the corresponding figures of the Draft Outline and the cost of the physical programmes included in the Plan are indicated in the following table.

	(Rupees Crores)			
	Draft Outline	Third Plan	Financial outlay	Cost of programmes
(1)	(2)	(3)	(2)	(1)
Agriculture and Community Development	1025	1068	1090	43
Irrigation, major and medium	650	650	660	...
Power	925	1012	1020	87
Village and Small Industries	250	264	264	14
Organised Industries and Minerals	1500	1520	1882	20
Transport and Communications	1450	1486	1655	36
Social Services and Miscellaneous	1250	1300	1527	50
Inventories	200	200	200	...
Total	7250	7500	8298	250

The provision of Rs 1,090 crores for Agriculture and Community Development includes Rs 250 crores for Minor Irrigation which is one of the larger investment programmes in the Third Plan. It is estimated that the possibilities of minor irrigation development could be extended eventually to a gross area of about 75 million acres. The larger provisions under this head (Irrigation and Community Development) do not indicate higher physical targets. On the contrary, the physical targets in many instances have been scaled down as compared with the Draft Outline, possibly on the basis of revised estimates of cost. The estimate of gross area irrigated under the Third Plan is now 25.6 million acres 13.4 million kw of which 12.9 million kw medium works and from minor irrigation works), whereas the Draft Outline estimated 13 million acres under major and medium works and 14 million acres under minor irrigation works, a total of 27 acres of gross area irrigated. The targets of production for some major crops like cotton, jute, coconut and pepper have also been slightly lowered. The target for food crops has been set at 100 million tons. There are slight increases in the targets for oil seeds and sugar cane. The target of production for tea has been stepped up from 850 million pounds. There are no changes in respect of arecanut, cashewnut, cardamom, lac, tobacco, coffee and rubber as compared to the figures in the Draft Outline.

The target for Power (installed capacity) at 13.4 million kw of which 12.69 million kw are expected to be in commercial operation by the end of the Plan period represents a substantial increase over the Draft Outline target of 11.8 million kw. The estimated cost of the power programme in the public sector is Rs 1039 crores. This figure includes full provision for DVC power programme and Bandel thermal station; the figure of Rs 1020 crores shown in the table above does not include the full provisions in respect of these two items.

The financial provision for industries has been increased by Rs 20 crores to Rs 1520

crores, while the cost of the programmes included in the Plan amounts to Rs 1882 crores. Expansion of steel plants at Durgapur and Rourkela, Heavy Machine Tools, Basic Refractories, a new Machine Tools plant in Punjab, Gujarat Oil Refinery, Heavy Structural, Heavy Plate and Vessels, Gorakhpur Fertiliser Factory, Security Paper Mill and expansion of Hindustan Cables, Hindustan Machine Tools and Praga Tools have been included in the list of new projects for which external credits are assured wholly or partly. Also included in this list are programmes for increased production of coal by NCDC and at Singareni. Among the new projects included in the Plan may be mentioned the pilot iron and steel plant of the Madras Government.

There is no increase in the Plan allocation of Rs 890 crores for Railway development as shown in the Draft Outline. But the Railways are expected to find out of their own resources Rs 385 crores instead of Rs 330 crores, so that the total outlay on Railway programmes will be Rs 1275 crores instead of Rs 1225 crores. The only new line included in the Plan is the line to Haldia Port. It is also stated that the following lines are under consideration for inclusion in the Railway programme: Mangalore-Hassan; Bangalore-Salem; Manamadurai-Virudhunagar; rail link from Sukinda Daitar mining area in Orissa to the main line from Kharagpur to Cuttack.

The total allotment for roads and road transport has been raised from Rs 268 crores in the Draft Outline to Rs 297 crores, while the cost of the road programmes included in the Plan is estimated at Rs 324 crores. The figure of Rs 1486 under Transport and Communications includes provision, made for the first time, of Rs 8 crores for tourism, Rs 1 crores for broadcasting and Rs 8 crores for other communications. There is no change in the provision for Shipping, Ports and Inland Water Transport.

The estimates of financial resources from different sources have been continually revised. The estimate of Rs 7250 in the Draft Outline was raised to Rs 7453 crores on the basis of a review undertaken before the NDC meeting last January. The position was further revised by the Savings Committee set up by the NDC. The scheme of financial resources to the Plan as it stands at present is shown in the following table along with the corresponding figures of the Draft Outline and those considered by the NDC in January.

	(Rs Crores)		
	Draft Outline	As presented to NDC in January	Final estimates as included in Third Plan
Balance from current revenues (excluding additional taxation)	350	421	550
Contribution of Railway	150	71	100
Surpluses of other public enterprises	440	449	450
Loans from public (net)	850	850	800
Small savings (net)	550	585	600
Provident funds (net)	230	249	265
Steel equalisation fund (net)	160	160	105
Misc. capital receipts	120	208	170
Total of above 8 items	2850	2993	3040
Additional taxation including measures to increase surpluses of public enterprises	1650	1710	1710
Budgetary receipts corresponding to external assistance	2200	2200	2200
Deficit financing	550	550	550
Total	7250	7453	7500

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The resources of State Governments are now estimated at Rs 1462 crores, taking into account increased allocations of income-tax and Central excises, against Rs 1200 in the Draft Outline and Rs 1346 estimated last January. Together with the Central assistance of Rs 2375 crores, the total resources available for financing the State plans amount to Rs 3837 crores, against the programme limit of Rs 3847 crores. On the basis of the present estimates, the gap between the financial and programme limits has been narrowed to Rs 10 crores, so that with a little additional effort, the States should be able to implement their plans in full.

The direct foreign exchange cost of the total investment of Rs 10,400 crores is estimated at Rs 2030 crores, and the total foreign exchange requirements, including cost of maintenance imports and repayment obligations, at Rs 5750 crores against Rs 5670 crores in the Draft Outline. There is no change in the estimate of Rs 2600 crores required as external assistances. Estimates of export earnings have been raised from Rs 3450 crores to Rs 3700 crores over the five-year period.

The following table shows how the foreign exchange requirements of the Third Plan will be financed.

	(Rs Crores)	
	Third Plan	Draft Outline
A. Receipt:		
1. Exports	3700	3450
2. Invisibles	Nil	120
3. Capital transactions (net) excluding receipt of official loans and private foreign investment	(—)550	(—)500
4. External assistance	2600	2600
Total	5750	5670
B. Payments:		
1. Import of machinery and equipment for plan projects	1900	1900
2. Components, intermediate products etc. for raising production of capital goods	200	200
3. Maintenance imports	3650	3570
Total	5750	5670

The foreign exchange requirement of the investment in the private sector is estimated at Rs 510 crores which is included in the figures above. The total investment in the private sector, including Rs 200 crores transferred from the public sector, is estimated at Rs 4300 crores allocated as follows:

	(Rs Crores)	
	Third Plan	Draft Outline
Agriculture including irrigation	850	850
Power	50	50
Transport	250	200
Village and Small Industries	325	325
Organised industries and minerals	1100	1050
Housing and other construction	1125	1125
Inventories	600	600
Total	4300	4200

The increase of Rs 100 crores in estimates of investment in the private sector is equally divided between transport and organised industry and minerals.

URBANISATION

Problems and Opportunities

THE reported instruction to State Governments to discourage influx of villagers into towns may be due to the last census, pointing

to the rapid growth of most towns since 1960. The trend is unmistakable and the consequences are disturbing: hence the Centre's hint that the exodus must stop in spite of the known facts about pressure on land, rural poverty and other problems. Whether it is desirable to make more people to stay on the land is one issue. What excites the Government is the rise of shanty towns on the outer fringe of towns. They aggravate the slum problem and it is the desire for clearance and the prevention of new slums coming up that explains the Centre's now, guarded direction to the State Governments to check the growth of towns.

The inability of most municipalities to tackle the slum problem, to improve civic services and to enhance revenue may be cited as a reason for the warning. The natural disasters that hit some towns became unmanageable because of a surplus submerged tenth that could not succour itself. That refugees coming after the partition of India have contributed to the problems, especially, in West Bengal has to be recognised, as also the circumstance that the growing strain on accommodation has forced up costs of living, leading to wage demands. By preventing the further growth of industry in towns the Government could take care of many problems.

Industry, however, demands a degree of urbanisation, and it would be impossible for cotton mills in Madurai or Madras to ignore the advantages of existing location. The whole issue is not one of industrial location on a new pattern. It is rather one of creating new towns by deliberate, intelligent planning. The proper use of land in towns for both life and work so as to increase wealth may demand more than a review of licensing. Questions like power supply and transport facilities demand attention. No enterprise in India can set up a new town in the wilds as did International Nickel in Manitoba because of the cost. Of course, Hindustan Aluminium is creating a township near the Rihand Dam to make sure of power to convert the bauxite of Rewa into aluminium. But enterprises involving crores stand on a different footing: they are in a position, and probably have, to invest in infra-structures on their own. But they too must rely on major, metropolitan markets for selling their goods. That too involves the entry of labour. And a labour reserve helps to keep wages in towns low, as employers will be induced to admit today. The uncontrolled growth of big towns in which noxious trades develop is certainly not desirable. That is perhaps the object of Government, which does not apparently expect early creation in India of model industrial township like Rahim Yar Khan created by Unilever in Bahawalpur, sufficient unto itself and providing vanaspati and soap for West Pakistan.

The problem of decentralisation was examined in 1947 in Madras by a Planning Committee and nursery power stations to help new industries started away from towns were recommended. In spite of much new industry being diverted to the suburbs, the pattern of old industrial concentration persists. The visiting US sociologist sees in Ahmedabad and Bangalore new, but depressed, colonies spring up. The subnormal standards of life frighten many, but it is not realised that even life on the pavement is better than starvation in the villages. Subsidised housing provided by employers can help little, as has been found out already. The provision of essential amenities for the villages, intensive agriculture to ensure continuous employment and social reform (in the widest sense) must soon be

undertaken to check the drift of the unemployed to towns, mainly, in the hope of getting jobs.

There is no single remedy for the problem but our planners might see that not all villages desire modern industry and many prefer the slow and old way of life. The community development scheme has so far produced few model villages. Better roads, more power and perhaps schools and dispensaries may produce a desire to stay at home. But more important is the levelling up of wages in rural areas so as to secure a local supply of labour for industry in a rural setting. The UNESCO centre may give some valuable advice in this connection though only impatient idealists can hope to see Indian analogies of Bournville or Port Sunlight. The growth of industry, for instance, in Durgapur cannot be retarded and villagers will come in numbers looking for service of some sort. The public enterprise must take care of the problem by earning enough to invest in amenities for new inhabitants because the welfare of the town workers is involved. The urban complex is inseparable from modern large-scale industry to which the Plan is deeply committed. Towns provide markets, for consumers in large numbers ensure a ready offtake of most goods from tea or soaps to cycles. The villages can afford to spend little and unless rural incomes go up, they cannot support shops offering conventional necessities like shoes or umbrellas.

The existing consumption pattern influences the operations of organised industry to some extent and it is important to remember that industry must at once replace imports and enlarge exports. The impulse of towns to grow rapidly may be linked with the prevalence of unemployment, and the influx into towns is derived largely from the present lack of opportunities. Whether the State Governments can regulate the flow by conscious effort may appear debatable for adult suffrage makes even a large collection of voters desirable. But the political aspect is unimportant, as compared with the rise of property values and the probable increase in income from rents, leading to higher municipal rates. To check the trend may be inexpedient, because what most Indian towns desire is improvement needed for growth and the present handicaps can be removed only by larger income. This applies to big cities like Calcutta as well as medium towns like Ranipet because circumstances favour growth and the natural increase in towns is not yet retarded by birth control though it is apparent that the inter-censal increase in India's population is not evenly distributed.

A further point that needs notice is that internal migration is vital for relieving the pressure noted on the land in backward areas. The movement of labour must be made as easy as the movement of capital and inability may be termed a means to efficiency since outsiders work harder than local people and are less susceptible to disturbing influences. That big towns promote unrest may be one reason for desiring a diversion of industry to suitable rural areas and the Government may even hope that diversification of agriculture may be assisted by the imposition of discreet curbs on the rural exodus. The advantages of a diffusion of industry are obvious and sugar mills, for instance, may find it easier to rely on seasonal labour because they are set up well away from big towns. The movement of industry towards villages will demand extra transport facilities, as was rightly pointed out last weekend, when the foundation-stone of a new, large sugar mill near Lalgudi was laid by the Chief Minister of Madras.

Australia's Changing Financial Structure—II*

This view is directly related to certain important aspects of Australian monetary policy for the past decade, with its concentration of attention on banks as "creators of credit." Professor Sayers points out that extension of credit by banks has its counterpart in extension of trade credit by nearly all units in the vast multitude of manufacturing and trading enterprises. In the light of this thesis, which explains also the Radcliffe Committee's line of reasoning, there is no clearcut distinction between the granting of credit by banks and the extension of credit terms by other firms involving credit transactions on one side or the other. He goes so far as to maintain that this distinction "is, if not completely false, at least misleading" from the point of view of effective demand.

These statements are particularly relevant to Australian conditions and Professor Sayers went on, in his presidential address, to refer to the subject of "velocity of circulation" of money and resurrected what had become an outmoded theory.

The experiences of these years have clearly shown that it is not only bank credit which can add fuel to the inflationary fire, but that so-called "capital borrowings" can have just as great an inflationary effect if they result in a rapid enough turnover of money and other liquid assets. It is of little consequence that the volume of bank money—the total of deposits in the trading banks—has failed to rise significantly, if these deposits have been used many times over, moving from one banking account to another to finance a large volume of transactions, and cause pressure on the resources of the economy.

It is not sufficient to maintain a load of control on the banking system alone. Rate of turnover of the money supply is of equal or greater significance. It is not an adequate answer to maintain that there is no risk of inflationary pressure if funds are borrowed by one intermediary from another and returned to the banking system without any increase in the total volume of money. There has been ample illustration in recent Australian experience, that the volume of bank money can be maintained so that it shows very little expansion. But the economy, at the same time, can be in a period of strong inflationary pressure through the activities of financial intermediaries outside the banking system and the general expansion of trade credit in industry and commerce.

WIDER CREDIT SUPERVISION

The Radcliffe Committee referred to the "diffused difficulty of borrowing" following the limitation of bank lending in 1955. This same diffused difficulty of borrowing has been all too apparent for a much longer period in Australia. In Australia we have had a succession of restraints imposed through banking controls and fiscal policies in the successive periods, which, in broad terms may be designed as 1952-53, 1956-57 and 1960-61.

Australian policy has been imposed against the inexorable pressure of the balance of

*Courtesy: A. N. Z. Bank Quarterly Survey, July 1961.

payments, which has been of great significance in each of these three periods. We have seen a major variation in the application of the 1960 policy through the broad-sword approach of freeing imports and the more positive application of the control of interest rates, in addition to the previously heavily exploited controls over the banking system and through fiscal policy.

We may not yet have reached the stage where it is desirable or practicable to supervise in any clearly definitive way the extension of trade credit, but there are pressing arguments to assert that the approach to monetary policy of the period of 1930-60 may not be relevant for the post-1960 era. The period of the 'fifties has seen material extension of trading bank spheres of influence, not only in Australia, but in the United Kingdom as well.

LONG TERM CREDIT

Trading banks now cover a greater range of financial territory than previously, although perhaps in some respects, particularly in Australia, the range has been narrowed in other directions, most notably in the field of medium to long term credit. But at a time when this withdrawal from the last-mentioned field, previously occupied by the trading banks, has been required under official policy in Australia, doubts are stirring in the older established United Kingdom banking system. In the United Kingdom, the extension of medium to long term credit by banks has traditionally been frowned upon, but it is now being asked whether trading banks should not, in rendering a full service to industry and commerce, be engaging in longer term loans in such fields, particularly, as shipbuilding and heavy construction.

The growth of the trading banking field has been largely in the direction of what might be termed retail banking. The spread of branches in the search for deposits, extension of the banking habit through wider sections of the community, provision of massive accounting services to cope with the growing demands of share register work and nominee services and investment requirements, extension of trading banking activity into hire purchase business, either direct or through subsidiaries, establishment of savings bank subsidiaries, unit trust investment, and development of personal loans are further examples of the spread of banking into wider, more diffused fields.

EXTENSION OF SCOPE

It is perhaps not too much to envisage that the development of economic thought, as exemplified on the report of the Radcliffe Committee, may well lead to a still further extension of banking into the wider field of credit. Hitherto the tight controls imposed over trading banks by strict adherence to the quantity theory of money, have restricted and limited the volume of their credit facilities, inhibiting them from rendering an expanded banking service in their traditional sphere, and thus opening the way for "fringe institutions".

While, technically, the quantity theory of money would argue that such fringe institutions do not stimulate inflationary pressure, the experience of the past decade in Australia refutes such arguments.

Just as the closing years of the 1950s saw a forward step in monetary theory in the publication of the report of the Radcliffe Committee, so the start of the 1960s saw, in Australia, the first steps towards what could

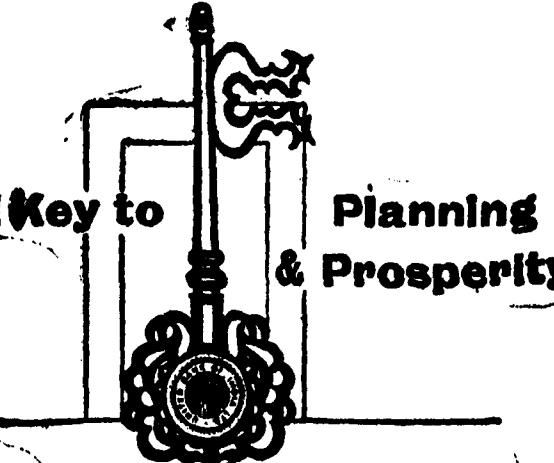
perhaps be regarded as the extension of direct controls beyond fiscal policy and monetary control in the banking sense, to embrace credit in the wider sense envisaged by the Radcliffe Committee. The November credit restrictions, with their extension of controls in the financial and monetary spheres outside the activities of the trading banks, introduced a new concept.

What is the basis of this current approach? Is it to control the fringes of the financial system in such a way as to limit their activities and force back into the banking system much of what it has lost in recent years? There is perhaps much to commend such a policy from an official point of view, because the banking system is one which can be controlled from day to day, and controlled far more effectively than other sectors. Or is this new policy evidence of the acceptance of the fact that control of the volume of money in the sense of "bank money" is not enough.

There can be little doubt that "velocity of circulation", in the widest sense of the term, does play an important part. If current moves are a realization and acceptance of this, the fringe financial institutions, as they are called, can expect a continuance of some system of control, extending into that wider segment of the credit structure embraced by the Radcliffe Committee.

The recent changes are an indication that the 1960s could well see some containment of the fringe institutions and the outside credit market, accompanied by some strengthening of the banking system, with a restoration of the traditional role of the trading banks as the major contributors of credit, both for working capital and for medium term purposes.

(Concluded)



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Pronounced Trend of Deposit Growth

Eluding of counterpart funds with the State Bank, in the period between the beginning of 1957 and the end of June 1960, served to exaggerate the trend of growth in bank deposits; in the period since then, the repayment of the funds by the State Bank has cured the full magnitude of the continuing trend in Deposits, a phenomenon which was further aggravated by the fact that, for the first time in many years, the second half of 1960 witnessed a net fall in Deposits. An attempt is made here to analyse trends in bank Deposits from 1956, and also to isolate counterpart fund transactions.

Inclusive of counterpart fund transactions, Table I shows, the most prolific half-year Deposit growth was the six-months period June 1959, when the rise for all Scheduled Banks amounted to Rs 161.00 crores. January/February 1957 was the best half-year for the State Bank, and January/June 1959 the most "lucrative" for other Scheduled Banks. In the half-year to December 1960, banks "lost" Deposits worth Rs 78.34 crores, of which Rs 63.75 crores were traceable to the State Bank; and in the best six-month period, Scheduled Banks increased their Deposits by Rs 35.22 crores despite a loss of Rs 43.56 crores by the State Bank.

On the base of Deposits as at 28 December 1956, the rise registered in the figures of Scheduled Banks other than the State Bank, expressed as a percentage of the base figure of Rs 859.73 crores, in the half-years are then as follows:

Half-year to	Rise in Rs Crores	Rise as %age*
28-6-57	85.24	9.9
27-12-57	57.53	6.7
27-6-58	76.57	8.9
26-12-58	22.83	2.7
26-6-59	97.36	11.3
25-12-59	49.69	5.8
1-7-60	84.26	9.8

Percentage of base figures of Rs 859.73 crores.

Deposits of Scheduled Banks other than the State Bank rose from Rs 859.73 crores on 28 December 1956 to Rs 1,333.21 crores on 1 July 1960, that is, a rise of 55.1 per cent. Over the same period, Deposits of the State Bank rose from Rs 242.02 crores to Rs 637.03 crores. If we have to bear in mind the fact that the latter figure includes counterpart funds. Mr. C. Bhattacharyya, the State Bank Chairman, revealed last week that, after repayment of counterpart funds amounting to Rs 144 crores since July last year, the amount of such funds still remaining with the institution is now Rs 30 crores. Thus, Deposits of the State Bank on 1 July 1960 included Rs 304 crores of counterpart funds. Net of counterpart funds, Deposits of the State Bank are seen to have risen, between 28 December 1956 and July 1960, by Rs 91.01 crores. That is to say, the rise in non-counterpart fund Deposits

of the State Bank over the period has worked out to 37.6 per cent. This compares with the rise, over the same period, of 55.1 per cent in the case of other Scheduled Banks. The rate of growth of "normal" Deposits with the State Bank has therefore been correspondingly lower. For the seven half-year periods, the percentage rise in "normal" Deposits of the State Bank can be calculated as follows:

Half-year to	Percentage rise in Deposits of Other Scheduled Banks	State-Bank of India
28-6-57	9.9	6.8
27-12-57	6.7	4.6
27-6-58	8.9	6.1
26-12-58	2.7	1.8
26-6-59	11.3	7.7
25-12-59	5.8	4.0
1-7-60	9.8	6.7

Further calculations show that normal Deposit accrual with the banking system are as under:

	State Bank of India	Other Scheduled Banks	Total Rise in Deposits
1957 first half	16.46	85.24	101.70
second half	11.13	57.53	68.66
1958 first half	14.76	76.57	91.33
second half	4.36	22.83	27.19
1959 first half	18.64	97.36	116.00
second half	9.68	49.69	59.37
1960 first half	16.22	84.26	100.48
second half	8.25	14.59	-6.34
1961 first half	28.44	78.78	107.22

It will be seen, consequently, that, net of counterpart fund transactions, the first halves in 1959 and in 1961 have recorded the highest rises in Deposits.

BANK RETURNS

Impact of IMF Transaction

The purchase of \$250 million of currencies is reflected in the latest returns of the Reserve Bank, but it is intriguing to find that, though there had earlier been asseverations that outstanding liability to repurchase rupees for \$127.5 million had been or were being completed, the relevant transaction has taken place only now. That is to say, India's purchase is \$250 million less the repurchase of \$127.5 million. Accordingly, foreign assets as shown in the returns of the Reserve Bank have improved, not by over Rs 120 crores, but by just over Rs 54 crores.

As is the custom, non-negotiable securities have been handed over to the Reserve Bank which is a depository of the International Monetary Fund. But it is again intriguing to find that Other Deposits, under which head it is that the credit to the IMF would be shown, have risen, not by around Rs 55 crores, but by nearly Rs 90 crores. We are consequently disposed to think that there is more than meets the eye in the last week's IMF transactions; we intend a study at greater length in the next week's Indian Finance.

TABLE I.
DEPOSITS OF BANKING SYSTEM (In Rs Crores)
(inter-bank borrowings omitted)

	As on Friday and Change	All Scheduled Banks	State Bank of India	Other Scheduled Banks
30-12-55	...	1332.88	222.30	810.58
29-6-56	...	1081.65	226.03	855.62
Change	...	+48.77	+3.73	+45.04
28-12-56	...	1101.75	242.02	859.73
Change	...	+20.10	+15.99	+4.11
28-6-57	...	1261.04	316.07	944.97
Change	...	+159.29	+74.05	+85.24
27-12-57	...	1367.48	364.98	1002.50
Change	...	+106.44	+48.91	+57.53
27-6-58	...	1503.19	424.12	1079.07
Change	...	+135.71	+59.14	+76.57
26-12-58	...	1574.29	472.39	1101.90
Change	...	+71.10	+48.27	+22.83
26-6-59	...	1735.29	536.03	1199.26
Change	...	+161.00	+63.64	+97.36
25-12-59	...	1828.18	579.23	1248.95
Change	...	+92.89	+43.20	+49.69
1-7-60	...	1970.24	637.03	1333.21
Change	...	+142.06	+57.80	+84.26
30-12-60	...	1891.90	573.28	1318.62
Change	...	-78.34(a)	-63.75(a)	-14.59
30-6-61	...	1927.12	529.72	1397.40
Change	...	+35.22(b)	-43.56(b)	+78.78

(a) State Bank "lost" Rs 72 crores of Deposits owing to repayment of counterpart funds in this period. Hence net of counterpart fund transactions Deposits of all Scheduled Banks fell by roughly Rs 6 crores, whereas Deposits of State Bank rose by about Rs 8 crores.

(b) State Bank "lost" Rs 72 crores of Deposits owing to repayment of counterpart funds in this period. Hence net of counterpart fund transactions Deposits of State Bank rose by about Rs 28 crores, whereas Deposits of all Scheduled Banks rose by over Rs 107 crores.

Beginning of the month disbursements have disturbed the even tenor of the 1961 slack season. Active Note Circulation has expanded by Rs 13.22 crores to Rs 1,903.98 crores, and there has been outflow of Rupee Coin for Rs 1.06 crores. Foreign Securities, by dint of the purchase of currencies from the IMF, have been marked up by Rs 23.85 crores to Rs 116.86 crores. Hence, currency has been contracted against Rupee Securities for Rs 24 crores, and the Reserve Bank's cash in the till has moved down from Rs 31.15 crores to Rs 16.88 crores.

Owing perhaps to cash payment in respect of the maturing 2½ per cent 1961 on 1 August, the Centre's balances have dropped from Rs 77.09 crores to Rs 53.26 crores. Indeed, recourse has apparently been had to deficit financing. Investments are higher by Rs 48 crores, against which transfer from the Issue Department accounts only for Rs 24 crores; and, besides, the State Bank has bought securities for Rs 15 crores during the week. Hence, created money may be put at Rs 40 crores. (Incidentally, our estimate regarding cancellation of ad hocs in the week ended 28 July has now been proved to be entirely correct).

Banks, however, have been exposed to little strain by beginning of the month demand for money. Reserve Balances are practically unchanged at Rs 81.44 crores, and there does not seem to have been any considerable recourse to central banking assistance.

The return of the State Bank for 4 August is noteworthy for its recording a purchase of Rs 15 crores of securities. As at the latest week, after a long time, the State Bank's gilt-edged holdings exceed the total of Advances, which in the week under review have fallen by Rs 2.83 crores to Rs 248.06 crores. There is a small rise of just under Rs 2 crores

in Deposits, and the gilt-edged purchase was "financed" by running down Other Assets. As the slack season progresses, further purchase of Government securities through the Reserve Bank tap is to be expected.

New loan subscriptions have had less of an impact upon bank Deposits than we had thought would be the case. Net Demand Deposits are about Rs 6 crores lower at Rs 811.21 crores—and net Time Deposits are actually a shade higher at Rs 1,123.90 crores. But cash balances have been drawn down by a sum exceeding the Scheduled Bank's own subscriptions: Balances with the Reserve Bank have moved down by Rs 23 crores, and cash in India is lower by Rs 2 crores. The gilt-edged portfolio is up by Rs 3.75 crores, and to this we have to add the Rs 7 crores of disinvestment shown by the State Bank in the relevant week: thus, new loan purchases "consolidated" in the return of Scheduled Banks for 28 July amount to Rs 10 crores; and the return for 4 August should reveal a further rise of around Rs 25 crores—Rs 10 crores of this accounted for by other new loan subscriptions of Scheduled Banks and Rs 15 crores relating to purchase through the tap by the State Bank. The total of Advances has again moved down by Rs 10.25 crores to Rs 1,240.81 crores.

GILTEDGED

Payment of Interest

Government Promissory Notes of the following loans (Central and State Governments) interest on which falls due for payment during the months of September and October 1961 will be accepted by the Public Debt Office, Reserve Bank of India, Calcutta for preparation of interest warrants from 16 August and 16 September 1961 respectively.

Interest falling due in September 1961

2½%	1976
3%	1946
3% M. P. ..	1964
3% U. P. ..	1961-66
3½% Bombay State Dev. ..	1962
3½% Madras	1962
3½% M. P.	1962
3½% U. P.	1962
3½% West Bengal	1962

4% Andhra	1967
4% Bihar	1967
4% Bombay	1967
4% Hyderabad	1967
4% Madras	1967
4% M. P.	1967
4% Mysore	1967
4% Saurashtra	1967
4% U. P.	1967
4% West Bengal	1967

THE HONGKONG AND SHANGHAI BANKING CORPORATION

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Capital Authorised	...	...	...	Hong Kong \$ 100,000,000
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Reserve Fund	...	...	...	Sterling £ 15,000,000
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Common Market Negotiations

By Paul Einzig

ON August 3 both Houses of Parliament passed by a large majority official Resolutions approving the Government's decision to initiate negotiations with a view to joining the Common Market. The reason why resistance to this decision was comparatively weak was that the text of the official resolutions repeated the familiar assurances about safeguarding the interests of the Commonwealth, the European Free Trade Association and British agriculture. Even so, many people are anything but happy about this decision especially as, when announcing it, Mr Macmillan drew a grossly exaggerated pessimistic picture of what might happen if the negotiations failed. To do so was mistaken tactics, because it will tend to stiffen the attitude of the Common Market.

In the course of the debate information was sought whether the three Ministers who paid visits recently to the principal Commonwealth countries went there solely for the purpose of selling the idea of Britain joining the Common Market, or whether their terms of reference also enabled them to sound the Commonwealth Governments about the possibility of offering Britain an alternative solution in the form of measures to reverse the downward trend of Britain's share in Commonwealth imports. No answer was given to this question, and it seems safe to assume that even if the subject was mentioned during the course of the recent discussions at New Delhi, Canberra, Ottawa and other Commonwealth capitals, it was not unduly stressed. This is a great pity for any evidence on the part of the Commonwealth to make an effort to increase its imports from Britain would greatly strengthen the hands of those who want to resist the Government's policy of joining the Common Market. In the absence of some such gesture their resistance is almost certainly doomed to failure.

According to a report appearing in the English Press on July 31 the Governor of the Reserve Bank of India warned Britain that if as a result of her joining the Common Market Indian exports would suffer it might become impossible to maintain the service of India's sterling debts. Unfortunately, this report was given very little prominence. If British opinion were made to realise that by joining the Common Market on terms which would not safeguard the interests of the Commonwealth it would risk wholesale defaults on remittances of interest and dividend from the Commonwealth, it would go some way towards strengthening opposition to joining the Common Market. Such a destructive attitude should be however, supplemented by a more constructive attitude. As far as I know, not a single statesman in any of the Commonwealth countries has made any public pronouncement about the advantages his country would be prepared to offer Britain in return for the sacrifices involved in abstaining from joining the Common Market for the sake of the Commonwealth. The attitude of the Commonwealth in this respect is anything but helpful, and the public in Commonwealth countries would have every reason to blame their various Governments if, as a result of Britain joining the Common Market, their trade would suffer. Commonwealth Governments are doing next to nothing to prevent it, beyond uttering warnings. They are bound to be unhelpful unless supplemented by constructive promises.

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THE THIRD PLAN

Towards A Self-Reliant Economy

PRINCIPAL AIMS

India's Third Five Year Plan, a 770-page document, which was presented to Parliament this week, sets out the principal aims as:

- (1) to secure an increase in national income of over 5 per cent per annum, the pattern of investment being designed also to sustain this rate of growth during subsequent Plan period;
- (2) to achieve self-sufficiency in foodgrains, and increase agricultural production to meet the requirements of industry and export;
- (3) to expand basic industries like steel, chemical industries, fuel, and power and establish machine-building capacity, so that the requirements of further industrialisation can be met within a period of 10 years or so mainly from the country's own resources;
- (4) to utilise to the fullest extent possible the manpower resources of the country and to ensure a substantial expansion in employment opportunities; and
- (5) to establish progressively greater equality of opportunity and to bring about reduction in disparities in income and wealth and a more even distribution of economic power.

To achieve these aims, a certain minimum development must take place in different sectors of the economy during the next five years. The physical targets of the Third Plan have been formulated on the basis of these minimum needs.

The increase in population, the growing expectations of the people and the urgent need for attaining the stage of self-sustained growth over the next two or three Plan periods, make it essential, that there should be every possible effort to achieve these targets during the next five years. In addition, certain measures must be taken during the Plan period in preparation for the Fourth Plan. The estimated financial resources have been placed for the present at Rs 7500 crores and are distributed as follows:

SECOND PLAN						
		(Rs Crores)				
Total expenditure	Percentage	States	Centre	Union territories	Total	Percentage
530	11	919	24	125	1068	14
420	9	630	2	18	650	9
445	10	880	23	109	1012	13
175	4	137	4	123	264	4
900	20	70	neg	1450	1520	20
1300	28	226	35	1225	1486	20
830	18	863	87	350	1300	17
...	...	...	...	200	200	3
4600	100	3725	175	3600	7500	100

Out of this, investment is estimated to be Rs 6300 crores (including Rs 200 crores intended to assist the private sector) and current outlay, representing expenditure on staff, subsidies, etc. Rs 1200 crores. The private sector investment planned for is of the order of Rs 4100 crores. Thus the total Plan investment outlay is Rs 10,400 crores. The foreign exchange requirement for an investment of Rs 10,400 crores is estimated to be over Rs 2030 crores. The level of investment, public and private, is expected to rise from about Rs 1600 crores in the last year of the Second Plan to

self-reliant and self-generating within the shortest possible period. The strategy visualised for the Third and later Plans emphasises the interdependence of agriculture and industry, of economic and social development, of national and regional development, and of the mobilisation of domestic and external resources.

Development of agriculture, based on the utilisation of manpower resources of the countryside and the maximum use of local resources, holds a key to the rapid development of the country.

A FEW SELECTED TARGETS

Item and Unit	1960-61	1965-66	Percentage increase in 1965-66 over 1960-61
Foodgrains production—million tons	76	100	32
Irrigated area (net total)—million acres	70	90	29
Production of:			
Steel ingots—million tons	3.5	9.2	163
Machine tools—Rs crores	5.5	30.0	445
Petroleum products—million tons	5.7	9.9	70
Cloth:			
Mill-made—million yards	5127	5800	13
Handloom, power-loom and khadi—million yards	2349	3500	49
Minerals:			
Iron ore—million tons	10.7	30.0	180
Coal—million tons	54.6	97.0	76
Exports—Rs crores	645	850	32
Power: installed capacity—million kilowatt	5.7	12.7	123
Railways: freight carried—million tons	154	245	59
Shipping: tonnage—lakh GRT	9.0	10.9	21
General education: students in schools—million numbers	43.5	63.9	47
Consumption levels: food—calories per capita per day	2100	2300	10
Cloth—yards per capita per annum	15.5	17.2	11

about Rs 2,800 crores at the end of the Third Plan. Investment in the public sector is expected to go up over this period from Rs 800 crores to Rs 1700 crores.

APPROACH TO LONG-TERM DEVELOPMENT

Over the next three Plan periods it is imperative that all the possibilities of economic growth should be fully and effectively mobilised. For this purpose it is essential to proceed on the basis of a broad strategy of economic development which would ensure that the economy expands rapidly and becomes

Because of her natural resources, India has considerable potential for industrial growth. Her potential capacity to produce steel, electricity, fuel and other basic materials relatively cheaply and the large and growing domestic market place her in a favourable position to produce machinery and a large range of engineering, chemical and electrical goods needed for development. In turn, these will stimulate the growth of medium and small industries and expand employment both in urban and in rural areas.

POPULATION

The objective of stabilising the growth of population over a reasonable period must be at the very centre of planned development. The programme of family planning, involving intensive education, provision of facilities and advice on the

largest scale possible and widespread popular effort in every rural and urban community has the greatest significance.

RESOURCES FOR DEVELOPMENT

Among the principal conditions for building up a self-reliant economy, which can sustain a high rate of growth, are an adequate level of domestic capital formation, the maximum effort possible in developing exports, the availability of external assistance during the critical period of transition. A basic objective in the strategy of development is to create the conditions in which dependence on external assistance will disappear as early as may be possible.

OUTLOOK FOR 1961-76

Taking a broad view of the development of the Indian economy, it is reckoned that, at 1960-61 prices, the national income should rise from about Rs 14,500 crores at the end of the Second Plan to about Rs 19,000 crores at the end of the Third Plan, about Rs 25,000 crores at the end of the Fourth and about Rs 33,000 to Rs 34,000 crores at the end of the Fifth Plan. Allowing for the estimated annual increase in population of about 2 per cent, on these estimates, income per head should go up from around Rs 330 at the end of 1960-61 to about Rs 385, Rs 450 and Rs 530 in 1966, 1971 and 1976. This will require net investment as a proportion of national income to rise from about 11 per cent at present to 14-15, 17-18 and 19-20 per cent per annum by the end of the Third, Fourth and Fifth Plans. In other words, as compared to about Rs 10,500 crores postulated for the Third Plan, net investment over the Fourth and the Fifth Plan periods should be of the order of Rs 17,000 crores and Rs 25,000 crores. Domestic savings would have to rise in corresponding measure from about 8.5 per cent at present to about 11.5, 15 to 16, and 18 to 19 per cent of the national income at the end of the Third, Fourth and Fifth Plans. By the end of the Fifth Plan the economy will be strong enough to develop at a satisfactory pace without being dependent on external assistance outside of the normal inflow of foreign capital.

In the course of preliminary studies on the Third Plan the following tentative targets of capacity have been suggested for some important items for 1970-71.

These targets indicate the order of effort called for as a basis for further studies.

Steel ingots	...	Million tons	18-19
Pig iron	...	Million tons	3-4
Aluminium	...	Thousand tons	230-250
Electric power	...	Million kilowatt	21-23
Coal	...	Million tons	170-180
Oil refining	...	Million tons	18-30
Nitrogenous fertilisers	...	Million tons (N)	2.0-2.2
Cement	...	Million tons	24-26
Machine building	...	Rs crores of output	1600
Railway freight transport—long distance (originating traffic)	...	Million tons	380-420
Foodgrains	...	Million tons	135
Exports	...	Rs crores	1300-1400

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APPROACH TO THE THIRD PLAN

During the past decade total investment, public and private, increased from over Rs 500 crores per annum at the beginning of the First Plan to about Rs 1600 crores at the end of the Second Plan. Investment by public authorities rose during this period from Rs 200 crores to Rs 800 crores per annum. Reckoned at current prices, investment during the First and Second Plans amounted to Rs 10,110 crores, Rs 5210 crores being in the public sector and Rs 4900 crores in the private sector.

During the First Plan, owing largely to the progress recorded in agricultural production, national income increased by 18 per cent as against original target of 12 per cent. In the Second Plan, the increase in national income was 20 per cent as against the initial target of 25 per cent. Agricultural production expanded by about 40 per cent and the output of foodgrains by 46 per cent. The net output of organised manufacturing industries increased nearly twofold. A general view of the growth of the economy over the last decade may be obtained from the selected indicators of growth given in the table below:—

Item & Unit	1950-51	1955-56	1960-61	percentage increase in 1960-61 over 1950-51
National income (at 1960-61 prices)—Rs crores	10240	12130	14500	41.6
Per capita income (at 1960-61 prices)—Rupees	284	306	330	16.2
Index of agricultural production (1949-50=100)	95.6	116.8	135.0	41.2
Foodgrains production—million tons	52.2	65.8	76.0	45.6
Nitrogenous fertilisers consumed—'000 tons of N	55	105	230	318.2
Area irrigated (net total)—million acres	51.5	56.2	70.0	35.9
Cooperative movement—advances to farmers—Rs crores	22.9	49.6	200.0	773.4
Index of industrial production—(1950-51=100)	100	139	194	94.0
Production of:				
Steel ingots—million tons	1.4	1.7	3.5	150.0
Aluminium—'000 tons	3.7	7.3	18.5	400.0
Machine tools—Rs crores	0.34	0.78	5.5	1617.6
Sulphuric acid—'000 tons	99	164	363	266.7
Petroleum products—million tons		3.6	5.7	
Cloth—mill-made—million yds	3720	5102	5127	37.8
Khadi handloom and powerloom—million yds	897	1773	2349	161.9
Total—million yds	4617	6875	7476	61.9
Power—installed capacity—million kW	2.3	3.4	5.7	147.8
Railways: freight carried—million tons	91.4	114.0	154.0	68.5
Roads: surfaced including national highways—'000 miles	97.5	122.0	144.0	47.7
General education: students in schools—million numbers	23.5	31.3	43.6	85.5
Technical education: Engineering & technology—degree level—intake—'000 numbers	4.1	5.9	13.8	236.5
Health: Hospital beds—'000 numbers	113	125	186	64.6

The record of growth over the last ten years has not been uniform. There have been ups and downs due to natural causes, international developments, or in some cases due to deficiencies in implementation. The growth of population accentuated the problem of unemployment. While considerable progress has been made in every branch of national life, inevitably there have been, at the same time, stresses and strains. Despite failures and errors that might have been avoided and weaknesses in the economic and social structure that still persist, in every direction, new ground has been broken and valuable experience has been gained.

FINANCES FOR THE PUBLIC SECTOR

In the Draft Outline, the estimate of resources for the public sector was indicated at Rs 7250 crores, Rs 6050 crores at the Centre and Rs 1200 crores in the States. Later, in the light of discussions with State Governments and a further examination of the Central Budget for 1960-61, the estimate of total resources was revised upwards to Rs 7453 crores—Rs 6107 crores at the Centre and Rs 1346 crores in the States. This estimate, rounded to Rs 7500 crores, was submitted to the National Development Council in January, 1961. The Council noted that considering the needs of the economy, every effort had to be made to bridge the gap between the limit of Rs 7500 crores for financial outlays indicated by the estimates on resources and the requirements adding up to over Rs 8000 crores for implementing the physical programmes envisaged. It was evident that the answer to the problem depended upon how far domestic savings could be stepped up to match the larger needs. The Council appointed a Committee on Savings to study and explore further possibilities in this direction.

Item & Unit	1950-51	1955-56	1960-61	percentage increase in 1960-61 over 1950-51
National income (at 1960-61 prices)—Rs crores	10240	12130	14500	41.6
Per capita income (at 1960-61 prices)—Rupees	284	306	330	16.2
Index of agricultural production (1949-50=100)	95.6	116.8	135.0	41.2
Foodgrains production—million tons	52.2	65.8	76.0	45.6
Nitrogenous fertilisers consumed—'000 tons of N	55	105	230	318.2
Area irrigated (net total)—million acres	51.5	56.2	70.0	35.9
Cooperative movement—advances to farmers—Rs crores	22.9	49.6	200.0	773.4
Index of industrial production—(1950-51=100)	100	139	194	94.0
Production of:				
Steel ingots—million tons	1.4	1.7	3.5	150.0
Aluminium—'000 tons	3.7	7.3	18.5	400.0
Machine tools—Rs crores	0.34	0.78	5.5	1617.6
Sulphuric acid—'000 tons	99	164	363	266.7
Petroleum products—million tons		3.6	5.7	
Cloth—mill-made—million yds	3720	5102	5127	37.8
Khadi handloom and powerloom—million yds	897	1773	2349	161.9
Total—million yds	4617	6875	7476	61.9
Power—installed capacity—million kW	2.3	3.4	5.7	147.8
Railways: freight carried—million tons	91.4	114.0	154.0	68.5
Roads: surfaced including national highways—'000 miles	97.5	122.0	144.0	47.7
General education: students in schools—million numbers	23.5	31.3	43.6	85.5
Technical education: Engineering & technology—degree level—intake—'000 numbers	4.1	5.9	13.8	236.5
Health: Hospital beds—'000 numbers	113	125	186	64.6

ties in this direction. In the light of studies of the 1961-62 Budgets of the Central and State Governments and of the scope for obtaining more resources under each of the heads of domestic savings, the Committee felt that there was warrant for taking a more optimistic view of the total resources that could be raised by the Centre and the States. It was, however, not possible at this stage to set out precisely the lines along which the gap between the requirements of physical programmes and the financial provisions could be bridged. It was also necessary to bear in mind the limitations in respect of foreign exchange resources. The problem would need continuous

review in the light of the advance made each year in mobilising resources. Accordingly, while the financial outlays for Plan in the public sector are at present being retained at Rs 7500 crores, sustained efforts will be made to improve upon this and to diminish the gap through more effective mobilisation of savings.

FINANCIAL RESOURCES

The scheme of financing the public sector plan that is now envisaged is indicated in the table below. The last two columns indicate the estimates separately for the Centre and the States:

FINANCIAL RESOURCES (Estimates for the Second and the Third Plan)					
	Second Plan as initially estimated		Third Plan (Rs crores)		
	as initially estimated	now estimated	Total	Centre	States
1 Balance from current revenues (excluding additional taxation) ...	350	(-) 50	550	410	140
2 Contribution of Railways ...	150	150*	100	100	—
3 Surpluses of other public enterprises ...	..	..	450	300	150
4 Loans from the public (net) ...	700	780†	800	475	325
5 Small savings (net) ...	500	400	600	213	387
6 Provident funds (net) ...		170	265	183	82
7 Steel equalisation fund (net) ...	250	38	105	105	—
8 Balance of miscellaneous capital receipts over non-plan disbursements ...		22	170	428	(-) 258
9 Total 1 to 8 ...	1950	1510	3040	2214	826
10 Additional taxation including measures to increase the surpluses of public enterprises ...	4508	1052	1710	1100	610
11 Budgetary receipts corresponding to external assistance ...	800	1090†	2200	2200	—
12 Deficit financing ...	1200	948	550	524	26
Total ...	4800	4600	7500	6038	1462

*In addition there was a gap of Rs 400 crores to be covered by additional domestic effort.

*Inclusive of increased fares and freights.

†Includes investments by the State Bank out of PL 480 funds.

**Included in items 1 and 8 in the Table.

†This includes investment of PL 480 funds by the Reserve Bank in special securities in 1960-61.

RESOURCES OF STATE GOVERNMENTS

The review of States' resources undertaken in the light of the 1961-62 Budgets indicates that the resources picture for the States is considerably better than the one that emerged after the discussions held with them during August-November, 1960; the total of States' resources now comes to Rs 1462 crores as against the estimate of Rs 1346 crores worked out earlier. The main factor in the improvement is the larger transfer of resources from the Centre under income-tax and shareable excises. With States' resources at Rs 1462 crores and Central assistance at Rs 2375 crores, the total of the resources available for financing State Plans comes to Rs 3837 crores. This is close to the programmes costing Rs 3847 crores which have been accepted for the State Plans.

ADDITIONAL TAXATION

Additional taxation envisaged for the Third Plan is Rs 1710 crores

to be borne in mind that the different modes of raising resources are at some point inter-dependent; it is possible, for example, that while in one situation more can be secured by way of taxation, in another situation recourse to market borrowings may yield a better result. Timely availability of external assistance has also an important bearing on domestic savings and the investment effort. Considering the trend in prices over the last few years and the difficult foreign exchange situation, deficit financing during the Third Plan period will have to be on a strictly limited scale.

Rs 1100 crores at the Centre and Rs 610 crores in the States. This order of taxation is the minimum essential. In order to realise this target, it will be necessary to increase both direct and indirect taxation and to enlarge the surpluses of public sector enterprises. Direct taxation adds to the resources of the public sector by reducing disposable incomes in the hands of the community. Indirect taxation works through reduction in the quantum of goods or services that can be bought against the incomes that are spent. The choice between the two forms of taxation has to be considered pragmatically. The point to stress is that taxation should be sufficient to keep consumption down to limits consistent with the requirements of investment as envisaged in the Plan. It is inevitable that the larger part of the additional taxation effort has to be put through by the Central Government; a good beginning has been made in this direction in 1961-62. It is no less important that the State Governments also raise an adequate share for themselves. Taxation of the rural sector falls largely within their field. They have also to mobilise more effectively elastic sources of revenue, such as sales taxes.

PRIVATE INVESTMENT

Private investment draws on the same pool of savings as public investment. Considering the trends in the Second Plan period, it is felt that a total of Rs 4300 crores by way of private investment can probably be financed consistently with the public sectors' claims on savings. The break-up of this investment along with the corresponding estimates for the Second Plan period (original as well as revised in the light of later studies) are set out in the following Table:

INVESTMENT IN THE PRIVATE SECTOR* (Rs crores)			
	Second Plan original estimates	estimated investment on the revised basis	Third Plan Estimates
1 Agriculture (including irrigation) ...	275	675	850
2 Power ...	40	40	50
3 Transport ...	85	135	250
4 Village & small industries ...	100	225	325
5 Large & medium industry and minerals ...	575	725	1100†
6 Housing and other construction ...	925	1000	1125
7 Inventories ...	400	500	600
8 Total ...	2400	3300	4300

*These figures represent aggregate investment in the private sector including that financed out of resources transferred from the public sector.

†These figures do not include investment by way of modernisation and replacement, estimated at Rs 150-200 crores.

Of the total investment of Rs 4,300 crores in the private sector, Rs 200 crores will be provided by way of transfer of resources from the public sector. Part of the investment in agriculture, small scale industries and co-operatives will be financed out of assistance from the Reserve Bank. External assistance to the private sector may be of the order of Rs 300 crores.

FOREIGN EXCHANGE

The following table sets forth the balance of payments estimates for the Third Plan.

FINANCING OF FOREIGN EXCHANGE REQUIREMENTS FOR THE THIRD PLAN

(Rs crores)				
	Total Second Plan	Total Third Plan	1961-62	Annual Average Third Plan
A Receipts				
1 Exports ...	3053	3700	667	740
2 Invisibles (net) (excluding official donations) ...	420*	nil	28	nil
3 Capital transactions (net) (excluding receipts of official loans and private foreign investment) ...	(-) 172	(-) 550	(-) 133	(-) 100
4 External assistance ...	927@	2600	575†	520
5 Draft on foreign exchange reserves ...	589	nil	nil	nil
Total (1 to 5)† ...	4826	5750	1131	1150
B Payments				
1 Imports of machinery and equipment for Plan projects ...		1900	325	380
2 Components, intermediate products etc., for raising production of capital goods ...	4826	200	60	40
3 Maintenance imports ...		3650	746	730
Total (1 to 3)† ...	4826	5750	1131	1150

*Includes reimbursements from the USA for freight expenses on PL 480 imports initially incurred by India.

†Represents external assistance required for financing imports as shown below.

@Including net drawing on the IME

†PL 480 imports are excluded from both sides—about Rs 534 crores for the Second Plan and Rs 600 crores for the Third Plan.

FOREIGN AID

The outlook on external assistance is, on the whole, promising. At the meeting of the Consortium of friendly countries held in May 1961 under the sponsorship of the International Bank for Reconstruction and Development, India has been assured of assistance totalling Rs 1089 crores to provide immediate support to its balance of payments as well as to cover import orders to be placed during 1961-62 and 1962-63. The USSR had already authorised earlier two credits amounting to Rs 238 crores for use on Third Plan projects.

INVESTMENT IN THE PRIVATE SECTOR*

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*These figures represent aggregate investment in the private sector including that financed out of resources transferred from the public sector.

†These figures do not include investment by way of modernisation and replacement, estimated at Rs 150-200 crores.

Of the total investment of Rs 4,300 crores in the private sector, Rs 200 crores will be provided by way of transfer of resources from the public sector. Part of the investment in agriculture, small scale industries and co-operatives will be financed out of assistance from the Reserve Bank. External assistance to the private sector may be of the order of Rs 300 crores.

FOREIGN EXCHANGE

The following table sets forth the balance of payments estimates for the Third Plan.

FINANCING OF FOREIGN EXCHANGE REQUIREMENTS FOR THE THIRD PLAN

(Rs crores)				
	Total Second Plan	Total Third Plan	1961-62	Annual Average Third Plan
A Receipts				
1 Exports ...	3053	3700	667	740
2 Invisibles (net) (excluding official donations) ...	420*	nil	28	nil
3 Capital transactions (net) (excluding receipts of official loans and private foreign investment) ...	(-) 172	(-) 550	(-) 133	(-) 100
4 External assistance ...	927@	2600	575†	520
5 Draft on foreign exchange reserves ...	589	nil	nil	nil
Total (1 to 5)† ...	4826	5750	1131	1150
B Payments				
1 Imports of machinery and equipment for Plan projects ...		1900	325	380
2 Components, intermediate products etc., for raising production of capital goods ...	4826	200	60	40
3 Maintenance imports ...		3650	746	730
Total (1 to 3)† ...	4826	5750	1131	1150

*Includes reimbursements from the USA for freight expenses on PL 480 imports initially incurred by India.

†Represents external assistance required for financing imports as shown below.

@Including net drawing on the IME

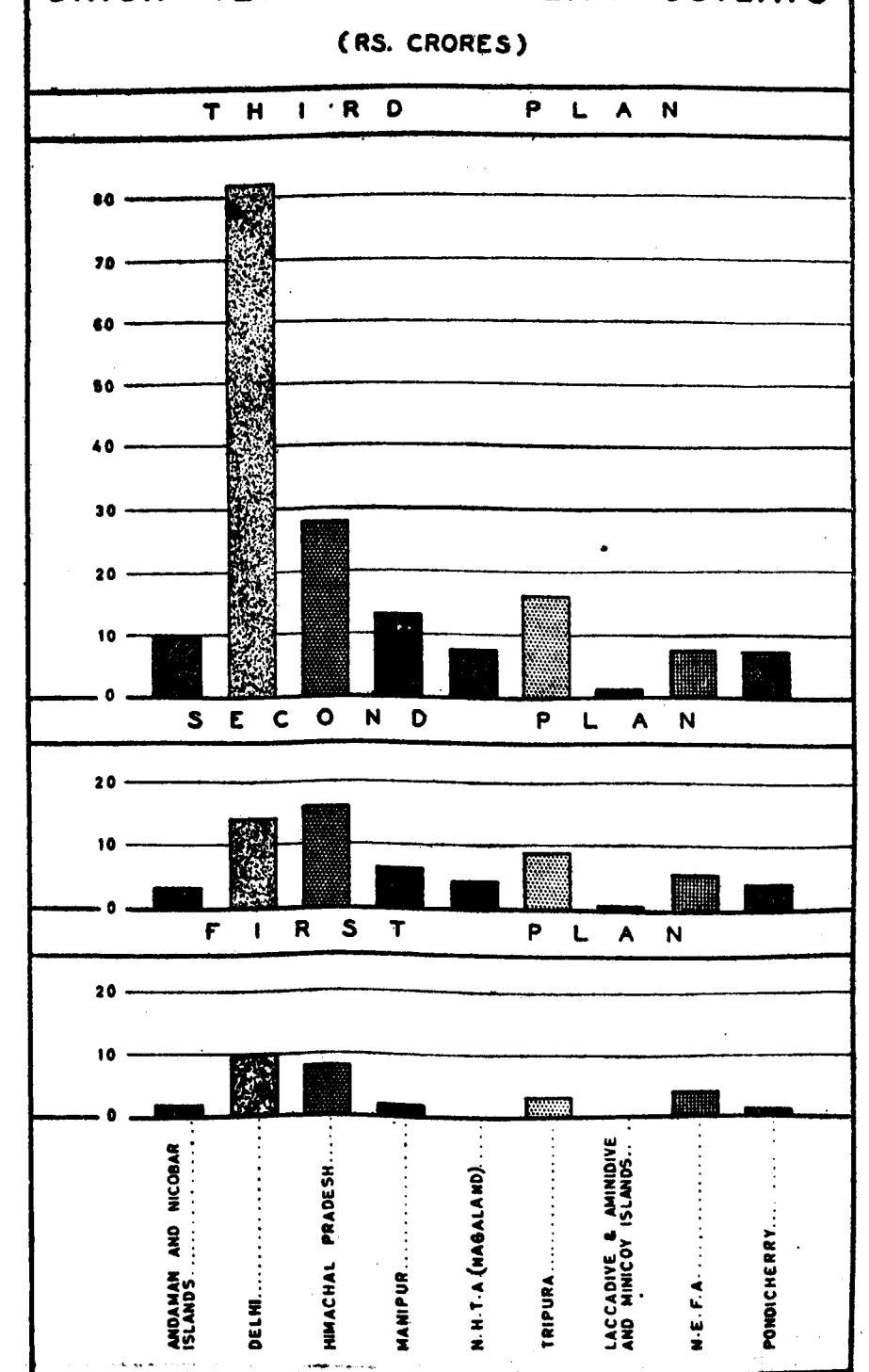
†PL 480 imports are excluded from both sides—about Rs 534 crores for the Second Plan and Rs 600 crores for the Third Plan.

lised to the fullest benefit of the economy. From the point of view of internal as well as external resources a progressive increase in production and in savings is vital for the success of the Plan.

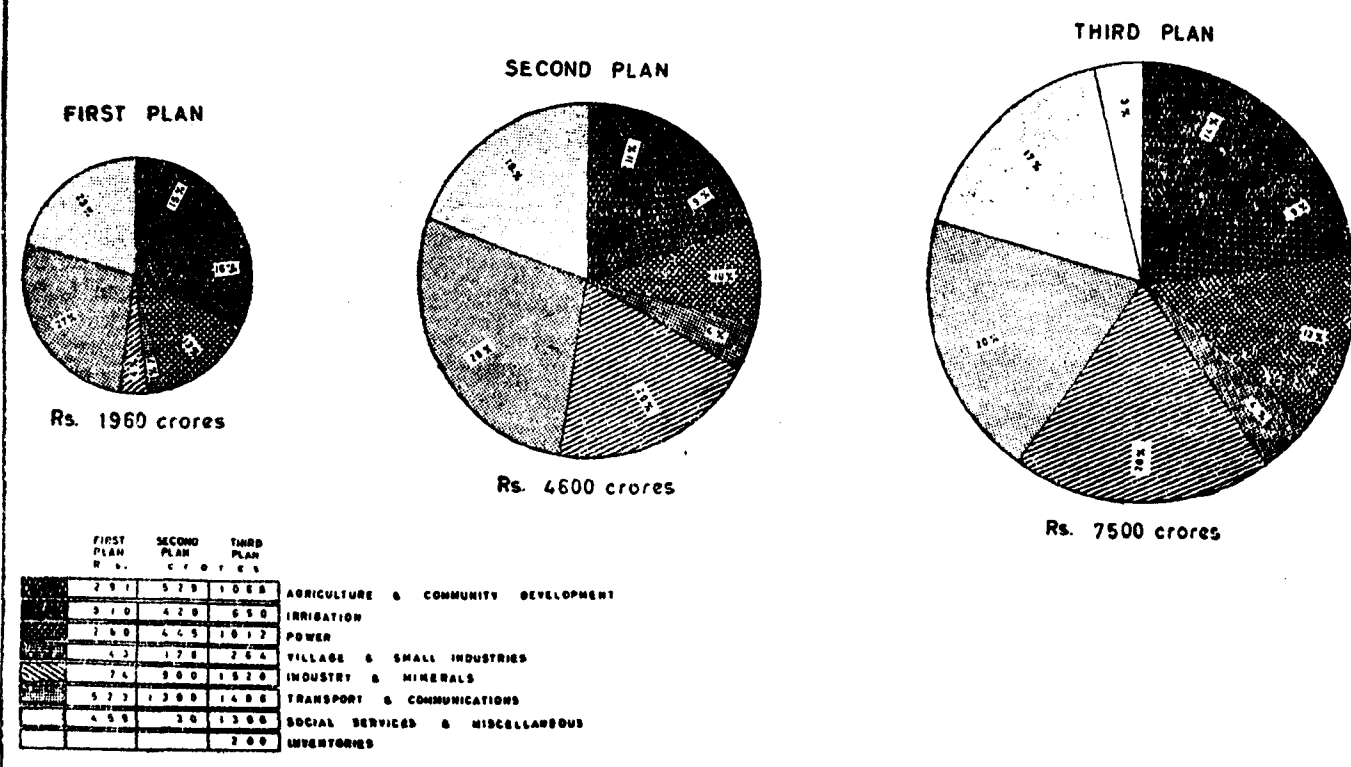
There has to be close scrutiny of all non-Plan expenditure, economies in expenditure, both on Plan and non-Plan items, can release some resources for financing development. Experience of the Second Plan suggests that the scope for taxation may, in fact, be larger than is foreseen at this stage. Provident funds, extension of life insurance and similar social security schemes to institutionalise savings are a potential source for further resources. There is need for a country-wide savings drive, particularly in the rural areas. In the States, steps are being taken to place greater responsibilities on local self-governing institutions. Larger resources for development can be mobilised if, through these institutions, the community is induced to take greater interest and participate in local developmental programmes.

The limit to financial resources is never an absolute one; it is related

UNION TERRITORIES: PLAN OUTLAYS



DISTRIBUTION OF PLAN OUTLAYS IN THE PUBLIC SECTOR



sale prices in the Second Plan is entirely the rising pressure of demand resulting from the growth of population and money incomes. Supply factors have also played their part from time to time. The Plan points out that although the production potential of the country has been strengthened considerably, both in agriculture and industry and the scheme for mobilising the financial resources required for the Third Plan postulates deficit financing on strictly limited scale, the possibilities of significant and even disturbing price rise cannot be entirely eliminated. Firstly there is usual uncertainty in regard to monsoons. Secondly, the various restraints on consumption implicit in the Plan may not always operate to the full extent. Thirdly, while the Plan envisages a certain balance between the rates of growth in various sectors, some imbalance is almost certain to appear from time to time. It is necessary, therefore, to keep a close watch on prices and to be prepared in advance with strategy for corrective action.

A major constituent of the price policy is fiscal and monetary discipline. Fiscal policy must be directed to mopping up excess purchasing power which tends to push up demand above the levels of available supplies. Public enterprises have an important role in enlarging public savings. They must, therefore, operate at a profit and maintain a high standard of efficiency required for their purpose.

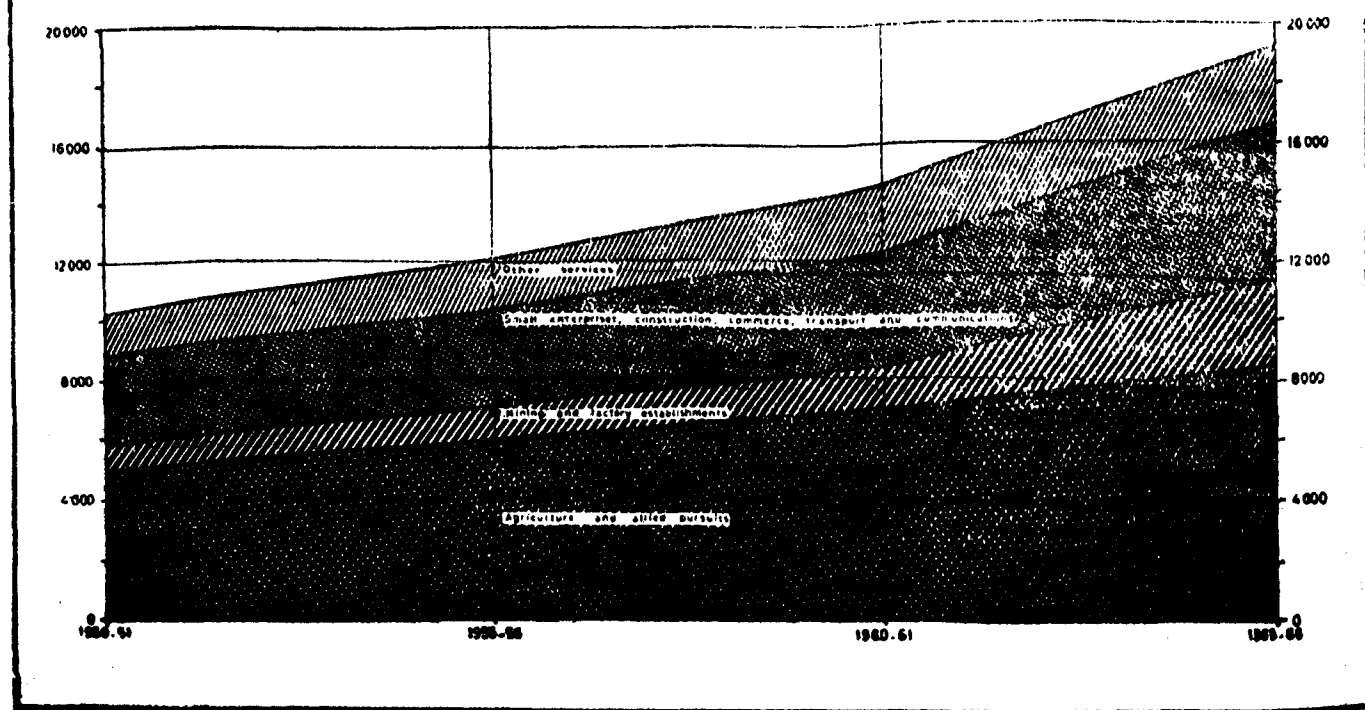
Monetary policy has to go hand in hand with fiscal policy by regulating the pace of credit creation through banks. Commercial policy can also be used to an extent to overcome domestic shortages. Without adequate fiscal and monetary discipline other regulatory measures cannot have the desired effect. But in order to secure the right relationship between various prices or to prevent undue hardship to low and fixed income groups, it may be necessary to have physical allocations and direct control in certain sectors.

PRICES IN THE SECOND PLAN

The Second Plan was characterised by a persistent upward trend in prices though part of the rise in prices was a corrective to the earlier decline. Over the five-year period, the rise in the general index of wholesale prices has been about 30 per cent. Food articles as a group have gone up by some 27 per cent; industrial raw materials by 45 per cent; manufactures by over 27 per cent. The major explanation of the continued upward trend in the whole-

NET DOMESTIC PRODUCT BY INDUSTRIAL ORIGIN

(Rs. CRORES AT 1960-61 PRICES)



EXPORTS

The Plan emphasises that a special effort should be made to earn foreign exchange for use in developmental purposes and that domestic consumption should be held within reasonable limits. In order to create export surpluses, export industries must become competitive in order to achieve an export effort during the Third Plan period of at least Rs 3700 crores.

Action has to be taken along several directions, in particular the following:

- Domestic consumption must be held within reasonable limits in order to create export surpluses;
- Steps to increase the comparative profitability of exports are essential;

- In their cost structure and productivity, export industries must become competitive as early as possible. Industrial licensing policies should also be oriented towards export promotion, and
- Steps must be taken to mobilise public opinion in favour of exports, to enlist the efforts of industry and trade, to improve Government's own organisation for market research and intelligence and commercial representation abroad, and to enlarge facilities for credit, insurance, etc.

By far the most important condition for fulfilling the export programme is the realisation of the agricultural and industrial targets of the Plan. Restraints on the growth of internal consumption are an essential condition of a successful export drive. What is required is not ab-

solute reduction in the total or per capita consumption, but a slowing down in the rate at which consumption increases. The Plan calls for a greater public understanding of the need to step up exports and recognition that this object cannot be achieved without a degree of sacrifice which is equitably shared.

12 August 1961

The prices of what may be called basic essentials must be held reasonably stable; in regard to commodities that could be classed as comforts or luxuries, a rise in prices may have to be tolerated. The technique of price regulation will further push from commodity to commodity.

Two main objectives of price policy are:—

- to ensure that the movement of relative prices grow with the priorities and targets which are being set in the Plan, and
- any considerable rise in prices of essential goods that enter into the consumption of low income groups is prevented.

EMPLOYMENT AND MAN-POWER

Provision of adequate employment opportunities is among the most difficult tasks to be accomplished during the next five years. In the rural areas both unemployment and under-employment exist side by side, and the distinction between them is by no means sharp. In the villages unemployment ordinarily takes the form of under-employment. In the urban areas, employment is linked with fluctuations in the state of business, transport and industry.

Existing data on employment are inadequate. However, with the limited information that is available, it is reckoned that the backlog of unemployment at the end of the Second Plan is about 9 million. This increase in backlog as compared to 5.3 million suggested in the Second Plan means that while the absolute impact of the Plan on employment was significant, it was not sufficient to absorb the increasing numbers of new entrants to labour force.

It is estimated that increase in labour force in the Third Plan—in the light of data available in 1961 census—will be roughly about 17 million, one-third of the increase being in urban areas. As against this, it is estimated that the Third Plan may provide additional employment of the order of 14 million—10.5 million outside agriculture and 3.5 million in agriculture. The break-up of the non-agricultural component of employment is given in the Table below:

ADDITIONAL NON-AGRICULTURAL EMPLOYMENT

	(In lakhs)
1. Construction	23.00
2. Irrigation and power	1.00
3. Railways	1.40
4. Other transport and communications	8.80
5. Industries and minerals	7.50
6. Small industries	9.00
7. Forestry, fisheries and allied services	7.20
8. Education	5.90
9. Health	1.40
10. Other social services	0.80
11. Government service	1.50
12. 'Others' including trade and commerce at 56 per cent of total for items 1-11	37.80
Total	105.30

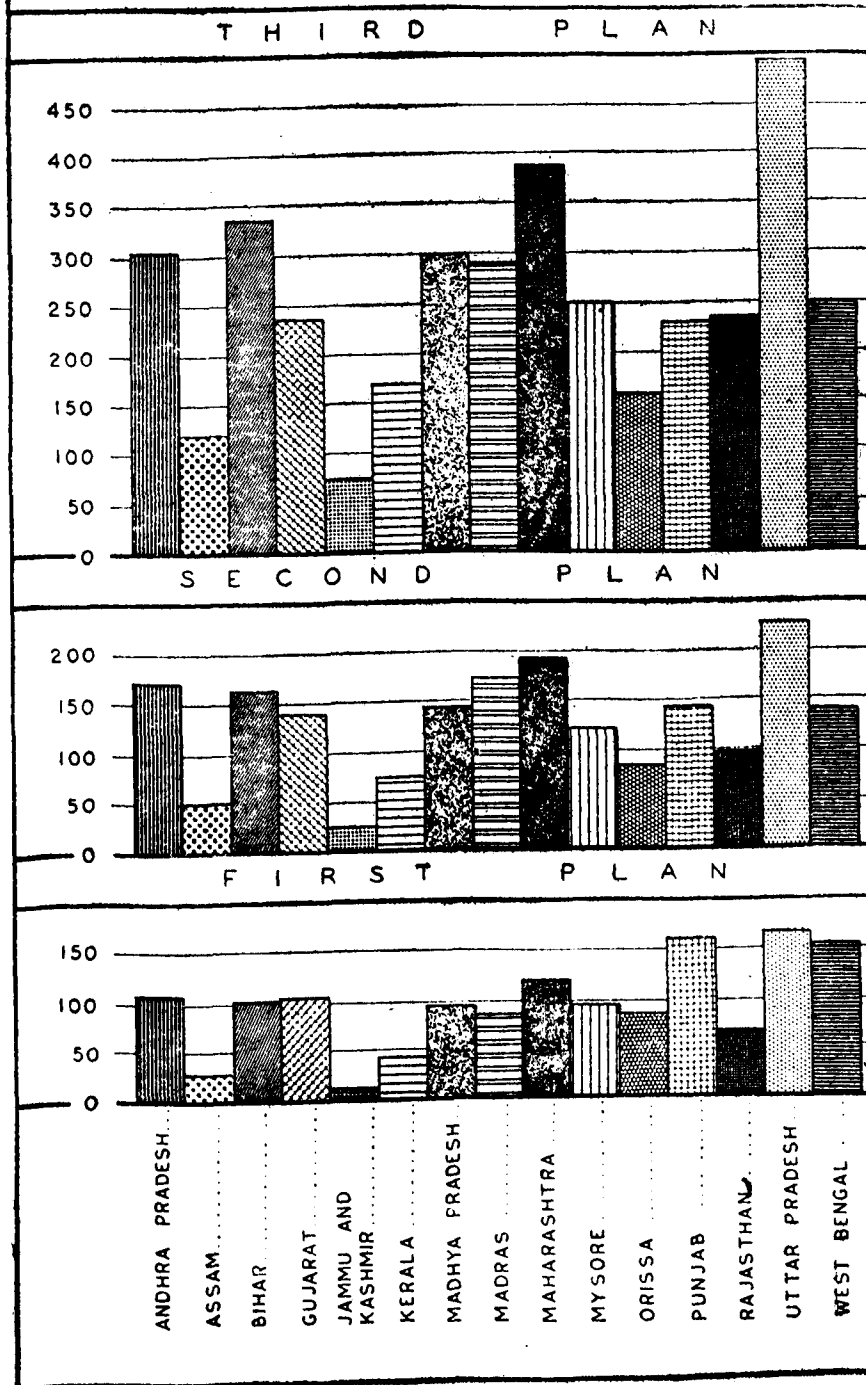
Thus, even for providing work for the new entrants to labour force, there should be additional employment for 3 million persons.

RURAL WORKS PROGRAMMES

It is proposed that the problem should be approached along three main directions. Firstly, within the framework of the Plan efforts have to be made to ensure that the employment effects are spread out more widely and evenly than in the past. Secondly, a fairly large programme of rural industrialisation should be undertaken with special emphasis on rural electrification, development of rural industrial estates, promotion of village industries and effective re-development of manpower. Thirdly, in addition to other measures for increasing employment through small industries, it is proposed to organise rural works programmes which will provide work for an average of, say, 100 days in the year for about 2.5

STATES: PLAN OUTLAYS

(RS. CRORES)



million persons and, if possible, more.

Rural industrialisation and rural electrification are connected programmes and are of the greatest significance for the expansion of stable employment opportunities in rural areas. In each area it is necessary to develop centres or nuclei of industrial development in small towns and centrally situated villages and link them with one another through improved transport and other facilities. In each district, through forward planning, the programme for agricultural and industrial development should be co-ordinated with the supply of power.

In recent years there has been a change in the attitude towards manual work on the part of educated persons and programmes for orienting them to the requirements of the developing economy are proposed to be taken up on a larger scale. The scope for regular and continuous employment within the rural economy for educated persons at levels of income comparable in real terms to those in the town will greatly increase with the development of cooperatives and of scientific agriculture and the establishment of democratic institutions. It should also be possible to assist fairly large numbers of young persons with education to set up small industries in rural centres at which power can be made available.

There is need for deployment of skilled personnel from projects which have been completed or are nearing completion to those on which construction is to commence. Machinery created for this purpose in the Second Plan has functioned satisfactorily. While maintaining this machinery, the problem could be more manageable in size if work on similar projects is better phased and advance planning is undertaken.

IN THE SPACE OF 10 YEARS...

the resources of National and Grindlays Bank Limited, which now incorporate the Eastern Branches of Lloyds Bank Limited, have increased from £130 million to £230 million. Similarly the number of offices now operating in countries overseas total 140—100 more than existed ten years ago.

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Notes

ORDNANCE FACTORIES New Frontiers

The Journal of Industry and Trade for June notices the work of the Ordnance Department in detail and indicates that the production target for Rs 26 crores in 1959-60 has been almost reached because output was valued at Rs 25.14 crores and a further increase to Rs 29 crores in 1960-61 was likely though civil work would be limited.

The Ordnance factories in peacetime also produce goods for military needs. The progress made in the last ten years proves that the increase noted during the war has been kept up. While tractors or cars made by the Ordnance factories supplement the production of the private sector, the main aim is to provide stores needed for the Army and the rise of 79 per cent in output as between 1956-57 and 1959-60 is a sign of reduction of imports due to local output going up.

The works of reference indicate that during the war the production of Ordnance factories was valued at Rs 131 crores and this average of the war years has been kept up in recent years. The production of rifles, ammunition, cordite and gun-carriages from the Ordnance

establishments was stepped up during the war in which armoured vehicles too were made in India. If a Bren-gun factory at Hyderabad was closed in 1950 the other factories have made good progress. The sale of shotguns and cartridges to authorised dealers who supply guns for sporting needs has been made possible by the expansion. In essence, a branch of engineering, the Ordnance factories have been able to use more steel and alloys.

The Eastern Group conference certainly helped Ordnance factories to call in the engineering industry and railway workshops for military purposes. Besides making bombs from 1943-44 the DGMP was able to provide the equipment for making high explosive and toluene for TNT manufacture. This was all a part of the war effort which put the Ordnance factories in a position to retain surplus capacity and to plan for steady increases for the requirements of the armed services. The output of 1,200 light trucks in 1960-61 with the help of MAN of Nuremberg represents a departure, as also the production of tractors and light trucks with Japanese aid under a special arrangement reached in 1958.

Replacing imports is the main aim and the savings in foreign exchange in 1959-60 (seven months only) amounted to Rs 11.6 crores. The Ordnance Department inspects and keeps stores (the total value in '59-60 being put at Rs 78 crores nearly) and minimises purchases abroad. Its research and development programme is in line with the general object of increasing domestic supply from the nearest sources and the use of science for defence purposes has been supplemented by the training of staff abroad. The making of scientific instruments and the provision of stores for the police and for the new mineral oil industry figure in the programme. The utilisation of used lubricants and the derusting of equipment find a place in the Ordnance research programme so that the Army also is now helping actively to limit purchases abroad.

To supplement the Ordnance work, there are major industrial establishments like Hindustan Aircraft. Electronics find a place and the Army gets field telephone equipment from local sources. Far more important is the scheme for making destroyers in India. The ship repairs programme can be enlarged by making destroyers to replace old vessels in commission. The Defence Ministry took over

the BISN's property the Mazagaon Dock which is equipped to produce marine engines and light craft for harbour work.

The manufacture of patrol vessels in the Garden Reach workshops, acquired by the Government last year, will be supplemented by the making of dredgers, needed for improving navigation on the Hooghly. With technical aid from abroad, the G. R. workshops will become both a ship repair establishment and a place for the making of small craft for civil purposes also.

The Ordnance branch represents the wing that produces equipment for the Army and Navy alike, and the Air Force also can rely on locally-made equipment because the Ordnance factories have been improved after Independence on the basis of wartime expansion and achievement. The frontier problem today will demand road-making and other equipment for defence requirements and the Ordnance branch will probably make or recondition heavy earth-moving equipment which can be used also (on contract presumably) for mining operations. The testing of supplies like cars and motorcycles for Army needs will certainly be part of the Ordnance Department's functions and the raising of standards of Indian manufacture is of real help. The wide and varied work of the Ordnance factories now includes food preservation and standardisation of stores like tools and paints, so as to save time and money. All this goes to show that the Army is helping India's industrial growth actively by adopting the rule of self-reliance.

the Moghulsarai line. While the concern for movement above the Moghulsarai line was justified in view of the acute shortage of coal experienced by industries in the UP, Punjab and Rajasthan in the early part of the year, it has been alleged that the increased movement above the Moghulsarai line has been effected by drawing from the quota enjoyed by industrial and other consumers in West Bengal, Bihar and Assam. On top of this continuing inadequacy of wagons, the failure to fulfil the target in respect of movement of coal by the sea route to the Southern ports has aggravated the difficulties of collieries. It has been revealed that against the scheduled number of sailings fixed at 30 for the month of May, the actual sailings have amounted to only 27. This has been caused by lack of requisite number of ships for fulfilling the scheduled number of sailings. Coal berths in the Madras Port are reported to be lying idle for failure to keep up the scheduled number of sailings.

The entire question of coal movement would thus seem to need re-examination particularly in the light of the problem posed by coal movement in the Third Plan. With a target of production of the order of 97 million tons, the quantity of coal that would have to be moved in the Third Plan period would be about 84.5 million tons which compares with 49.5 million tons in the Second Plan. The focal point for transport will continue to be the West Bengal-Bihar region which is expected to provide coal traffic of about 62.0 million tons.

While there is absolute inadequacy of wagons for movement of coal, it does not seem that this alone has contributed to the present heavy accumulation of stocks

★ COAL MOVEMENT Continuing Confusion

The recent meeting of the Coal Transport Advisory Committee held in Calcutta has served to highlight the continuing confusion in respect of coal movement. That the railways have failed to fulfil their obligations in respect of coal movement has been proved by reports of heavy accumulation of coal at pitheads. The coal mining associations of the eastern region have in a recent note revealed that such accumulation has been of the order of nearly 5 million tons. Though in view of the promise by the Railway Ministry the number of wagons available for movement of coal was expected to increase from July onwards in the West Bengal-Bihar region, the actual number of wagons in use in this region has remained static at about 4,700. It has now been brought to light that this situation of tardy movement of coal in the West Bengal-Bihar region has been brought about by the Railway Ministry concentrating its attention on movement of coal above

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At the meeting of the Transport Advisory Council, it has been brought to light that there are grave shortcomings in the system of distribution of wagons. While wagons were being placed at collieries not in a position to load, huge stocks were accumulating with collieries where transport was not available. And in this matter of wagon allotment, the low grade collieries seem to have suffered worst. The authorities have indicated measures such as the introduction of block rake operation, and the coupon system etc, for facilitating easy transport of coal. Action would also seem to be needed on other lines to ensure more systematic movement. One particular question that arises is the transport of coal by road for consumers situated near the coal field. The enforcement of this principle in respect of the railway sheds in the coalfield areas which consume approximately 1,000 tons daily is alone estimated to release nearly 100 wagons for serving the needs of consumers situated distant from the coal fields. The suggestion put forward by the Federation of the Indian Chambers of Commerce and Industry to revise the schedule and rates of coal permissible to various classes of consumers on the basis of the distance involved is also calculated to ensure better movement of railway wagons. If consumers situated distant from the coal fields are provided higher grades of coal, the resultant demand for railway wagons would also be reduced to a significant degree. Further, since the objections arising from higher transport charges for sea-borne coal have now been overcome by the Government's decision to subsidise sea-borne coal, the problem of movement by sea has also to be handled more efficiently than seems to be the case now. While the primary need is to increase the turnaround of ships which is at present low on account of the shortage of ships, the importance of ensuring adequacy of wagon allotments for clearance at ports cannot also be overlooked.

★ FOREIGN TRADE Short-term Trends

Of only academic interest is the recent press note on US coffee imports in relation to export quotas fixed by agreement. The increase in US imports this year will not help India, though the surplus will be smaller because of floods in Mysore, Kerala and Madras too. Drinking of coffee is rising because of moderate prices and a ready inflow from all exporting countries. The chances of selling instant coffee are rated bright and central America seems to be the main supplier. Among exporting countries, Brazil and Columbia hold the lead. The stoppage of exports from Cuba or the fall in supplies from Angola will not

really affect the supply position because Mexico and Kenya may ship more to the USA. Stabilisation of coffee prices at a lower level spells some danger to the exporter of superior coffee like India. A remedy already suggested is the blending of Indian coffee for sale in the internal market and a reduction in excise duty on Robusta coffee which has now strong rivals in the European market though it is known that Switzerland prefers Indian coffee.

The Indian Trade Journal records the passage of a Bill for protecting shrimp producers in the USA. The exports from India of prawns in cans may suffer from a duty of 35 per cent and quota regulation. The main object is to help the US processing industry by letting in only raw shrimp upto a fixed limit. This may mean that Burma is a safer market for the Indian canners who have in recent years increased exports of prawns—called shrimp in the USA. The US intake of cashew is apparently rising and the expansion of cashew-processing factories in Kerala is clearly due to the rise in exports during 1960.

Of more interest to India is the report that Czechoslovakia means to buy cowhides and calf from Cuba. The prospect of large supplies from Brazil also may hit Indian exports of hides and skins in future. The trade prospects in Burma may be called better, because plant for local manufacture is being imported and there are chances of selling chemicals and pharmaceuticals. Pakistan is now reported to be keen on selling textiles, cement, etc. and importing rice, teak, lead and other items. The UAR intends to sell textiles in Burma as well as the Sudan and this will probably arouse the attention of Indian exporters who are aware that India's trade with Burma is not exactly flourishing. Anyway, Pakistan is trying to push sales abroad of soap, blades and woollen fabrics.

★ Imports Up

India's imports from North America rose sharply in 1960-61 according to a detailed analysis of foreign trade which shows how the adverse balance went up. The large imports of iron and steel as well as raw cotton led to a rise of over 11.3 per cent in the value of imports. This may not mean that import restrictions have been ineffective. It may be taken to mean that machinery and raw materials needed by India for industrial development are being got in quantity and stocks are being built up. Increased output at home led to reduced import of both chemicals and fuel and lubricants. The latter accounts for the reduction in imports from Arabia and Iran last year.

The major items of import into India in 1960-61 were wheat but not rice, cotton but not jute, iron and steel and copper and alloys.

The import of machinery rose sharply as also road vehicles, and only raw film imports recorded a decline. The increase in raw rubber imports is due to the shortfall in Indian production. Benefits from replanting, as Mr J. K. Hopkins told the T.R. & T. annual meeting, will be available only after some years. The increase noted in imports of copra or hides and skins might be called inescapable, for Indian industries require supplementary supplies. Reduction under rayon yarn, synthetic fertiliser and rubber tyres can be easily foreseen in view of expansion schemes under way.

The more significant inference from the rise in India's imports in 1960-61 is that rupee payment agreements have enlarged takings and credit arrangements also have influenced the course of import trade. The UK as before, improved its share and the belief that the sterling area is buying less from Britain is not supported by figures available. The rise in India's imports from African countries may help exports though it is clear now that the Sudan wants to follow Egypt in developing local industry like soap-making or flour milling and means to sell iron ore to Yugoslavia and shipping from Port Sudan. A reduction in imports may help engineering industry whose chief problem so far has been power supply. The Third Plan power programmes for self-sufficiency in plant and equipment are apparently due to the increase in India's own imports last year.

Nearer home, trade by land with Nepal, Tibet, Sikkim and Bhutan fell away last year. And the fall in imports was as pronounced as the drop in exports. Though figures are said to be provisional and incomplete, they indicate that political factors govern trade and the Chinese occupation of Tibet has led to a drastic curtailment of Tibetan imports because silver coil cannot be offered to India. And India is forced to see a diversion of Tibetan exports of wool, hair and borax because Indian traders are being forced out of business. Nevertheless, it has been suggested that the trade agreement of April 1954 will be reviewed after it expires, because India does not want to lose touch with Lhasa. Of course, Peking must be prepared to agree and the frontier dispute will probably influence its decision.

The rise and fall of Indian influence in Tibet is now a matter for historians but far more ominous is the decline in trade with Nepal which seems to lean towards China because China is obviously the more powerful neighbour today.

★ INCENTIVES

Gesture from Madhya Pradesh

The decision of the Madhya Pradesh Government to offer a series of concessions and facilities

to the private entrepreneurs with a view to expediting the pace of industrial development in the State during the Third Plan period will be widely acclaimed. These concessions announced by Mr B. A. Mandoli, the Minister for Industries, range from the allotment of land to Government participation in the share capital and cover various phases of small scale and medium sized industries. The new entrants in these spheres stand to gain a substantial quantum of incentives. One of the most attractive features of the new policy relates to the concessions that will be granted on power. Electricity will be made available to the new industrial units at rates ranging from 6 nP to 9 nP for a period of five years from the date of the commencement of production and for the existing industries from October next onwards. In the case of those units that will be required to install their own generating sets due to non-availability of power, the Government has expressed its readiness to subsidise the generation cost to the tune of 10 nP per unit for a period of three years from the day they go into full production or until electricity is made available to them by the Electricity Board, whichever is earlier.

Other concessions announced relate to aspects like sales tax, water supply, octroi, raw materials and other obstacles that stifle the growth of industries in the State. In order to arrive at co-ordinated and quick decisions the Government has set up two high power committees, one at the ministerial level headed by the Chief Minister and the other at the secretariat level.

It is well known that Madhya Pradesh is blessed with abundant mineral resources, power potential and man-power. But factors like the lack of adequate power supply, insufficient transport facilities, non-availability of requisite facilities for scientific and technological education are dampening the pace of industrialisation in the State. The elimination of these hindrances can go a long way in accelerating the tempo of industrial development. The concessions and other facilities allowed by the Government throw up a challenge and opportunity to industrialists.

★ STATE BANK Branch Expansion

The State Bank of India has accepted the suggestion of the Karve Committee to open 300 branches during 1960-65. This rate is slightly less rapid than what it was called upon to achieve during 1955-60 when the target was fixed at 400. Mr P. C. Bhattacharya, the Chairman, stated the other day in Bombay that of these the State Bank itself will open 120 branches and the balance will be entrusted to its

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subsidiaries numbering eight. The Karve Committee has advised caution while proceeding with the expansion plan for ensuring relative respite during 1961-63 and to accelerate the pace of expansion during the last two years. The slower pace recommended during the two years is intended to improve the organisational method and provide adequate training to the new recruits to the branches. It has been estimated that the Bank and its subsidiaries require approximately 300 supervisory staff, 300 head-cashiers, 700 cashiers and 700 clerical staff to manage the business of the branches. Considering the immense task of training and organisation of the staff the cautious approach in the initial stages is certainly justified. To expand the training facilities the Bank proposes to start a new training institution in Hyderabad toward the close of this year. This institution will impart the requisite training for the new recruits. Besides, the Bank is also contemplating to set up training centres in each circle.

In selecting the locale of the new branches the Committee has urged the case of rural and semi-urban areas. It may be recalled that the Reserve Bank of India has pointed out in its latest report on banking conditions in India that there are over 1,400 townships without any banking facilities. As many of the commercial banks are reluctant to open their branches in those areas perhaps the whole burden will devolve on the State Bank. The State Bank's crucial role in this matter has been accepted policy even during the Second Plan.

KUWAIT A Santa Claus for the Arab World

Kuwait remains independent and has got into the Arab League in spite of General Kassem's demand for including the Gulf principality in the Vilayet of Basra, one of the three provinces that constitute Iraq, a succession State created from the collapse of the old Turkish Empire. The Arab States' goodwill as much as British arms have helped the dynasty in Kuwait. But British Petroleum must remain rather nervous because of what may happen to its holdings in Iraq. And Gulf Oil too must be worried by the rude intrusion of high politics into the oil business. That is inevitable, as Hergesheimer's TAM-FICO proved long ago. And Kuwait must assimilate the immigrants and look out for something better than guns or gold to preserve her independence. Qatar, Bahrain and Abu Dhabi are all exposed to the designs of bigger neighbours. There are troubles in Persia to give them a respite and Saudi Arabia has got her own problems at present.

The Gulf principalities to which the Indian Foreign Office devoted great care, say in 1910 cannot be preserved except by the Arab League getting a share of the oil income in future. The Have-not States like Jordan or Yemen will have to get assistance from the newly rich but small States. For, one thing is plain: Kuwait cannot afford to be like Brunei—rich and self-sufficient though protected, collecting royalties and incometax from Royal Dutch-Shell. The Sheikh cannot always hope that Iraq would be kept at bay. Nor can she hope that present Arab quarrels with Israel will guarantee her position forever. The problem is really one of Socialism coming up in the desert winds. It may be that Kuwait can enjoy free trade (except for taking liquor at 50 per cent), buy Indian vanaspati or rayon goods or even Benares brocades. Kuwait may have to go in for more food and a better water supply by using her big sterling balances for popular welfare, not princely display. The creation of a fund for the good of all Arab States may bring in claims from Egypt and Algeria, but Kuwait may have to promote a foreign aid programme for the use of Iraq as well as Jordan. It was easy to sit back before 1952 and refer everything to the British Adviser, but the rush of tankers to Mena-el-Ahmadi and the big new oilfield opened up in 1957 have changed the political outlook besides bringing down Gulf prices for oil, helping India to ask for reduced prices for imported crude oil. Kuwait has no monopoly and must act in concert with Saudi Arabia, the UAR and others to protect her economic interests. Her political interests also require Arab help, especially, if Britain is going to cut overseas military expenditure as a luxury that must be forgone.

PHILIPPINES Pointers to Progress

Mergers in the textile industry, in the expansion of flour mills using imported wheat, and the construction of a cold rolling mill in Philippines are pointers to industrial progress in an undeveloped area. The rise of a chemical industry, as also plans for making optical glass locally suggest that political troubles do not hamper industrial growth. The Philippines Republic like India, operates strict import control owing to the shortage of foreign exchange. High prices help local manufacturers who are, however, handicapped by shortage of trained labour and the scarcity of capital, foreign capital included.

Capital and earnings cannot be repatriated: so direct US investment must long remain limited. But the trade outlook is regarded

as promising and the export of minerals may become more important than shipment of copra or sugar in the future. Investment in a big steel mill at a cost of 116 million dollars on Mindanao island may change the outlook if 2,66,000 tons of finished steel products are available. The Philippines may prove a good market for US second-hand machinery, especially, as sales of machinery have risen steadily. But most trade is in the hands of the Chinese, despite the growth of a Government trading agency, designed to help Filipino merchants. The chances for India in the Philippines may depend largely on local Chinese goodwill. But Hongkong may be regularly preferred and the USA may be the main supplier of such capital goods as are required. But if ore shipments to Japan fall off, the prospects for Indian iron ore may improve from the circumstance of economic change in the islands that are now turning away from playing politics to business. The political connection with the USA may even be an advantage for Indian shippers of jute fabrics, though local fibres provide material for making bags. In one respect, there is similarity. Prices have risen in spite of tight monetary controls in the Philippines. As a coffee processing plant is getting ready, bulk sales of coffee beans may be tried by India. The present surplus must stimulate a search for new markets.

CEYLON The Growing Public Sector

The entry of the Ceylon Government into banking was only the climax of developments creating a public sector. The Ceylon Government has set up companies to handle vegetable oils, leather and ceramics. Both trade and industry are covered by the State-owned enterprises which now include a textile corporation and a film company. The sugar company could not get going in 1960 owing to shortage of raw materials.

Joint ventures in which private capital finds a place are common and Ceylon is now trying to make glass, electric bulbs and hardboard. There is now a local plywood-making company. Of course, the nationalisation of oil and State control of petroleum imports has evoked more notice abroad. There is an industrial policy resolution of sorts to regulate development. Fertilisers, chemicals and salt as well as mineral sands fall wholly in the public sector and the field of private enterprise is limited largely to consumer goods.

The Government outlay in the public sector in 1960 was by no means large and the need for foreign capital is known to be acute. However, economic and fiscal policy is now tempered by

a preference for socialism. This also explains the plan for a People's Bank in which co-operative societies will hold shares to the tune of Rs 6 millions. It will replace the Co-operative Federal Bank, so that it is not a brand new venture. It will function as a commercial bank while assisting industrial co-operatives and developing rural credit through co-operative societies. The entry of a State Bank, that has an edge over its foreign rivals including Indian, will perhaps help the People's Bank to attract deposits. But the emergency is one obstacle to the revival of confidence that promotes regular savings. However, what matters is the creation of local companies, meant to eliminate foreign concerns operating in Ceylon. A beginning has been made with an industrial estate also.

STANVAC Sizable Saving in Foreign Exchange

The Standard-Vacuum Review of 1960 highlights some interesting facts about the activities of the Standard Vacuum Oil Company in India during 1960. There was a rise both in the quantity of crude oil processed at the Company's refinery and also in the sales volume recorded. The refinery processed an average of 38,876 barrels of crude oil per day in 1960 as compared with 33,812 barrels per day in 1959 reflecting an increase of nearly 15 per cent. Total sales were also at an all time high of 473.6 million gallons representing an increase of 17 per cent over sales in 1959. However, the financial results of working in 1960 make less impressive reading since the accounts show a drop in the combined profitability of the refining and marketing organisations. The net profit from refining operations in 1960 was Rs 121 lakhs which compares with Rs 126 lakhs for the previous year. The net profit for the marketing organisation in 1960 was Rs 68 lakhs against Rs 82 lakhs for 1959. Even these nominal profits are shown to have been offset by the write-off of expense incurred in the abortive search for oil in the West Bengal region.

A review of the financial results for the company for a ten year period discloses a drop in profits of great magnitude and also the inverse proportion of profits to sales volume. Thus in 1951 when the company sold only 249.9 million gallons, the return on capital was 13.38 per cent. Five years later when the sales volume reached 458.7 million gallons, the return was 5.55 per cent. In 1960 when the total sales exceeded 640.0 million gallons it had declined further to 4.26 per cent.

The review also underlines the benefits in terms of foreign exchange savings and foreign ex-

change earnings accruing to the country by the manufacturing programmes undertaken by the Company's refinery. It is observed that the net saving and earnings of foreign exchange after paying for crude imports etc from the time the refinery went into operations in 1954 upto the end of 1960 were more than Rs 18.44 lakhs. Attempts have also been made to secure modifications in the plant and other technical devices to reduce the yield of gasoline of which there is already surplus production in the country. It is stated that

during 1960, the Company was able to reduce the gasoline yield to 23 per cent of the crude processed against 32 per cent in 1955. As a result the production of kerosene and diesel oil has gone up from 28 per cent of crude processed to 39 per cent.

A significant event of the year was the absorption of the Company by Standard Oil Company as a wholly owned subsidiary. An important benefit from this development will be to give more direct access for the Standard Vacuum Company to the expe-

rience and research of the associate Company.

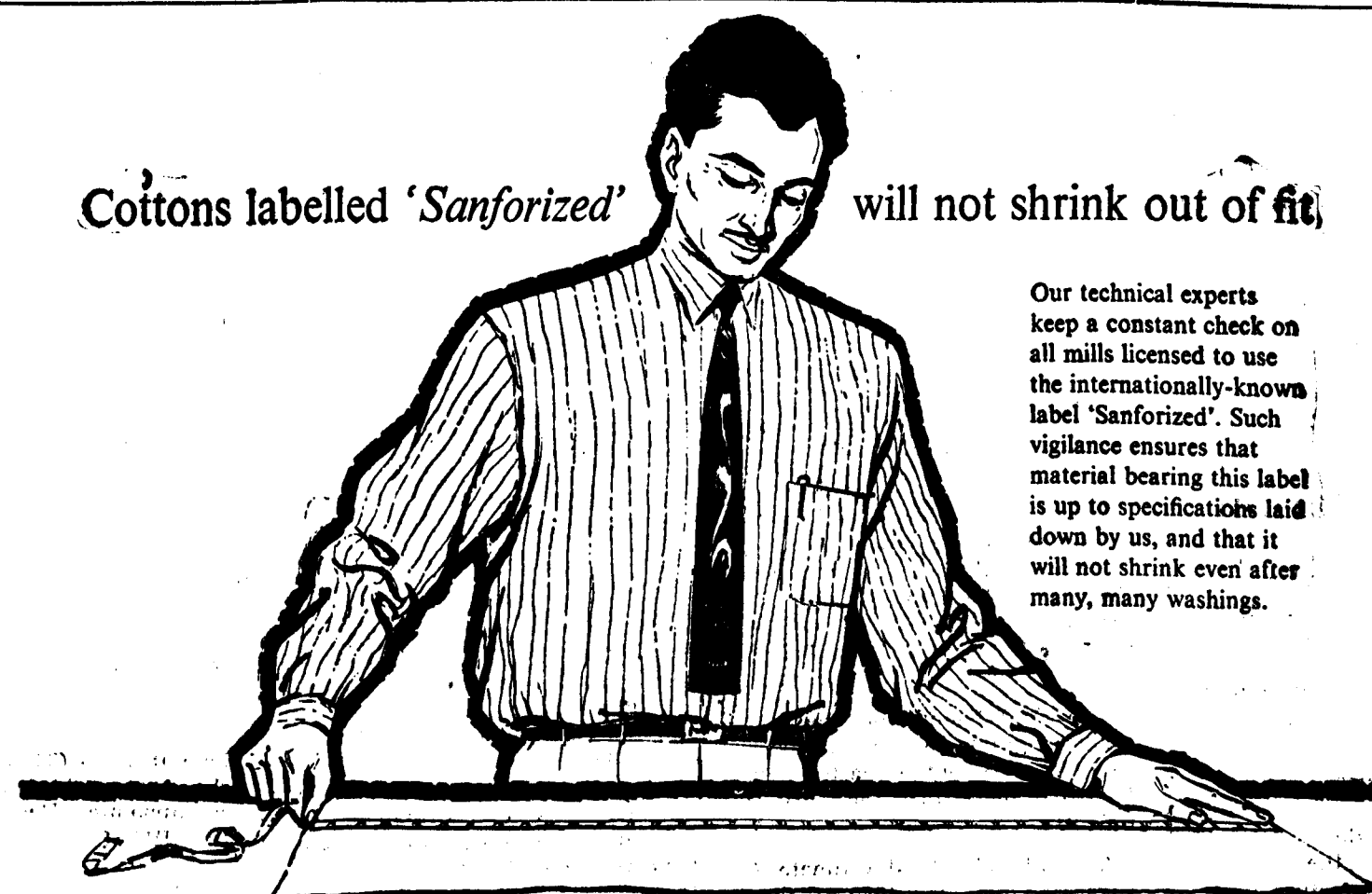
SCIENCE Indigenous Source of Sulphur

Recent investigations by the Indian Bureau of Mines on the technical and economic aspects of utilizing the private deposits of Amjore in Bihar for the production of sulphuric acid are reported in

the current (July) issue of Research and Industry, a monthly periodical published by the Council of Scientific and Industrial Research.

In India, almost all the units producing sulphuric acid are based on elemental sulphur which is now entirely imported. The projects for producing sulphur locally assume considerable importance in view of the rapidly mounting requirements of sulphur for the production of sulphuric acid. By 1965-66, it is estimated, India would be importing 400,000 tons

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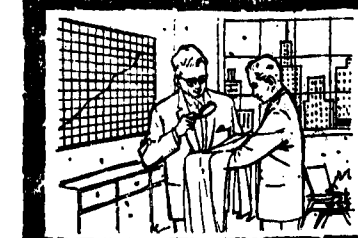
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of sulphur for production of sulphuric acid.

Studies have shown that the production of elemental sulphur by the Norwegian Orkala process would be economical in India if the pyrites is made available at Rs 35 per ton. Another possibility examined is the setting up of pyrite burning units as an adjunct to a steel project. The resulting iron oxide could be utilized for the manufacture of pig iron and steel.

Taking into consideration all factors the study report recommends the installation of chemical plants within a radius of 200 miles from Amjore to derive maximum advantage from the pyrite deposits there. The Ajmore pyrite deposits form the most promising source of sulphur in India. This locality is estimated to have a reserve of about 384 million tons of sulphide ore in an area of 48 square miles. About 78 million tons of these are proved reserves containing on an average 40 per cent sulphur.

INDUSTRIAL INDIA Basic Instrumentation

Mahindra Engineering Co. Ltd., a wholly owned subsidiary of Mahindra & Mahindra Limited, has begun the manufacture of basic instrumentation, the first of its kind in India. Present import of instrumentation costs Rs 2 crores per annum.

Mahindra Engineering were formerly distributing and servicing the products of Electroflo Meters Co. Ltd., UK, when their scheme for progressive manufacture of these products was approved by the Government of India. These products will strictly conform to the technical specifications and standards laid down by Electroflo Meters Co. Ltd. also a member of the Elliot-Automation Group, largest such group outside the USA.

Products under manufacture will include Pyrometers, Flowmeters, Co2 Meters, Draught Gauges, etc.

The plan envisages the expansion of the Manufacturing Programme to cover complementary range of instrumentation to the basic range now under manufacture. It is understood that over the next three to five years the entire demand of basic instrumentation can be met from indigenous sources: provided the Import Licence for the raw materials and Proprietary items are made available by the Government.

The indigenous content by value in the first year will be about 70 per cent. In the second year it will go upto roughly 58 per cent. The balance 12 per cent are specialised proprietary items like Sintered Magnets, Fractional horse

power motors, Jewels, Pivots, Hairsprings, Compensating Cable etc. and raw materials like Beryllium-Copper, Nickel-Silver, Pivot Steel etc.

A substantial foreign exchange saving of Rs 10 lakhs is anticipated in the first year and this is expected to go upto Rs 25 lakhs in the second year.

NEWS IN BRIEF

The National Coal Development Corporation has decided to raise its Third Plan target from 17.0 million tons to 18.5 million tons of coal per annum to provide a cushion to its various schemes.

India registered a favourable balance of trade with the UK to the extent of £2.10 million in February 1961.

A co-ordinated 5-year programme for economic development of Bhutan involving an outlay of Rs 17.5 crores has been accepted by the Government of India and the Government of Bhutan.

The third machine tool factory estimated to cost about Rs 8 to 10 crores will be set up near Pinjore in the Punjab with the technical collaboration of the German Democratic Republic.

The Ford Foundation has announced grants totalling \$1,400,000 to help carry out a master development plan for the city of Calcutta.

The all-India final estimate for sugarcane crop for 1960-61 shows that the area under sugarcane during 1960-61 was 5,734,000 acres while production in terms of cane was 85,045,000 tons.

The Central Warehousing Corporation has opened ten warehouses in the first four months of the current financial year. It has now 50 warehouses in the country. The new warehouses are at Amritsar, Abohar, Mansa, Karnal, and Sonapat (Punjab) Rajamundry, Tadepalligudem and Duggirala (Andhra Pradesh) Quilon (Kerala) and Morena (Madhya Pradesh).

The University Grants Commission has decided to set up at least a score of centres of advanced study in selected subjects in Universities in various parts of the country. The Commission has appointed an expert committee of seven members with Prof. A. R. Wadia as Chairman to examine in detail the subjects of study and other aspects of the programme.

The International Monetary Fund has announced an agreement to make available the equivalent of \$2,000 million to help UK's

balance of payments position. Britain would make an immediate drawing of the equivalent of \$1,500 million in nine currencies held by the Fund.

Sardar Swaran Singh, Minister for Steel, Mines and Fuel, has announced that an agreement for a World Bank loan for the private sector of the coal industry will be signed soon. Contrary to earlier expectations, the quantum of this loan will be Rs 17 crores and not Rs 30 crores.

Imports of machinery and transport equipment into India during 1960-61 cost Rs 326.7 crores compared to Rs 279.3 crores in the previous year, showing a rise of Rs 47.4 crores or 17 per cent.

With the recent acquisition of a tanker of over 20,000 GRT by the newly formed Indian shipping company, the Jayanti Shipping Co., of Delhi, the total tonnage of Indian shipping has exceeded 900,000 GRT. The Indian merchant fleet now consist of 176 vessels and aggregate 908,000 GRT.

A factory manufacturing cine equipment is to be set up at Ootacamund, the South Indian hill station.

The Government of India has decided to constitute a Direct Taxes Advisory Committee to suggest measures to promote understanding between the tax-payers and the Government. The Minister of Finance will be the Chairman and the Deputy Minister of Finance the Vice-Chairman of the committee. The committee will have ten non-official members and three official members. The following non-official members have been nominated to the first committee.

Mr C. R. Pattabhiraman, Member, Lok Sabha, Mr Mool Chand Jain, Member Lok Sabha, Shrimati, Mafida Ahmed, Member Lok Sabha, Mr I. T. Lohani, Nawab of Palampur, Member Rajya Sabha, Mr G. Basu, Chartered Accountant, Calcutta, Mr G. N. Joshi, Advocate Bombay, Mr Arvind N. Mafatlal, Bombay, Mr Neville N. Wadia, Bombay, Mr S. S. Vasan, Madras. The tenth non-official member will be nominated in due course.

The UP Government has decided to install three thermal plants in the State with a total capacity of 355,000 kw during the Third Plan period. These plants would be set up at Haridwar (90,000kw) Odra (250,000 kw) and Kanpur (15,000 kw).

A sub-committee of the Central Advisory Council of Industries has been constituted with Mr Hridaynath Kunzru as the Chairman, to review all licences issued, refused, varied, amended, or revoked from time to time and to advise the Government on the general

principles to be followed in the issue of licences for establishing new undertakings or substantial expansion of the existing undertakings. The other members of the committee are Messrs V. P. Poddar, A. Ramaswami Mudaliar, D. C. B. Pilkington, N. D. Sahukar, Karam Chand Thapar, N. Stenhouse, S. R. Vasavada and S. A. Dange.

The Union Government will shortly issue a licence for the establishment of a factory in Kerala in the private sector for the manufacture of certain types of electrical equipment such as medium size transformers. The factory will be set up in collaboration with Hitachi of Japan, the biggest manufacturers of heavy electrical equipment in the Far East.

PERSONAL

Mr K. S. Sundarajan, Joint Secretary to the Department of Economic Affairs, Ministry of Finance has been appointed a member of the Indian Airlines Corporation as also of the Air India International Corporation.

Mr S. Bhootalingam, Secretary, Ministry of Finance, has been appointed a member of the University Grants Commission in place of Mr N. N. Wanchoo who has ceased to be a member of the body.

General K. S. Thimayya, Formerly Army Chief of Staff, has been appointed Deputy President of the UPASI.

Mr M. N. Sambamurthi, at present Accountant Member, Income-tax Appellate Tribunal, has been appointed President of the Tribunal in place of Mr S. C. Manchanda, who has become permanent Judge of the Allahabad High Court.

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Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"

—As You Like It.

OUT in Space for just a day, Major Titov was smitten with what, in the circumstances, might have seemed to many an odd emotion—nostalgia. Having just shaken the earth's dust off his feet, one would have thought that he would have been exalted by a Nietzschean sense of power over new worlds. Instead, he was overcome with "earth-sickness". No, it was not ennui with Space, which would have been a trifle early, considering that he had just, so to speak, set his foot in it. It was that he felt that "nothing was fairer in the world than the earth on which one can stand, work and breathe the air of the fields". It warmed my heart to see that even in the moment of his triumph, Major Titov had a thought to spare for poor earth. And what a thought! People are so out of love these days with this earth of ours that they think nothing of blowing it up. Though I personally am not disposed to rave about it, I think like Touchstone, that it is "an ill-favoured thing" but mine own. It was given to Major Titov to make us all ashamed of ourselves and take a little decent pride in this "goodly frame". And there is a principle of romanticism involved here. The farther you get away from the earth the more tied to it you become, and that is the basis of all nostalgia. As Chesterton once remarked the essence of romantic adventure is that at the end of it all you come back home and live happily in dowdy domesticity. And in a deeper sense, the earth you stand on and the fields you plough are more important than the planets you colonise, and the man who raised two ears of corn where one grew before would still be doing a more important job than one who gads about in Space. Of course, at the rate things are moving, "earth-sickness" may certainly be due to less exalted reasons. In an age in which we may soon be vacationing in the Moon to "get away from it all", it is just possible for us to get sick of the delights that the night-life of the gods has to offer and hanker after some honest-to-God sub-utopian boredom. One can fancy, on a cosmic scale, the futility that Mathew Arnold deplored,—that of man trying to get away from himself by rushing from ugly and unsightly London to ugly and unsightly Brighton. But then, there is time enough to worry about all this. Maybe we may not have to worry at all, if Earl Russell's worst fears about a helpless drift towards war prove right.

The psychology of persuasion has me baffled all the time and I am not being helped any by the Packards and Dichters of the world. There appears to be two distinct and opposite theories holding the field. On the one hand, there are those who act on the premise of the bird in T. S. Eliot's poem: "Go, Go, humankind cannot bear very much reality". and wrap up whatever they have to sell in candyfloss. On the other hand, there are those who profess to speak the truth and leave it at that. These latter quote the example of the flower girl who spurned the usual sob-stuff about poor Nell. She put up a placard in front of her basket announcing that she was not starving and did not have seventeen children at home and sold flowers merely because she loved them. She is reported to have emptied her basket in fifteen minutes. This may well be a case of truth paying dividends: but, if a girl was really poor and sold flowers and proclaimed her poverty, and failed to sell, what is the position? Or take the weirder case of a person who is actually starving and having seventeen children, putting up this particular front, as a kind of double-bluff that gets at the sucker who imagines he is nobody's fool. What then?

Among the more amusing examples of the "blunt-truth-theory" are the real property ads of E.H. Brooks and Son that appear in the personal columns of Observer. Here are some samples quoted by Newsweek: "A dreadful working class terrace house of sinister aspect in one of the meaner streets at the bitter end of Cheyne Walk . . . The wall paper hangs dankly down in shreds. . . . The gaping holes gnawed at the edges of the basement floor may not have been done by rats, but merely large mice. . . ." Here is another: "A wonderful buy: a thoroughly scruffy period house, ought to be sound in wind and limb, except for a spot of wet rot". What will Dr Dichter say about this kind of selling? Of course, between the imaginary flower-seller's placard and the real estate ads, there is a difference. The former's assertions are strictly irrelevant to the act of buying. But even so, they are not irrelevant to the act of being persuaded and it cannot be denied that truth cheats a little more blatantly in both cases than half-truth or even falsehood in the opposite kind. There are all sorts of masochistic satisfactions to be

had in falling for this kind of sales talk. But even as I am getting convinced that this is a better kind of sales approach, I am confronted by the figures of sales promoted by the opposite kind of advertisement. The same difficulty arises about theories of salesmanship. Do I make the customer feel like a worm and buy in a dither of inferiority complex the whole shop, or do I suck up to him, make him feel important and expansive and unload on him the unsaleable stock? It is difficult to decide. Or does it depend upon the kinds of goods you have to sell? Haute Couture would seem to favour the former technique. How often have we not seen photographs of supercilious models viewing with faint distaste the ungainly customers they model for and reducing them to abject surrender? Other trades may call for the soft soap and the big handshake. Moral? It takes all kinds of suckers to make this world and they cancel each other out. And in a world of suckers who is the wise guy?

I find that the Government, acting on a sensible recommendation of the Uppal Committee on waste lands, is to set up a model co-operative farm in Mysore for landless labourers. I have always been rather intrigued by the fact that advocates of co-operative farming have been slow to get on to the possibilities of an idea that appears to me to knock the bottom out of much of the opposition to it. As I understand it, even the Swatantra Party is not opposed to co-operation as such even in farming. What it objects to—and I must say I find it a weighty objection—is the huddling together of a number of small farmers into a co-operative mould and asking them to merge their individual identity in the larger entity. This, if I know anything of psychology, especially of a small peasant, is a wholly unrealistic programme unless, of course, pressure direct or indirect is permitted. On the other hand, there is no reason why waste and reclaimed lands, lands declared surplus by the operation of ceiling legislation and Bhoodan gifts should not be straightaway used for experiments in co-operative farming with landless labourers as members. The idea has several virtues. First, it does not involve any needless exacerbation over existing proprietary rights and sentiments. The landless farmer has, by definition, no rights to surrender or sentiments of ownership to be outraged. All that will happen in his case is that he would continue to be rewarded for his labour as before with the added right of qualified ownership. In his case, it is a right acquired

whereas in the case of landed proprietor joining a co-operative farm, it would be a case of surrendering of part of an existing right. And as British constitutional history has demonstrated, reforms based on enlargement of rights have a greater chance of enduring than those that involve expropriation. Secondly, in all compromises currently made by Authority, a member continues to keep his rights of ownership in tact even when he merges his land in a co-operative farm. This means that two modes of sharing the fruits of the co-operative endeavour will, in all fairness, have to be devised: one that will go with rights of ownership and another that will bear some relationship to the services rendered by the members. The equity of this kind of sharing will always be a matter for argument and is bound to cause heartburn of various sorts. In an atmosphere of socialist frowning on ownership, even of a pitiful three acres and a cow, the chances are that ownership rights will be subject to slow attrition. None of these conflicts can possibly arise in a homogeneous co-operative farming society in which the very stake in the land is created for the first time by the labour of the members. There would again be no problem of any member suddenly saying that he would take himself and his land out of the co-operative farm, a right now allowed him, in order to prove good faith to those who base their objections to the idea on its alleged coercive nature. Above all, this mode of arranging affairs has the virtue of eliminating the other great bane of Indian agriculture—fragmented and uneconomic holdings. In all the current enthusiasm for land reform based on indignation at alleged disparities in agricultural wealth, a somewhat ersatz emotion, this, if the census of holdings given in an appendix in the Third Plan is correct—this fact gets forgotten. Otherwise it is difficult to understand policies designed to distribute lands rendered surplus by ceiling legislation to landless labourers. One would have thought that the almost providential juxtaposition of landless labour and "owner-less" land would have been seized upon for a socialist experiment without gratuitously duplicating the historical impediments to such a consummation. Instead, it seems to me, Authority has been creating new and wholly unnecessary difficulties for itself. It is vaguely hoped that subsequently, these beneficiaries of land reform can be persuaded to join a co-operative farm and cultivate their lands jointly. I for one, believe that, it will be more difficult to persuade this new class of helot-turned-petit-bourgeois to surrender ownership rights than those who have held to their barren patch for much longer periods. That is why I welcome the Mysore experiment.

EAVESDROPPER

Olympus

PARLIAMENT Questions and Answers

A heavy barrage of questions relating to the Ministry of Commerce & Industry was a distinctive feature of the opening of monsoon session of Lok Sabha. Mr Kanungo, Mr Manubhai Shah and Mr Satish Chandra between them had to answer as many as 79 questions ranging from financial assistance to village soap industries to the impact of the European Common Market on Indian exports, not to mention the Small Car which is now very much in the news. The answer to the question relating to the small car has been fully reported in the newspapers; but the same is not the case with the wealth of information supplied in written answers and statements laid on the table. Among these are the following:—

US COLLABORATION

It may be recalled that a team of US businessmen will be visiting this country in October to assess the prospects of further collaboration—was elicited by Mrs Renu Chakravarti (Com). During the Second Plan period, consents had been given to 24 new issues of capital in which participation by US companies was proposed. This does not, however, include cases of technical collaboration only between US and Indian Companies approved by the Government of India. The activities of the new companies started with US capital participation cover a wide field, including manufacture of automobile ancillaries, surgical and pharmaceutical products, pulp and paper, ferro-manganese and other alloys, aluminium, cement, synthetic rubber, tyres and tubes, artificial silk or rayon, Forge shop, carbon black, anti-biotics, electrical equipment etc. The structure of capital participation between American and Indian interests varies from company to company, but generally US participation has been on a minority share-holding basis: in a very few out of the 24 cases mentioned above, the US firms hold majority shares. Before approving of the arrangements for collaboration, the different aspects of such arrangements are carefully scrutinised in Committees specifically set up for the purpose. In this scrutiny importance is attached to the arrangements proposed for the training of Indian technicians and executives in all aspects of production and management. Further, where a phased programme of manufacture is proposed, emphasis is placed on the rapid build-up of indigenous production. It was also

vested in any of these joint collaboration firms.

CEMENT

A statement placed on the table of the House, in answer to a question on cement supplies and prices, conceded the existence of serious shortage and gave the further information that, in order to meet the demand, several new schemes, both for establishment of new units and for expansion of existing factories, had been approved for a further annual capacity of 6.174 million tons. Besides, assistance is provided to existing factories to maximise production.

While the actual production of cement during the current quarter has been estimated at 22.50 lakh metric tonnes, the demand had increased to 39.78 lakh metric tonnes during this period from the level of 21.84 lakh metric tonnes in the first quarter of 1960. Cement allocations for every quarter are made by the Government of India in advance of its commencement, after taking into account the estimated production in that quarter. In making the allocations, due regard is given to the priority and essentiality of requirements like Defence etc. and plan projects. Bulk allotments to central co-ordinating sponsoring authorities and State Governments are made and detailed distribution of the quantity thus allotted amongst various consumers, projects under the Plan or otherwise is made by them.

The requirements of cement of all the State Governments from April, 1960 to September, 1960 were met in full. Allocations during the quarter October-December 1960 were made in consultation with the Planning Commission and in a meeting with the representatives of State Governments. It was decided that allocations of cement for the quarter January-March 1961 should be made on the basis of the average of allotments and despatches in the past four quarters and the allotments were made accordingly for the quarter January-March, 1961.

While the F.O.R. railhead destination price of unpacked cement and the packing charges are fixed by the Central Government, the retail selling price in a State is fixed by the concerned State Government after taking into account factors like handling and transportation charges from rail-head to the dealer's shop, dealer's commission, central sales tax and other incidental charges. The enforcement of the price is exercised by the States under their respective Cement Control Orders. Thus it is for the State Governments to take steps to check black marketing in cement, if there be any. The present F.O.R. railhead destination price of

unpacked cement, as fixed by the Central Government is Rs 104.60 per tonne. The packing charges for the quarter July-September are Rs 19.00 nP per tonne.

TEA

The inadequacies of arrangements of transport for the Indian Tea industry and of the measures for publicity abroad were raised in another question. In answer it was stated that, while the Tea Board had not received any major complaint about the difficulties in the despatch of teas to Calcutta from West Bengal or Assam, the Railways had introduced a system of guaranteed delivery of tea traffic from Siliguri district to Sealdah, Chitpur, Howrah and Calcutta port area within 8 or 10 days of booking. Apart from this scheme, which, it was stated, had proved to be very popular with the planters in general, the North-East Frontier Railway authorities had this year issued orders to their officers at Katihar, Alipur-duar Junction, to make available wagons for loading teas within two days from the date of registration. More than 80 per cent of the tea is sent by the special steamer services which deliver consignments at Calcutta within 8 days of booking.

As regards publicity it was stated that the following measures have been taken by the Tea Board:

1. Participation in Exhibitions sponsored by the Government of India;
2. On suitable occasions pure Indian blends have been presented to those likely to influence the consumption of Indian tea;
3. Presentation of Indian tea through Offices of Air India International;
4. Supply of free tea to industrial canteens in Switzerland to serve tea to their workers;
5. Steps to appoint its Officer on the Continent to look after the interests of Indian tea in Europe are being taken;
6. Tea Advisers have been appointed in the UK, Australia, USA and Egypt; and
7. A Tea Centre has already been opened in Cairo; all the activities in this sphere are surveyed by the Board's Export Promotion Committee assisted by Regional Panels which include members from the tea trade also, who give expert advice.

Figures given in answer to another question however show a declining trend of expenditure on promotional works both within India and abroad. The expenditure on internal promotion of tea has declined from Rs 32,21,188 in 1958-59 to Rs 24,01,707 in 1959-60 and further to Rs 18,22,948 in 1960-61. The corresponding figure of total expenditure on promotional works abroad are Rs 43,25,581 for 1958-59; Rs 45,72,771 in 1959-60 and Rs 32,00,078 in 1960-61. (Figures for 1960-61 are provisional). It was, however, explained that the figures of tea promotion outside India do not in fact reflect any curtailment

of activities. The reduction in expenditure has been mainly due to reduced contributions to the Tea Councils of USA, Canada and West Germany consequent on the revision of the basis on which contributions were made by the participants. As regards internal promotion, a new orientation has been given to activities which accounts for the reduced expenditure. A large number of internal promotion staff has been switched on to advisory services in canteens in large industrial establishments. These canteens bear a substantial part of the salary and allowances of the staff.

A NEW HOTEL FOR THE CAPITAL

The Ministry of Transport, Tourist Division, has estimated that the present hotel accommodation in New Delhi is 900 rooms and that an additional 1,100 rooms are needed to meet the present demand.

A new venture in the offing will partially meet this demand. East India Hotels Limited and Intercontinental Hotels Corporation of New York have announced plans for the completion of a new \$5,000,000 airconditioned 350-room hotel in New Delhi.

Financing of the new hotel is being done by the Export-Import Bank, the Finance Corporation of India, and private sources in India and the United States. The Export-Import Bank is financing the project in dollars and in foreign currency.

The hotel, owned by East India, will be a member of the Intercontinental group of hotels and will be named the Oberoi Intercontinental. Intercontinental, a whollyowned subsidiary of Pan American World Airways and one of the largest operators of hotels outside the United States, will provide technical assistance for the completion and furnishing of the new hotel.

The new hotel in New Delhi will include a banquet room, grill room, night club, coffee, soap, swimming pool, and large public room facilities for conferences and meetings. The hotel is in a residential area of the capital, adjoining the golf course, and a mile from the Central Secretariat and the business and shopping areas of the city at Connaught Circus.

The Government also feels that new hotels would contribute to facilities being provided for the nation's growing tourist business.

★

The State Trading Corporation has negotiated a barter agreement with a Swiss firm for the import of automatic looms against the export of cloth and commodities, the Minister of Commerce stated in answer to a question from Mr Morarka. The agreement provides for the import of Rs 3 crores worth of automatic looms against exports of cotton textiles and other products over a period of two years. Mr Kanungo also informed the House, in answer to another question, that, so far this year (up to 10-7-61), forty-four firms have been black-listed for indulging in malpractices in obtaining export and import licences.

12 August 1961

Indian Finance

31

are you a victim of executive fatigue?

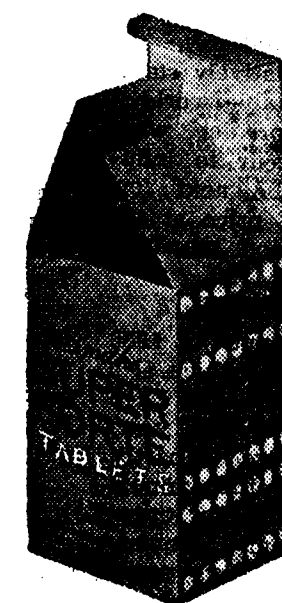
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Indian Copper Corporation Limited

Record Production and Another Successful Year

Mr Patrick E.G.W. Parish, O.B.E., the Chairman, on New Project

Presiding at the Annual General Meeting of the Company for the year ended 31st December 1960, held on the 9th August 1961, Mr Patrick E.G.W. Parish, O.B.E., the chairman, said:—

Gentlemen,

The Report of your Directors and the Accounts for the year ended 31st December 1960 have been in your hands for several weeks. This meeting gives me a suitable opportunity to give you some more details of the progress which your Company has made during the year, a review of Copper prices and, perhaps, an indication of what lies ahead.

GENERAL REVIEW

As I have explained before on similar occasions, the prices at which our products are sold must inevitably follow the trend of prices of Copper in the world markets. During 1960 the world price opened at about £253 per ton, rose to £279 in February, fluctuated rather sharply between £279 and £237, with an average of about £250 from March to August, whereafter it fell to about £220/230 for the remainder of the year. So far this year world prices have remained steady around £220/240, with an average of about £228 as compared to £266.6 for the whole of 1960. In comparison with some years, these fluctuations have been relatively small.

World production of Copper could very easily exceed world consumption, but during the year there have been a number of strikes in producing countries and some of the major producers have at times voluntarily reduced output in order to avoid flooding the market. These factors have had a stabilising effect on the price which consumers would pay.

After a year of relatively stable prices but in an unstable world it is impossible to predict what eventualities may occur to influence prices during the next few months. The world price at the end of last month stood at about £230 per ton.

WORKING REVIEW

Production of Copper in 1960 was 8,789.30 long tons, which is a record for the Company and 1,216 long tons higher than last year. This satisfactory figure is partly due to the fact that the annual shutdown at the Works for overhaul was postponed until January 1961 so that more days were worked in 1960.

Besides mining, producing and rolling Copper, your Company

rolls Brass and Yellow Metal Sheets and Circles. This requires a mixture of Copper and Zinc, of which the latter metal has to be imported. During 1960 sufficient import licences were issued by Government to maintain supplies of our requirements, but I must tell you that in 1961, owing to the serious foreign exchange position, we have not been able to obtain our full quota of Zinc with the result that output has been adversely affected in recent months and there are little prospects of any improvement at present.

Active prospecting throughout the property has continued during the year and although no startling discoveries have been made, your new small mine at Surda is contributing towards our efforts to increase production. Prospecting, as you well know, is a very expensive business, but it is essential for the future of the Company and is vital if we are to increase production of this metal with a view to reducing the amount of Copper which has to be imported and thus save valuable foreign exchange.

Ore reserve increased by 88,695 short tons and at the end of the year stood at 4,292,242 short tons, which is a sound and satisfactory position for a Company mining deep copper ore deposits.

Although during 1960 we suffered no ill effects from Electric Power shortage, this is a matter which, since the power cuts in the early months of this year, is causing us some anxiety; but it is hoped that the substantially increasing offtake we shall need in future will be available.

Coal supplies, partly utilised for augmenting electric power requirements, have in recent months, owing to transport difficulties, been erratic, which has resulted in stocks at times falling below a safe working level.

Despatches of finished products, which have a direct relationship to profits, were maintained at a satisfactory level in 1960, but this year, owing to transport difficulties, heavy stocks have accumulated at the Works. However, provided the required number of wagons from the Railway are forthcoming, the shortfall in despatches can be made good.

The satisfactory financial result for 1960 is due to higher output and a reasonable and stable World copper price level. Expenses, however, continue to rise partly as a result of increased labour costs and partly because we are now mining

at greater depths. I think, however, you will agree that the Company has had a successful year in 1960.

Last year I outlined the additional plant and machinery that will be required during the next few years for the processing of the expected increased output of ore from the Mine. Although investigations concerning the most suitable and up-to-date equipment have not as yet been finalised. I am pleased to report that a start has been made by the completion of modifications to the Aerial Ropeway to carry the anticipated output from the Mine to the Works.

It is pleasing to report that on the whole relations with labour have been satisfactory. In November 1960 a settlement was reached with the joint Mines and Works Unions increasing basic pay and Dearness Allowance, which has been favourably received.

KYANITE

Although we cannot assist in the country's export drive so far as our Copper is concerned, our efforts do help to conserve considerable sums of foreign exchange which would otherwise have to be spent on importing copper. On the other hand, the export of Kyanite is a useful foreign exchange earner and we are doing our best to increase sales abroad. Despatches abroad during 1960 amounted to 21,242 long tons. I must mention, however, that our efforts are frequently thwarted for lack of railway wagons from the Mine to Calcutta docks.

The appeal in the Supreme Court still remains pending, but attempts are being made to arrive at a compromise settlement.

ELECTROLYTIC PROJECT

Work has now started on the foundations of the new buildings and satisfactory progress made on the ordering of equipment. At the moment we are delayed by the shortage of cement, which is chronic throughout the country, but it is hoped that this will not prevent completion of the Project on schedule.

ACCOUNTS

The Profit for the year before providing for Taxation, Depreciation and Reserves amounts to £1,307,982 as compared with a profit in 1959 of £1,202,259. Income Tax and Super Tax on profits amount to £500,477. Your Directors have decided to place £175,000 to Depreciation and £200,000 to General Reserve.

£50,625 goes to Development Reserve.

There is a balance available of £489,991 and your Directors are recommending that the same Dividend as last year, i.e. 27% subject to tax, be maintained absorbing £370,251, leaving £118,750 to be carried forward.

BONUS SHARE ISSUE

A number of Shareholders have written to us suggesting that the Company should issue Bonus Shares and there have been rumours in the market from time to time that your Directors were about to make such an issue. We have, of course, considered this matter, but our opinion is that for the present there is no advantage in so doing. On the contrary, it would involve the Company in paying tax of 12½% on the Bonus Shares, which we do not think is justified as we require all the money we have got for the various expansion plans which lie before us. It is true that in this year's Budget the tax on Bonus Shares was reduced from 30% to 12½%, but even this tax is, in our opinion, unreasonable when Reserves, which have been built up out of taxed profits, are converted into Bonus Shares. Let us rather conserve our funds for improvements and extensions which will earn increased profits in the future.

The matter of a Rights Issue has also been discussed by your Directors, but the Company has sufficient cash for its immediate plans. In due course if further funds are required the question of making a Rights Issue will again be considered.

I am fully aware of the reasons which prompt Shareholders to hope for a Bonus Issue, but unless profits are increased there can be no benefit of a better yield and, as I have said, to pay out 12½% in tax when the money can be profitably used in extension projects seems to us unjustifiable.

STAFF

It remains for me to thank the General manager, Mr. N. A. B. Hill, and the staff both at the Mines and at the Works, and the workers. I am sure that I speak on your behalf in expressing our appreciation of their work which has led to another year's successful results.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

12 August 1961

Bombay Suburban Electric Supply Limited

Investment in Electric Supply Industry

Factors That Depress Equity Values

Mr A. N. Haksar on the Company's Expansion Plans

The following is the text of the speech delivered by Mr. A. N. Haksar, Chairman of Bombay Suburban Electric Supply Limited, at its Annual General Meeting held on 9th August 1961:—

The Report and Accounts already before you reflect a satisfactory record of operations during the year ended 31st March 1961. Increase in sales energy has kept up the trend of the past average of 20%. The pace of increase in the coming year should, if anything, be steeper; this is, of course, assuming that bulk power in sufficient quantity will be available to meet the needs in the Company's area of supply.

From a preliminary study of the power requirements in the Company's System, it is estimated that the demand by 1976 would be in the region of 200 MW. In this context studies are, therefore, now under way to formulate a 15-year development plan. This involves appraisal, both technical and financial, of the future design of the whole system. Substantial progress in the study of the problem is expected to be made during the current year.

All these future developments involve considerable investment; but investment in the Electric Supply Industry is being impeded by the financial regulations governing it. The fact that the return at present prescribed by the Electricity (Supply) Act, namely, 2% over the Reserve Bank rate of 4%, which again is subject to deduction of tax, is definitely inadequate, has been obvious for some time, and persistent efforts are being made to obtain a measure of relief. This involves important amendments to the Electricity (Supply) Act.

Indications at present are that the proposals to amend the Electricity (Supply) Act may be brought into effect from 1st April 1962, and I earnestly hope that this expectation will materialise. In the meantime, in some of the States, including Maharashtra, the State Governments have permitted undertakings, as a special appropriation, the tax saving represented by the difference between the pre-1959 tax rate of 51.5% and the new rate of 45% based on the Finance Act of 1959. This interim relief, is, I think, an earnest of the authorities' acceptance of the Industry's case for a fair deal.

I would now like to make some comments on the extent of relief required to rehabilitate the Indus-

try, and enable it to raise capital for development. Two primary factors have tended to depress equity values in Electric Supply Industry. These, in broad terms, are—

1. The change in the tax pattern introduced by the Finance Act, 1959, whereby the grossing up of dividends in the hands of shareholders was abolished, and in addition the law provided for deduction of tax at source at the prescribed rate (currently 30%). While this is a common feature affecting Industry at large, the Electric Supply Industry is placed in a position of not being able to take advantage of the tax relief offered by the Finance Act in other directions, in that whereas in other industries this relief has accrued to the benefit of the investor, in the case of the Electricity Supply Industry this has not been so. This certainly is not in conformity with the scheme of the Electricity (Supply) Act. One would have thought that with the Electricity (Supply) Act providing for all taxes on income and profits being charged up to the consumer's account, taxation in all forms on the Electric Supply Industry would have automatically become the consumer's liability. As things have shaped this position has not been achieved. The priority from the Industry's point of view, therefore, is the need for such changes in the Electricity (Supply) Act as would make the return free of all tax liability, be it to the undertaking or to the investor.

2. The second issue has directly arisen out of the official Bank Rate (to which is linked the return permitted to the investor in the Industry) lagging behind the realistic interest rates. In a capital intensive Industry like Electricity Supply, greater reliance has to be placed on long term finance as the Industry's requirements for development finance are, by and large, insatiable. Consequently the return fixed from time to time should be at such level as would firstly arrest

dis-investment and secondly continue to attract capital for expansion. The recent change in the Reserve Bank's lending rate to Scheduled Banks as an instrument of the credit squeeze involves three-tier interest rates: first Rs. 50 lakhs at 4%, follow on Rs. 50 lakhs at 5% and the balance at 6%, producing a resulting average lending rate of about 5%. This, by itself, has put the official Bank Rate out of focus in relation to money market conditions. Another aspect which has significant relevance is that inflation has had its effect in diluting the limited return permitted to the investor in the Industry. In the light of these considerations it is only proper that the permissible return should be upgraded suitably.

I have in my opening remarks referred to your Company's expansion being dependent on the quantum of bulk power which would be available in the years to come. For the present the power supply position is far from easy, and releases of power to consumers is subject to control under the Bombay Electricity (Special Powers) Act. A measure of decontrol is, however, in existence in that the Licenses in the area have been empowered to connect up small demands upto 20 kW for industries and domestic connections are permitted freely up to 5 kW. These decontrol measures provide a degree of normal growth. To what extent relief will be available after the commissioning of the first set of the Koyna Hydro Electric Project early next year is too early to say. At one stage it was thought that the bulk of the power from the Koyna Project would be available for use in Bombay/Poona area, but currently there are indications that a sizeable portion of the Koyna power will be reserved for use in Western Maharashtra. This has led to the possibility of the Tata Hydro Companies being permitted to extend their Trombay Thermal Station and, in addition, the Maharashtra Electricity Board considering installation of a new thermal station. This trend emphasises that the power needs of the Bombay/Poona area on which base area must perforce depend industrial development elsewhere in the State, will be met. Your Company's plans for expansion should therefore proceed on the

basis that it, along with other Licenses in the region, will be able to obtain sufficient bulk power releases.

From this premise will arise the question: How best the Company can finance its future development? For the present development has been sustained by Bank finance and before the current financial year is out the need for raising further finance will arise in all seriousness. By that time the proposals to modify the Electricity (Supply) Act will, we hope, have reached finality and I hope will produce a measure of incentive to the investor in the Industry. Your Board will then be in a better position to consider this matter further.

The large scale development in the Company's power system, involving massive investment in the coming years, will pose the problems as to whether the rates for supply now in force will produce a sufficiency of earnings to service adequately the capital employed, and meet in addition the enlarged operational expenses inherent in development. While there is no doubt that the enlarged scope of operations will tend to spread overhead costs, one must reckon with the flatatory factor. One way to hold the price line in electric supply is to diversify the sale so as to obtain a higher load factors, that is, secure the beneficial utilisation of the power facilities more fully. There are, of course, limitations in this direction, as consumer choice is not a thing which can be rigidly endorsed. A strict watch on expenditure is yet another remedy to control operational costs, but here again there are limits beyond which a public utility cannot go. For example, in a basic service like electric supply, continuity of supply overshadows all other considerations, and no undertaking can risk diluting its service facilities for economic considerations which are marginal. The need to supply power at the lowest economic cost must therefore be circumscribed by the greater need to maintain reliability and continuity of supply. This assumes greater importance in your Company's area of supply which has to contend with regorous monsoon weather and unfavourable atmospheric conditions. A higher standard of maintenance of the Company's supply system is, therefore, necessary.

In the immediate years ahead the distributing Licenses in the Bombay/Poona area may have to face an increase in the bulk sup-

ply rate consequent to the injection of the Koyna power into the System. There is also the likelihood of higher fuel costs applicable to bulk power supply which might tend to curtail net earnings as the Company's rates for supply do not contain an escalator clause to take care of adjustments in fuel prices. This has been so because until recently bulk supply in the area has been from hydro sources, but this situation has been altered by the coming into being of a larger thermal component than existed before. To what extent the first cause may have its impact on your Company's overall earnings is too early to visualise at this stage. The second cause is the more immediate one to be reckoned with, and your management are now considering how best the situation can be met. It is possible that your Company may have to consider introducing a fuel adjustment clause to ensure that the rise or fall in fuel costs applicable to bulk supply will automatically be on account of the consumer.

Dealing with the Accounts, I would like to clarify the Reserve created to augment production facilities, and the appropriations so far made to the Reserve. The first instalment of appropriation to this Reserve was made in the year 1959-60 consequent to the Maharashtra Government permitting the Company, along with other Licensees in the State, a special appropriation of 6½% of the tax

saving about which reference has been made earlier. When the accounts for 1959-60 were finalised, it was not certain as to what form the relief available would take. It was then thought that the amount permitted as special appropriation would be available for distribution to shareholders, but as events developed the scope of the sanction was limited to ploughing back the sum into the business without deduction from the Capital Base. It was in this context that the sum of Rs 1,01,656 was taken into the Dividend Equalisation Reserve in the Accounts for 1959-60 and which amount has since been transferred to a Reserve to augment production facilities in the light of the subsequent Government sanction. This Reserve now stands at Rs. 2,06,130 taking into account the sum of Rs 1,04,474 appropriated for the year under review, for which the sanction of the State Government is yet to be secured. Although the amount standing in this Reserve is not available for distribution, the benefit which will be derived by the shareholders is not slight, as the assets acquired will remain the property of the Company and the return on the amount ploughed back will also be available for the benefit of the shareholders.

Note: This does not purport to be the proceedings of the Annual General Meeting which can be seen by any shareholder on request.

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Markets

JUTE

Prices Ease on Stock Figures

WHILE the extent of the dislocation caused to the industry by the shortage of raw jute during the current month will not be known perhaps before the first week of September, there are already signs of growing difficulties in keeping some mills running. It was stated by the IJMA last week that some mills outside West Bengal and one mill in Calcutta had been forced to close down completely owing to lack of raw material. It would appear that during the past few days some more mills have been obliged to seal an additional 13 per cent looms while one or two have reduced working hours to 40 a week.

In a statement last Thursday the IJMA have pointed out that the "the position in which the industry now finds itself can only be rectified by individual mills making further cuts in production consistent with their actual stocks of jute." Referring to the allegation that there is ample jute offering on the market, the statement has said that it is belied by the fact that arrivals of raw jute are far below normal for this time of the year. Secondly, mills have unutilized jute purchase quota averaging about three months consumption. The reason for the non-utilization of the quota is said to be the non-availability of jute. Moreover, there is no arrival of old crop. Another important point to which attention has been drawn by the statement is that considerable difficulty in working is experienced by the mills because of the serious imbalance in regard to qualitywise distribution of the stock of raw jute with them. In the absence of suitable qualities of fibre for mixing purposes, the quality of production will deteriorate, with the result that substandard goods will get into the export market. The consequences of this will be serious for the future export of jute goods. The statement also seeks to correct the impression that block closures will be profitable to the mills and points out that "it is more expensive for the mills to curtail rather than to continue in production."

The controversy over raw jute supply position has however by no means closed. While some are hopeful of proving the IJMA wrong in its estimate of the supply of old crop jute there are others who think that with the quickening of the tempo of new crop jute arrivals that is confidently expected in the coming weeks in view of the substantial rainfall received in the growing areas recently, there will be enough jute

STOCKS OF JUTE GOODS AT THE END OF JULY 1961.

	(000 Metric Tons/Tons)		
	31-7-61	30-6-61	31-7-60
Hessian Cloth and Bag	23.4 (23.1)	29.3 (28.9)	32.3 (31.7)
Sacking Cloth and Bag	38.1 (37.5)	36.9 (36.3)	47.2 (46.5)
Others	9.7 (9.5)	11.4 (11.2)	10.0 (9.9)
Grand Total	71.2 (70.1)	77.6 (76.4)	89.5 (88.1)

	As on 3 August Rs	As on 7 August Rs	As on 9 August Rs
Hessian:			
45" x 11 ozs.	60.75	58.25	57.00
40" x 10 ozs.			
Ready	54.25	52.25	50.75
September	53.75	51.56	50.50
October-December	49.80	48.50	46.75
40" x 8 ozs.	47.00	45.25	43.50
40" x 7½ ozs.	43.50	42.25	40.50

Sackings:			
B. Twills—			
Ready	180.00	155.00	148.75
September	154.50	152.00	145.75
October-December	142.50	140.75	134.75
Heavy Ceers (Green)	157.00	154.50	148.50
Cornsacks	162.00	158.00	150.00
Cubans	201.00	198.00	191.00
A. Twills	194.00	189.50	184.00
L. Twills	187.00	180.00	173.00
D. W. Flours	183.00	181.00	175.00
Sugar Twills	182.00	179.00	172.00

Ready Raw Jute:			
Assam Bottoms	50.50	48.50	43.00
Northern Bottoms	50.50	48.50	43.00
Daisee Bottoms	52.50	51.00	48.00

Futures:			
Hessian—November	49.48	48.80	46.32
B. Twills—November	142.10	141.30	133.75
Raw Jute—December	36.44	35.82	33.84

12 August 1961

soon to feed the mills. It would appear that arrivals have shown improvement lately but the fact that preparation of the fibre for the market had been greatly hampered in July because of the unusually hot weather during the month is to be reckoned with. It still remains to be seen that new crop jute will be moving in bulk into the markets in the course of the next few days. If the hopes about a substantial increase in the arrivals materialise soon, then perhaps one will be justified in entertaining the hope that no serious setback to production will result during the current month.

In the meantime, the jute markets are ruling easy. The reactionary tendency was mainly brought about by the news about the stock of jute goods at the end of July. Total stocks have declined only by 6,400 tons to 71,200 tons. Hessian stocks have come down by 5,900 tons to 23,400 tons while other varieties have also come down by 1,700 tons to 9,700 tons. Stocks of sacking however are higher by 1,200 tons at 38,100 tons. The decline in stocks is however much below market expectation. It has been generally expected that in view of the block closure of mills for one week during the month, the stocks at the end of the month would be much smaller than at the end of the previous month. Presumably the market has derived the inference that with stocks not appreciably run down, foreign buyers will continue to adopt a wait and watch policy. The fact that Government has refused permission to mills for a block closure during the current month is another factor in favour of the foreign buyer. The conflicting theories about raw jute supply in the next few weeks and the consensus that after a couple of months raw jute will be in plentiful supply have made the prospective buyer entertain hopes of an early downward break in prices. Even so, there are indications that burlap users in the US are fast getting impatient with this packaging material because of the wide price fluctuations and the high price at which it has been quoting for some months now. It is reported that already a large number of burlap users had turned to substitutes.

*

TEA

Exports and ECM

THERE is now a growing feeling among the planting community that the British entry into the ECM is not going to have any serious adverse effects on the exports of plantation crops. The latest argument is that, even if Indian tea has to bear an import duty in the UK on account of the new development, offset to that country is not going to be minimised, because consumer preference has well developed in that country.

Other exporters of tea like Ceylon and East Africa are also out of the ECM and are not going to have any additional benefit. The difference is that, in East Africa, there is no export duty on tea and the tea produced in that country will continue to enjoy the present advantage. India, Ceylon and Pakistan may be compelled to think in terms of dropping the export duty to make up for the fresh impost. A section of the planters is also hopeful that, with the UK's entry into the ECM, its other members will be compelled to reduce the penal rates of duty on imported goods.

Meanwhile, offerings in the Export Sale held in Calcutta this week, consisted of 69,855 packages. Although the market opened to a poor demand, it strengthened as the sale progressed. Prices for all descriptions were easier and there were a number of withdrawals. Plain orthodox broken declined by 5 nP to 10 nP with similar Fannings some 10 nP to 15 nP easier. The remaining orthodox descriptions were very irregular and generally easier with medium BOPs often selling one rupee below last rates.

Medium and best CTC types were very irregular and easier by up to

50 nP and sometimes more, particularly where quality showed a decline. The poorer and fibrous kinds were, however, selling only a little below last rates. The few leg-cut Doars teas on offer were some 20 nP easier. There was only a fair enquiry for Darjeelings and prices were irregular and easier with a few withdrawals in this category.

Whole Leaf grades registered a decline in prices, while Tippy teas were in demand at easier rates. Following rates were quoted:—Clean Plain Pekoe Rs 5.05 to Rs 5.15; Plain BP Rs 4.70 to Rs 4.80; Plain Fannings Rs 4.45 to Rs 4.55; Medium

COUNTRIES WE EXPORT TO...



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Assam CTC, BP Rs 5.70 to Rs 6.10; Medium Assam CTC Fannings Rs 5.80 to Rs 6.20; Best Assam CTC BP Rs 6.70 to Rs 7.00 and Best Assam CTC Fannings Rs 7.00 to Rs 7.50.

In the Internal Sale, offerings were 25,906 packages of Dusts. There was a good general demand, which strengthened as the sale progressed. CTC types opened on an irregular note, but steadied considerably and closed fully firm to dearer except for a few plain teas. Plain orthodox teas met with good support; but they were generally easier by up to 10 np per kilo. The bright Assam teas were sold well, particularly the smaller teas. Legg-cut descriptions were irregular, but generally dearer with quality. Following rates were quoted:—Plain Orthodox Dust Rs 4.35 to Rs 4.55; Medium Assam Dust Rs 4.90 to Rs 5.50; Legg-cut Dust Rs 4.85 to Rs 5.50; Medium Assam CTC Dust Rs 6.40 to Rs 6.80 and Good Assam CTC Dust Rs 6.90 to Rs 7.30. Also, 97 packages of Leaf grades were offered for internal consumption. There was a good demand for these.

According to tea sources, stocks of tea at the Calcutta warehouses were higher at 395,032 chests at the end of last month as compared to 336,761 packages at the close of July last year. Stocks in public warehouses rose from 182,759 chests at the end of July 1960 to 204,145 chests as did those in private warehouses from 154,002 chests to 190,887 chests. There were no teas afloat at the close of last month as compared to 8,910 chests at the end of July last year.

Exports of North-East Indian tea rose sharply to 14.16 million pounds in June from 7.63 million pounds in June last year. This put the total shipments, in the first half of the current year, higher at 104.1 million pounds as against 92.36 million pounds in the corresponding period of last year. Exports from South India rose to 10 million pounds in June from 8.36 millions in June last year. Total exports, in the first quarter ended June 1961, were higher at 20.64 million pounds.

In Chile, Ceylon's tea has gained increasing popularity over the Indian tea in spite of the fact that the latter is superior in both quality and blend. The reason for this is comparatively low price of the Ceylonese tea and the publicity undertaken in favour of it by the importers. In this connection, the World Trade Bulletin of the Indian Chamber. Calcutta, suggests that efforts should be made by the exporters individually or jointly with the Tea Board to make commercial publicity in favour of Indian tea in Chile. This is the practice generally adopted by exporters from Japan, the US and the UK to boost the exports of their products.

In Pakistan, tea production is expected to be 57 million pounds during the current year—an increase of nearly 15 million pounds over last year. The situation in the industry appears to have improved considerably and it is expected that the total production of tea, by the end of the crop year 1961-62, will exceed the earlier forecast of 57 million pounds to nearly 67 million pounds. With

this encouraging picture, the Government has announced a quota of 5 million pounds of tea for export Auctions for this will be held by the middle of next month. The quota is likely to be increased, depending on the production and internal demand.

COTTON Irregular Price Movements

TRADING in cotton futures during the past week turned out to be a dull affair and the price movements in both the distant and near contracts were narrow and irregular. As the operators were disinclined to make any fresh commitments the trading was restricted. The attention of the operators was chiefly confined to the weather and crop developments, for the general outlook of the next season's crop will have a great say in the pattern of trading in cotton. The incessant and heavy downpour in some of the cotton growing areas during the past few days has already caused grave concern to the trade circles and it has cast its spell in the market as a consequence of which the price of Jarilla March 1962 shot up to Rs 592.50 from Rs 589 per three quintals in spite of the sharp drop in ready cotton prices. The contract, however, lost some ground and on Tuesday last was quoted at Rs 585.50. The maturing contract ruled quietly steady and on Tuesday it was transacted at Rs 583.00.

Conditions in the spot market at Sewri were far from encouraging. The prices of almost all the varieties available in the market declined by about Rs 30 per candy on account of the protracted lack of mill and investment support. Stockists are worried over the none too happy development in the market and even their endeavour to dispose of their stocks at reduced prices met with failure.

The announcement of the export quota of 60,000 bales failed to cheer up the export front. The response to the new export quota was insignificant due to the absence of enquiries from foreign countries for the exportable varieties. In the absence of export enquiries Bengal Deshi and other short staple varieties lost further ground. Meanwhile the Union Minister for Commerce and Industry has given assurance that he will do away with the compulsory surveys and dispense with the quota system of Indian cotton to the indigenous mills if the next crop turns out to be encouraging. He has also given some indication that an announcement of a new export quota will be made either in September or October.

The import section continued to depict listless conditions. Only the East African growth met with some satisfactory demand. Stray business was transacted in Sudan and Egyptian varieties.

The Indian Cotton Mills' Federation, at their meeting held on 31 July, 1961, decided to request the

Government of India to continue for 1961-62, the quota system for distribution of indigenous cotton to the textile mills in the country.

Mr Bharat Ram, the Chairman of the Federation and Mr Neville Wadia, the Chairman of the Cotton Textiles Export Promotion Council had held talks with the UK Cotton Board about India's desire to transfer from Britain to India the licensing arrangements for the export of Indian cotton textiles to the UK under the Indo-UK Trade Agreement. Mr Wadia has, soon after his return from the UK, submitted a report to the Committee on the stage which these negotiations had reached and the Committee of the Federation has decided to constitute a sub-committee to give further consideration on this matter.

The area under cotton crop in Pakistan during 1960-61, according to the Department of Agricultural Economics and Statistics, will amount approximately to 3,242,000 acres as against 3,370,000 acres in the previous season. Despite the small acreage the production of cotton is, however, estimated higher at 1,711,000 bales compared to 1,658,000 bales in the previous season. The factors attributed to the small acreage are the dry weather, inadequate supply of water and the unfavourable conditions at the time of sowing in East Pakistan.

PIECEGOODS

Thanks to a revival of demand in both domestic and export sectors, trading conditions in the Bombay piecegoods market changed for the better during the past week. Though the volume of business transacted in the domestic sector failed to reach upto the expectations, it has indicated the true picture of the activity in the market.

Upcountry centres were found active in the market to cover their requirements for the nearby position on a slightly moderate scale. However, they were not inclined to enter into contracts for distant positions presumably due to the anticipation of a further fall in prices in the coming days. But it appeared that the mills were, on the contrary, adamant not to make any downward revision of the prices.

North Indian consuming centres figured prominently in the market. The offtake was not encouraging. UP, Punjab and Madras evinced keen interest in a number of items. Seasonal goods like longcloth, shirtings and drills met with renewed demand. Stray purchases in coatings, medium shirtings and gadlapat were also reported.

The export front appeared to have been emerged out of the fog and displayed cheerful conditions. Demand from a variety of foreign countries flowed on an encouraging level. The UK showed keen interest in the usual qualities, though the business transacted was moderate. The scope for stimulating the export of piecegoods to that destination is rated high as there are ample indications to suggest that the quota system under the voluntary agree-

ment will commence to operate from India.

Sudan fancied grey sheetings of lower weight and accounted for a small quantum of that variety. Stray enquiries from Iraq for grey goods were reported. East Africa was satisfied with a moderate quantity of sheetings, drills and processed goods. West Africa accounted for a good quantum of bleached longcloth. Ethiopia showed interest in numerous goods and Singapore purchased a small quantum of bleached longcloth.

Sugar Markets Depressed

CONDITIONS in the Sugar markets have continued to remain depressed, as to easy supplies following the further release of a two-lakh tons quota by the Union Government. The all-time record production of sugar at 2,980,000 tons, during the current season has created a major problem; and measures are under consideration to step up exports and internal consumption. In the Hapur market, the rate is quoted at Rs 105.75 a bag.

It is feared that stocks may be more than 1,500,000 tons when the next crushing season starts in about three months' time. In the face of such big stocks, many factories may be forced to cutback production in the coming season. Moreover, there are indications that sowings of the next cane crop will be a bumper one. It is, therefore, clear that, unless factories produce according to their capacities, there can be excessive supplies of cane, reducing the price to an uneconomic level during the next season.

As far as exports are concerned, some quarters do not take an enthusiastic view. Apart from adequate supplies of the commodity in the world markets, Indian prices are not competitive. The industry has put forward several proposals for facilitating the export of some 200,000 tons of sugar over and above what may be shipped through the special agreement with the United States and the International Sugar Agreement. This additional quantity has to be subsidized, as export prices are higher than domestic cost prices.

Mainly contributing to the accumulation of stocks is slow consumption, which does not seem to have increased in response to the higher production. It is felt that the present high price of the commodity has discouraged consumption. This besides, despatches to the consuming centres have been interrupted by official formalities. There is, therefore, a general feeling that, by improving transport facilities and lifting distribution restrictions on the mills and the trade, the Government can immediately improve the lot of consumers, if it is so minded. In fact, in the context of ample stocks, retail prices may well decline through competition on the part of sellers and those, who are likely to benefit most, are the consumers in the deficit areas.

GUR

Gur markets have also remained depressed. The all-time record production of sugarcane at 85,045,000 tons or 8,690,000 tons in terms of gur during the 1960-61 season has also contributed to the fall in prices. In the previous year, sugarcane production was 75,201,000 tons or 7,671,000 tons of gur. The increase in production is reported mainly from Uttar Pradesh, the Punjab, Maharashtra, West Bengal, Rajasthan and Bihar due to favourable weather conditions during the growing period of the crop. In the Hapur market, the rate for the commodity is quoted at Rs Rs 17 a maund for the dry quality and Rs 15.50 for the dry-wet quality.

CHEMICALS & DYES

Divergent trends were noticed in the Bombay market for Dyes and Chemicals. While dyes were generally dull with no marked change in prices, the Chemicals section was featured by sharp changes in certain items.

The spotlight was on Menthol. The Chinese variety touched a new high of Rs 147 due to persistent support from Calcutta. There was a proportionate rise in the French variety to Rs 142. On the other hand, the popular items of the previous week had a sharp fall. Caustic Soda led the downward path. ICI solid toppled down to Rs 50 and the indigenous variety to Rs 49 under the pressure of heavy arrivals and meagre demand. Reports of the import of a fair quantity of the material by the STC depressed the market. Arrivals of fresh stocks from the overseas countries were the main bearish factor in the case of Rongalite, the German quality being quoted at Rs 3 against Rs 4.40 and others Rs 2.120 against Rs 4.00.

In the Dyes section, there were only few enquiries for particular items. Prices, however, remained unchanged.

YARN

Irregular price trends characterised trading in the Bombay Yarn market. Although prices shot up early in the week on reports that the Government of India had decided to reduce the allocation of indigenous art silk yarn to powerloom factories, there was a sagging tendency towards the close due to selling pressure at the higher levels. Moreover, the possibility of manufacturer-exporters of art silk fabrics' stop getting import licences for yarn was also a contributory factor to the easier trend of prices.

Prices of Staple-Fibre Yarn, also showed a decline on reports that the Textile Commissioner would soon meet the members of Yarn Merchants' Association to enquire about the staple-fibre yarn prices, were far above stampel levels.

Nylon yarns also turned easy in the absence of support. Acetate yarns were, however, in good demand.

In the Cotton yarn section, listless conditions continued to prevail. Prices moved within a narrow groove and the daily business put through was limited.

RUBBER

The proposed commissioning of synthetic rubber plant in India next year has caused some anxiety among natural rubber growers in Malaya. The Malayan Government has, therefore, in view certain steps to prevent possible adverse effects of the starting of this plant on Malaya's rubber supplies to India. Steps to make it easier for India to buy high-grade natural rubber to meet the demands of her expanding industries are now under consideration. This subject will figure in discussions to be held by a Malayan trade delegation when it visits India in October.

Last year, Malaya sold 23,195 tons of natural rubber to India as compared with 1,000 tons ten years ago.

COFFEE

It is generally felt that the June estimate of the Coffee Board on the 1961-62 crop may be revised. There are reports that some of the heaviest-producing areas like Chikmagalur, Hassan and Coorg districts have suffered very badly by the recent rains.

The effect of Britain joining the ECM on Coffee is not still clear to many. India is at a great disad-

vantage in the ECM countries where the duty on Indian coffee has long been heavy and discriminatory. The ECM has a highly-developed coffee market and any reduction of duty and removal of discrimination will help Indian coffee; but both tea and coffee will require well-planned propaganda drives.

According to reports from London, Uganda, the largest producer of African Robusta, may revise her "floor" price. Uganda is finding difficulty in disposing of heavy stocks at the current floor price of 126sh per cwt. Brazil's 1961-62 crop, which has just begun to be picked, is estimated at over at 36 million bags or well above last year's crop. Despite the improvement noticed in the export market recently, the long-term prospects continue to be uncertain.

PEPPER

Sentiment in Pepper markets remains subdued owing to the protracted apathy of the US buyers. Support from the Bombay market was also lacking. In the Kozhikode market, the rate is quoted at Rs 410 per quintal for the Country variety and Rs 420 for Wynad quality. In

the Cochin market, the rate for August contract has declined from Rs 449 to Rs 428 per quintal.

The main contributory factor to the weakness of the market is the report that Brazil, though a small producer, has resumed offering to the US. Brazil has hardly an annual exportable surplus of 2,000 tons. Offerings from this destination in the normal course have little effect on the Indian market. This season, sales by Brazil have been influencing the price trend in India as well as Singapore. In addition to the Brazilian offers, the reluctance of the US buyers to buy from India in spite of the low inventories has been causing concern to the export trade.

It is, however, reported that stocks with the USA can hardly last two months. In the last fortnight, the US had purchased about 75 tons from Brazil and 150 tons from Sarawak. It is, therefore, felt that the USA may have to enter the Indian market in the near future.

Floating stocks of the old crop, are placed at 4,000 tonnes in Kerala. The new crop, which, in the normal course, moves by the end of October, is expected to be delayed by about a month owing to the recent heavy rains there. A section of the trade

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believes that the crop in the new season will be smaller by about 25 per cent owing to the damage caused by floods. All these factors do not suggest any noticeable fall in pepper prices before the new crop moves in.

CASHEW

The Cashew Export Promotion Council has recommended to the Government of India not to issue licences for the import of raw cashewnuts from Africa under the export promotion scheme 1961, and to postpone the issue of import licences under the regular licensing schedule for the period October 1961 to September 1962. The Council has taken this decision in the wake of reports of crisis in the cashew industry.

The Secretary of the Council has explained that the proposed step is designed to provide relief to the cashew industry in the country which is at present facing a crisis of price recession and facilitate the sale and disposal of stocks now held by manufacturer-exporter at economic prices.

NON-FERROUS METALS

A two-sided tendency was noticed in the Bombay Non-Ferrous Metals market. After ruling initially quiet due to offerings from Madras and lower advices from Singapore, there was a slight recovery towards the close following better conditions prevailing in the ready market.

Copper prices were affected due to speculative selling. Absence of outside incentives caused a smaller volume of trading.

Zinc, however, ruled comparatively firm due to persistent backing by speculative interests, being guided by the paucity of stocks and enquiries from the uncountrv centres.

No change was noted in the Lead section.

Tin began the week on a quietly easy note due to selling pressure induced by easier foreign advices. In the ready section, however, demand was reported to be quite satisfactory.

BANGALORE SILK

During the week under review, the prices for all qualities of raw silk remained at the same levels as in the previous week. The prices for flature raw silk 20/22 dr. continued to be quoted between Rs 80.43 and Rs 83.23 per kgm. and those of cottage basin raw silk between Rs 72.75 and Rs 77.16 per kgm. The prices for Charka silk were quoted between Rs 52.91 and Rs 71.65 per

kgm. The supply of raw silk was reported to be fairly satisfactory and the demand was moderate.

Prices of reeling cocoons from Sidlaghatta area rose from Rs 4.25 to Rs 5.50 per kgm. Reeling cocoons from Channapatna area were quoted between Rs 3.00 and Rs 4.70 per kgm. and reeling cocoons from Mugur area between Rs 2.80 and Rs 4.34 per kgm.

Mysore race seed cocoons maintained a steady trend and the rates were quoted between Rs 3.50 and Rs 4.50 per thousand. Foreign race seed cocoons showed a rise by Rs 3.00 to Rs 4.00 and the rates were quoted between Rs 6.00 and Rs 12.00 as against Rs 3.00 and Rs 8.00 per thousand quoted last week.

GOLD & SILVER

Prices on the Bombay Bullion Exchange buoyed up during the week. Higher upcountry advices, heavy speculative buying in gold coupled with nervous bear-covering and reduced receipts of gold were the main factors for the sharp rise in the prices of the yellow metal. Gold receipts totalled 300 tolas as against higher offtake of 6,000 tolas. Ready rates moved between Rs 120.80 and Rs 121.15, while Sovereign was quiet at Rs 94.

Despite continued higher receipts and poor offtake, Silver also moved up in sympathy with gold. Arrivals amounted to 28 bars as against poor offtake of only 9 bars. Silver ready (below .996) moved between Rs 202.10 and Rs 202.80. Adjustment rates of gold and silver were Rs 120.90 and Rs 202.80 respectively.

OILS & OILSEEDS

Prices on the Bombay Oilseeds Exchange displayed an easier tendency under speculative selling, being influenced by the weaker trend in the ready section and lower advices from the terminal markets.

In the Groundnut section, the setback in prices was attributed to nervous unloading by bulls, especially Saurashtra operators, on expectations of a larger crop. Also, vanaspati manufacturers were disinclined to make any fresh purchases as they were carrying adequate supply, not to speak of the fact that the weakness in groundnut oil had discouraged them from extending support. Ready Bold was quoted at Rs 51.50 and Groundnut Oil at Rs 21.65.

Activity in groundnut extraction, however, continued to be quite impressive with exporters buying nearly 15,000 tons from Saurashtra dealers. Shippers were reported to

be able to put through business for about 8,000 tons for immediate and distant shipments. As foreign rates of groundnut expeller moved down from Rs 33.50 to Rs 32.10, local prices of groundnut extraction dropped from Rs 383 to Rs 370 and those of expeller from Rs 332 to Rs 322 per ton.

The export trade in castor oil continued to be dull. Only 250 tons of BSS oil were reported to have been sold to the UK at prices varying from £133 to £131 per ton; but demand from the Continent and the USA continued to be absent. Against this background, prices in the castor-seed section sought lower levels in the absence of support. The weakness in groundnut also exercised a bearish impact. Castor ready was quoted at Rs 34.12 and Castor Oil, commercial quality, at Rs 14.10.

In the Linseed section, little or no interest was shown and price movements were mostly influenced by the behaviour of other oilseeds. With reports of larger sowings of groundnut, the demand for linseed oil for mixing with groundnut oil was expected to shrink in future. Buyers were, therefore, cautious. Pakistan was stated to be making small purchase of linseed oil occasionally; but otherwise the export trade was virtually at a standstill. Linseed ready was quoted at Rs 38 and Linseed Oil at Rs 16.35.

In the Calcutta market, the price of Linseed Oil has reacted to Rs 29.50 a maund for ready delivery. Although there are still shortages of supplies, crushers are not much interested, as many of them have stopped crushing. It is expected that the trend will become softer in due course when bigger supplies of seeds become available. There has been small trading in Oilcakes; but there is no foreign business as Indian prices are higher than overseas rates.

The easier tendency in the seeds and oil market persisted for the third week in succession though the decline in prices due to accumulation stocks was not very substantial. Groundnut kernel remained comparatively steady with a difference of a rupee or even less at the lowest levels. Summer crop arrival in southern centres continued at 400 to 500 tons daily. In these centres a majority of the crushers bought their requirements. Only small crushers went in for their daily requirements in the City.

Calcutta continued to stay at the sidelines watching the trend. Initially they tested the price-effect with a little buying of oil. Even this small transactions had some effect on the quotation of the price of groundnut oil.

Local arrivals of kernels remained the same at 20 to 30 tons.

Since last week the price of groundnut oil in the City had not varied very much though the tendency appears downward. Last Wednesday's rate was Rs 208.10 per 100 kgs. At this rate not much business could be transacted and sellers brought it down by another rupee the next day. Some goods moved at this price. So there was an addition of ten nP to

this price but there was the buyers' resistance on Friday evening. The price came down still lower to Rs 206.80. A few deals of a parcel-like nature materialised and sellers were inclined to discount the rate further to Rs 205 per 100 kgs.

In the January 1962 valde, dealings were not much. Initially quoted at Rs 186 per 100 kgs, the position went down to Rs 183 and still down to Rs 182.75 by the weekend.

Regarding kernels both the coromandel and peanut variety did not respond too much to the lowering of the prices of groundnut oil. Coromandel variety remained around at Rs 85. The peanut variety also did not lose much in value and only at onetime it was available at Rs 82.50.

In the upcountry markets the daily arrivals are getting larger. It is expected that by this week-end the quantity little about 600 tons in those markets. Price of kernels also went down appreciably in these areas. In certain areas like Panruti, Tindivanam and Villupuram due to delayed arrivals of the stock, the price was not very low.

According to trade circles it is that expected between 45,000 to 50,000 tons of groundnut kernels will come from Pollachi area from September first week. Coromandel variety would show up later than the Red Natal or peanut qualities.

In the case of gingelly oil also due to good arrivals from nearby areas, the price had been quoted lower. The Tunj/Rajahmundry quality was quoted at Rs 87/88 per bag of 165 lbs.

Local varieties were at Rs 90/91 per bag. Cuddappah and Rajampeta quality was also at Rs 91/92.

Regarding foreign market prices of oils and seeds, it is reported a slight decline had been recorded.

The prices of groundnut oil and kernel in the southern centres last week varied between Rs 465 at Vridhachalam and Rs 505 per candy of 500 lbs at Guntur or Bezwada. That of the kernels varied between Rs 83 to Rs 89 per 80 kgs.

In Bezwada for instance the oil price event went up to Rs 510 per

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candy due to paucity of stock and meagre arrivals. In the midweek it dropped five rupees and the price still went down this week to Rs 495 per candy. In Vridhachalam the fluctuation did not vary further than a rupee. The maximum was Rs 465 per candy and it went down to Rs 464 by the week-end and suffered another loss of a couple of rupees to be quoted at Rs 462 by this week.

As in other Andhra centers the Nandyal price of groundnut oil was also high at Rs 500, but it came down by Rs 10 by the week end. There was no stock of kernels in this center. In Villupuram kernel prices

came down to as low as Rs 82 per 80 kgs. The opening quotation last week beginning was as much as Rs 86 per 80 kgs. Stocks begin arriving in good quantities and the price was depressed to Rs 84 or Rs 85 per 80 kgs. In Tanjore the kernel price was steady at Rs 85 last week and came down to Rs 83 this week beginning. In Salem the kernel quotation went upto Rs 88 per 80 kgs. Even here the price had to come down to Rs 85 by this week opening. Price of groundnut oil in both Tanjore and Salem did not change much. Per candy oil was quoted at Rs 480 at the beginning of the week, went

down to Rs 475 as the week wore out and this week beginning it was quoted at Rs 473.

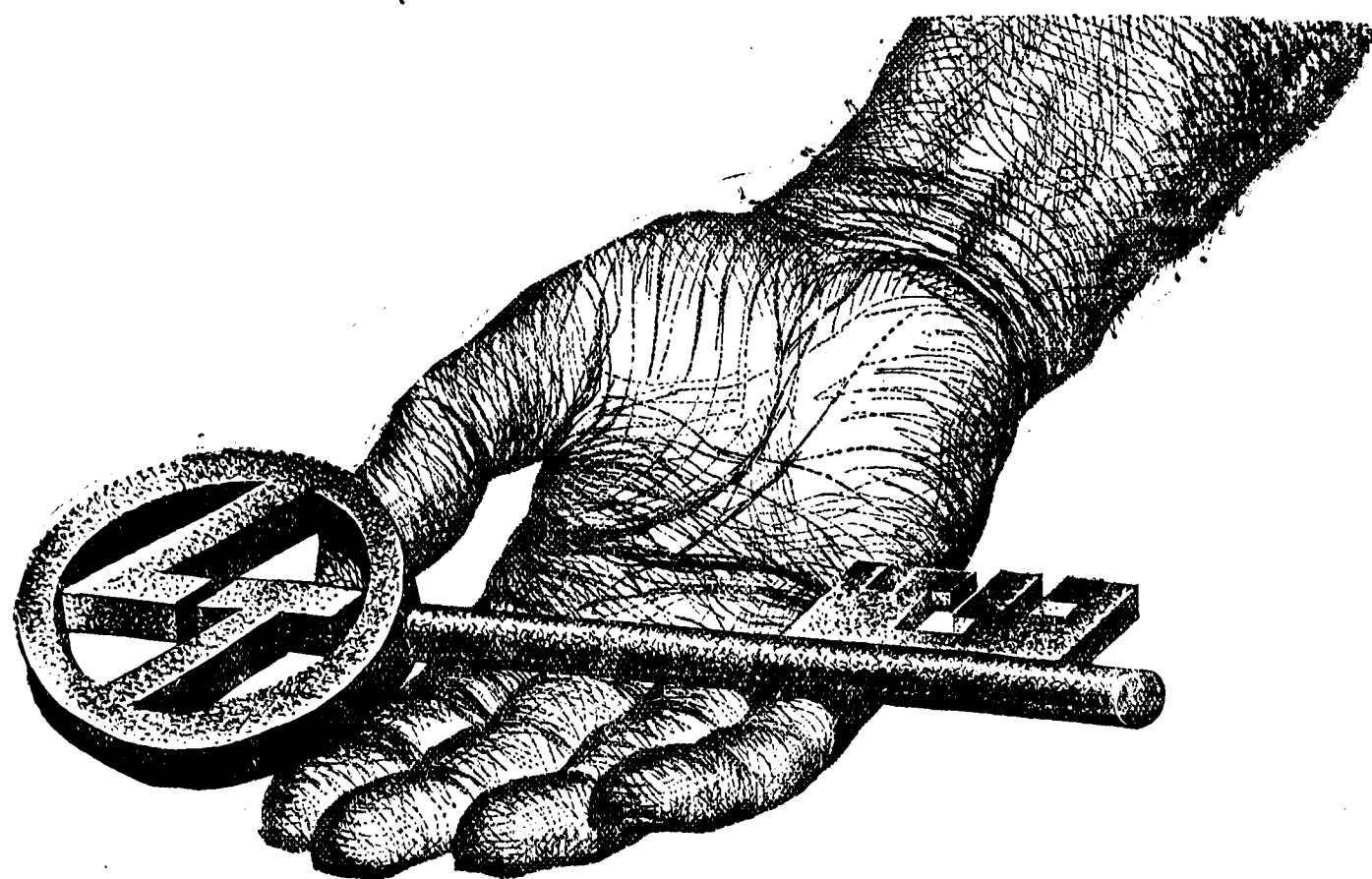
HIDES & SKINS

Several contributory factors including holidays in UK made up for the low prices of tanned cow hides. Arrivals of the commodity were also only moderate in anticipation of lower offtake. There was however fair demand for market quality of cowhides. No price reduction was offered by shippers who were holding

good stock of premium and semi-premium of cow hides.

In tanned cow calf also there was no marked change. Arrivals were negligible with unchanged price. No change was reported in either tanned buff calf or tanned buffalo hides.

Tanned goatskins too did not offer speculation and price remained unaltered except for the lower qualities. Similarly tanned sheepskins also remained quietly the same. There was demand for fair average weights and negotiations were closed for these at 14/6d, 11 and 9/9d for 6/7 lbs run, fifth and inferior fifth.



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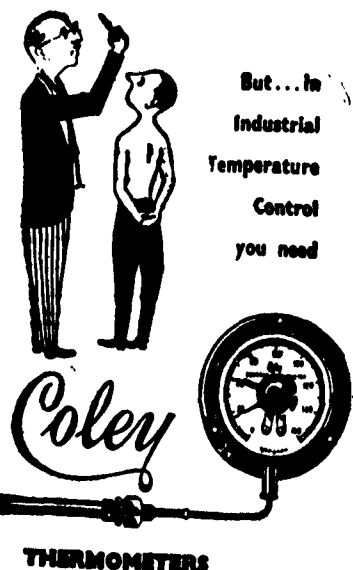
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For the Investor

INVESTMENT GOSSIP

Bearish Trend

THE easy trend noticeable in the stock markets since the beginning of the week has become pronounced in Friday's dealings. Leading the downtrend is Indian Iron which has come under heavy selling pressure. It is evident that the speculative fraternity is not very hopeful, at least for the time being, of the outlook for equities. In the first place, what is considered to be a formal affair—the publication of the final draft of the Third Five Year Plan—has been made into an occasion for discussing anew the consequences of a large tax effort and the increasing importance of the public sector. Considering the fact that the Draft Outline of the Plan had been discussed threadbare during the past several months, it is rather strange that the publication of the final documents which does not differ from the Draft Outline in its essentials should have caused so much depression in the markets. Perhaps operators are worried that the quantum of tax effort proposed in the final Plan is higher at Rs 1710 crores while the Draft Outline had envisaged only Rs 1650 crores.

Even so this increase need cause no undue misgiving because it has been emphasised that the major portion of this amount is to come from indirect taxation. The apprehension that the growing importance of the public sector will be detrimental to the interests of the private sector or that with the public sector squeezing away resources by higher and high direct and indirect taxation, there will be little left for private sector seems rather exaggerated. While it cannot be denied that the depletion of resources from public by taxation will make it difficult for private sector to find adequate finance for its expansion, it is not as though it is left to look after itself entirely. Government has set up a number of financing bodies whose main purpose is to provide a part of the finance required by private sector enterprises. Moreover, with the sizable increase in plan expenditure there will be a considerable amount finding its way into the capital market during the plan period.

It would appear however that the present bearish phase of the market is largely due to other adverse factors. The TISCO Chairman's statement that the full rated production of 2 million tons of his company is not likely to be attained for another two years has dampened enthusiasm in steel shares. Although Mr Morari Desai has said that the difficult foreign exchange position has been satisfactorily tackled so far, he has made it clear that strenuous efforts especially in maximising export are urgently required. Imports will be-

come further difficult and should the situation deteriorate, even imports of essential raw materials will be affected resulting in rendering productive capacity idle. Another deterrent to bullish activity is the

Excellent Results of IISCO

The Indian Iron & Steel Company Limited has produced excellent working results for the year ended 31st March, 1961. While sales are substantially higher at Rs 53.90 crores against Rs 48.36 crores, the net profit, after providing for Depreciation but before Taxation, amounts to as much as Rs 7.66 crores as against Rs 7.07 crores for the previous year, reflecting the improvement in the tonnage of iron and steel produced. The rise in profits would have been still more, but for the loss of output occasioned by rail transport restrictions due to the strike of Government employees in July 1960. The profit figures include Rs 66.59 lakhs (Rs 1.03 crores) written back from General Development Reserve being allocation made this year for Statutory Development Rebate Reserve in excess of actual tax.

In respect of allocations, the Depreciation amount is lowered to Rs 2.96 crores from Rs 3.00 crores. After transferring Rs 15 lakhs (Rs 13 lakhs) from Taxation Contingency Reserve, Taxation provision is raised to Rs 1.66 crores from Rs 64.28 lakhs, while Plant Rehabilitation Reserve is maintained at Rs 51.15 lakhs.

The provision for Development Rebate Reserve is, however, lower at Rs 1.67 crores against Rs 2.59 crores. In view of the necessity for conservation of the resources of the company against repayment of the heavy indebtedness on loan account as also against expenditure on extensions account and on general capital works, General Reserve is raised to Rs 1.75 crores from Rs 1.11 crores. The dividend on the Ordinary shares is raised from 15 per cent to 16 per cent, taxable. The amount carried forward is higher at Rs 16.42 lakhs as against Rs 11.50 lakhs brought in.

According to the directors' report, all major items of plant under the expansion programme were completed with the commissioning of the new Bar and Rod Mill on 10 June 1960. Efforts are now being concentrated on the provision of the many items of subsidiary services designed to improve the efficiency of the expanded plant. Work has commenced on the modernisation of the 34" Mill stands by the provision of new manipulators and roller tables.

feeling (shared by most marketmen) that Government has not abandoned its idea of imposing further curbs on speculation.

NEW ISSUE NOTES

Ritz Continental Hotels

Ritz Continental Hotels Limited, Bombay, has been given consent to issue capital for Rs 50 lakhs for cash, at par, divided into 3,60,000 equity shares of Rs 10 each and 14,000—10 per cent cumulative Redeemable Preference shares of Rs 100 each, for running a first class and de-luxe western style residential hotel in Calcutta.

Fuel Injections

Fuel Injections Limited, Bombay, will be issuing Rs 15 lakhs in equity shares of Rs 100 each for cash, at par, for expansion of the company's business. Out of this issue, shares of the value of Rs 10 lakhs, will be offered to Messrs Bryce Berger Limited of the UK.

Hemant Paper

Hemant Paper Mills & Industries Private Limited, Surat, has proposed to issue further capital of Rs 21 lakhs in equity shares of Rs 100 each, at par. Out of this, shares of the value of Rs 12 lakhs will be offered for public subscription. The proceeds will be utilised for installing a paper mill plant.

Indian Aluminium Cables

The Indian Aluminium Cables Limited will issue Rs 20 lakhs divided into equity capital of Rs 15 lakh and preference capital of Rs 5 lakhs, for cash, at par.

Star Textile

Star Textile Engineering Works Limited will be offering Rs 20 lakhs in equity shares of Rs 100 each. Of this, Rs 7.75 lakhs will be subscribed privately and the balance offered to the public for subscription. All the shares will be issued at par after the company has been converted into a public company.

Steelcrete

Steelcrete Private Limited has a proposal to offer Rs 17.50 lakhs in equity shares of Rs 1,000 each, at par, for the purchase of equipment, stores and expenses connected with the construction of four more berths in Visakapatnam Port.

Sri Mayuram Bank

Sri Mayuram Bank Limited, Madras, will be entering the market for a capital of Rs 49,280, divided into 300 "A" class shares of Rs 100 each and 3,856 "B" shares of Rs 5 each, at par, for opening the bank's branch at Peralam and for strengthening its capital base.

National Insurance

The National Insurance Company Limited has decided that the issued and subscribed capital of the company be increased from Rs 15 lakhs,

divided into 15,000 ordinary shares of Rs 100 each, to Rs 25 lakhs, divided into 25,000 ordinary shares of Rs 100 each. A sum of Rs 10 lakhs out of a sum of Rs 19,72,202, received from the LIC as compensation for the nationalisation of the company's life insurance business, will be capitalised and 10,000 equity ordinary shares of Rs 100 each will be allotted as fully paid-up to holders of the existing equity shares in the proportion of two new ordinary shares for every three existing ordinary shares, held as on 28 August 1961.

Darbhanga Sugar

The Darbhanga Sugar Company Limited has received the sanction of the Government for the issue of right shares in the ratio of one share for every two shares, at par. The present paid-up capital of the company is Rs 26 lakhs and the issue of right shares will raise it to Rs 39 lakhs. The additional capital will be utilised to finance the rehabilitation of the company's plants.

Chamundi Chemicals

The subscription list for the public issue of Chamundi Chemicals and Fertilizers Limited will open on 21 August and will close on 28 August or earlier at the discretion of the directors, but not before 23 August 1961. The authorised capital of the company is Rs 1 crore, made up of 10,00,000 equity shares of Rs 10 each. The issue capital is Rs 40 lakhs of which the promoters, the directors and their friends have taken up Rs 6 lakhs and have agreed to subscribe another Rs 6 lakhs. The ICICI and the LIC will each subscribe Rs 4 lakhs. The entire public issue has been underwritten. A sum of Rs 2.50 per share is payable on application and another Rs 2.50 per share on allotment. The balance of Rs 5 per share is payable in two calls.

Steel Structural & Pressings

A licence has been granted by the Government to Messrs Amin Chand Payare Lal, Calcutta, to instal a steel structural plant at Panagarh, West Bengal, to design and fabricate, through welded process, steel structural for buildings, sheds, bridges, containers, pressure tanks, chemical industry tanks and other similar things in technical collaboration with Messrs Cekop, Warszawa, Poland. The initial output will be 9,000 tons of fabricated steel structural per annum.

Permission has been obtained by Messrs Surrendra (Overseas) Private Limited, Calcutta, to undertake pressing of steel sleepers to IRS specifications for the Indian Railways. The plant, which will have an initial capacity of 60,000 tons of pressed steel sleepers per annum, to be increased later to 1,00,000 tons, will be installed at Kumhari, near Bhilai, Madhya Pradesh. The plant will be supplied by Messrs Hendry Berry & Company Limited, UK, who supplied a similar plant to the Durgapur Steel Works of Hindustan Steel Limited.

Indian Finance

12 August 1961

Thus, Messrs Amin Chand Bayare Lal, promoters of the structural plant, and Messrs Surrendra (Overseas) Private Limited, promoters of the steel sleeper pressing plant, have proposed to incorporate a public limited company under the name and style of Steel Structural & Pressings (India), Limited, with its registered office in Calcutta and having an authorised capital of Rs 1 crore for the purpose of financing both the projects. Application for sanction to issue capital has already been made to the Controller of Capital Issues. The estimated capital outlay for both the projects will be Rs 1,37,20,000.

*

INVESTMENT NOTES

J. K. Steel

J. K. Steel Limited has a proposal to raise the subscribed and paid-up capital of the company from Rs 30 lakhs (divided into 2 lakhs ordinary shares of Rs 10 each and 10,000—7 per cent tax-free cumulative redeemable preference shares of Rs 100 each) to Rs 50 lakhs (divided into 4 lakhs equity ordinary shares and 10,000 preference shares). The directors have, therefore, proposed to capitalise Rs 20 lakhs out of Rs 30 lakhs lying to the credit of General Reserve and issue 2,00,000 equity ordinary shares of Rs 10 each to the existing shareholders in the ratio of one for one held. These new shares will rank in all respects *pari passu* with the existing equity ordinary shares save and except that these will be entitled to dividend out of the earnings for the year ended 31 July 1961. In the above respect, the directors have convened an extraordinary general meeting on 31 August. Transfer Books will be closed from 21 to 31 August, 1961.

Godavari Sugar

The Godavari Sugar Mills Limited has been given consent to capitalise reserves to the extent of Rs 20 lakhs and issue equity shares, fully paid-up, in the proportion of one share for every two shares held.

ORIENT PAPER MILLS LIMITED

Regd. Office: Brajrajnagar (Orissa)

NOTICE

The Share Registers and Transfer Books of the Company will be closed from the 29th August to 14th September, 1961, both days inclusive, for the purpose of payment in due course of dividends on Shares in the Company for the year ended 31st March, 1961. The dividends when declared, will be paid to those Shareholders whose names appear on the Company's Register of members on the 14th September, 1961, or to their mandatories.

By Order of the Board,
B. K. Vyas.
Secretary.

"Eastern House"
14, Radha Bazar Lane,
Calcutta, the 6th August, 1961.

Shivrajpur Syndicate

Shivrajpur Syndicate Limited, Bombay has also been allowed to capitalise Rs 10.50 lakhs out of reserves and issue bonus shares in the proportion of one share for every share held.

Simplex Mills

Simplex Mills Limited, Bombay has proposed to capitalise a sum of Rs 10.08 lakhs from Reserves and issue bonus shares to the existing shareholders in the ratio of one share for every five shares held.

TISCO

The production figures released by the Tata Iron & Steel Company Limited for July show an improvement over those of the previous month. The output of Saleable Steel has improved to 107,900 metric tons from 101,200 metric tons. While semi-finished steel produced is lower at 29,200 metric tons as against 30,600 metric tons, the output of finished steel is higher at 78,700 metric tons against 70,600 metric tons. The production of Pig Iron is better at 133,900 tons against 131,800 metric tons and Steel Ingots at 137,200 metric tons against 124,700 metric tons.

Asian Oil & Paints

M/s. Asian Oil & Paint Company (India) Private Limited, Bombay, has been granted consent to issue bonus shares of the value of Rs 5,00,000/- in the ratio of one bonus share for every two equity shares held. Its paid up capital is Rs 10 lakhs all in equity. It is engaged in the business of the manufacture of paints, oils and synthetic resins.

Belvandi Sugar Farm

The Belvandi Sugar Farm Private Limited, Bombay with a paid up capital of Rs 4,02,000/- (Rs 2,52,000/- in equity and Rs 1,50,000/- in preference) has been granted consent to issue bonus shares of the value of Rs 20,16,000.

New Consolidated Construction

The New Consolidated Construction Company Limited, Bombay, has a paid-up equity capital of Rs 2,50,100. It has been granted consent to issue bonus shares of the value of Rs 1,25,000/- in the ratio of 1 bonus share for every 2 equity shares held. The company carries on business as civil engineers and building contractors.

Imperial Tobacco

The Imperial Tobacco Company of India Limited has reported a net profit, after deducting all charges and expenses and after providing for Taxation, of Rs 1.87 crores as against only Rs 1.43 crores for the previous year. Two interim dividends, each

of 2½ per cent taxable, in respect of the year, were paid earlier. The directors have now recommended a final dividend of 4 per cent, making a total of 9 per cent, taxable, for the year. This compares with 8 per cent, taxable, paid for the previous year. The directors have also proposed a taxable first interim dividend of 2½ per cent for the year ended 31 March 1962. Transfer Books of the company will be closed from 4 to 28 September, 1961.

*

BALANCE-SHEET BRIEFS

Greaves Cotton & Company Limited has reported a higher net profit of Rs 50.63 lakhs for the year ended 31 March 1961 as against Rs 46.32 lakhs for the preceding year. The directors have proposed a taxable dividend of Rs 13 per share as against Rs 11 per share, taxable, for 1960-61.

Enfield India Limited has shown a net profit of Rs 8.49 lakhs for 1960 as against Rs 6.98 lakhs. The dividend on the ordinary shares is just maintained at 5 per cent, taxable.

Chembra Peak Estates Limited has reported a jump in the net pro-

fit from Rs 7.36 lakhs to Rs 12.28 lakhs for the year ended 31 March 1961. The directors have recommended a taxable dividend of 20 per cent on the capital increased by the issue of bonus shares.

The working of the Jeeyajirao Cotton Mills Limited has resulted in a net profit of Rs 35.60 lakhs for the year ended 31st March 1961 as against Rs 42.64 lakhs. The directors have proposed a taxable dividend of 30 nP per ordinary share.

Thanks to the slight rise in the net profit from Rs 2.49 lakhs to Rs 2.80 lakhs, Saran Engineering Company Limited has raised the dividend from 35 nP to 40 nP, less tax, for the year ended 31 March 1961.

Following a sharp decline in the net profit from Rs 23.03 lakhs to Rs 15.66 lakhs, the India Paper Pulp Company Limited has reduced the total distribution from Rs 1.50 to Rs 1.30 per share, less tax, for the year ended 31 March 1961.

Karanpura Collieries Limited has raised the ordinary dividend from 7½ to 10 per cent, subject to deduction of tax, for the year ended 28 February 1961 in view of the rise in the net profit from Rs 3.70 lakhs to Rs 5.16 lakhs.

THE INDIAN IRON & STEEL CO. LTD.

NOTICE

Notice is hereby given that the Annual General Meeting (being the Forty-fourth Ordinary General Meeting) of the Company will be held at the Royal Exchange Hall of the Bengal Chamber of Commerce & Industry at 6, Netaji Subhas Road, Calcutta-1, at 3 p.m., on Tuesday the 5th September 1961, for the following purposes:

- To receive and adopt the Audited Accounts for the year ended 31st March 1961, and the Directors' & Auditors' Reports thereon.
- To declare a dividend for the year ended 31st March 1961, on the Ordinary Share Capital.
- To appoint a Director in place of Maharajadhiraja Sir U. C. Mahtab Bahadur of Burdwan who retires by rotation and is eligible for re-appointment.
- To appoint a Director in place of Maharaja Sir P. C. Bhanj Deo of Mayurbhanj who retires by rotation and is eligible for re-appointment.
- To appoint a Director in place of Maharajadhiraja Sir Kameswara Singh of Darbhanga who retires by rotation and is eligible for re-appointment.
- To appoint Auditors and fix their remuneration.

- Special Resolution
That pursuant to subsections (4) and (7) of Section 309 of the Companies Act 1956 and subject to the limitation imposed by Clause 113 of the Articles of Association of the Company each of the Directors be and is hereby authorised to continue to receive in respect of each of the five financial years of the Company up to and including the financial year ending on the 31st March 1966 a share in a commission of one per cent of the net profits of the Company computed in the manner referred to in subsection (1) of Section 198 of the said Act.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and a proxy need not be a member.

By Order of the Board,
MARTIN BURN LIMITED
F. G. LIVERSEDGE,
Managing Director,
Managing Agents.

Registered Office:
12, Mission Row,
Calcutta-1.
10th August, 1961.

Note:—An Explanatory Statement is annexed to the convening notice issued to Members of the Company.

STOCK EXCHANGES Rally Bid Fails

Watch-Dog Writes:

STOCK markets have recorded fresh declines in prices from the last week's levels. Operators seem to have taken a bearish view of the proposals contained in the Third Plan document to the raising of resources through additional taxation. Sentiment is also affected by the disappointing statement made by the TISCO's Chairman with regard to capacity production in the next two years.

Although the optimism, expressed by the Finance Minister about the prospects of obtaining adequate foreign aid for the Third Plan, induced a mild recovery in prices, it has been proved to be short-lived due to lack of follow-up support. Advices from Bombay are also not encouraging.

The Calcutta Stock Exchange witnessed another featureless session and, with the speculative issues losing fresh ground, there was an allround recession in equity prices.

The Bombay Stock Exchange finished the week on a weak note with widespread appreciable declines in prices.

Although activity on the Madras Stock Exchange was only moderate, selective buying was seen in the Planting section.

CALCUTTA

Calcutta, Friday.

BY and large, there was no change in the week's trading conditions on the local stock exchange, which continued to remain depressed. Even attempts at recovery proved elusive and the market finished the week with major losses on balance.

Various factors contributed to the persistent weakness of the market. First, the need for large additional taxation, emphasised in the Third Plan, came in handy for the bears to push down prices. Secondly, the statement of the TISCO's chairman that the company's production was not likely to reach the rated capacity for the next two years was also considered to be a bearish factor. Finally, there was an apprehension that intensified armament expenditure and fresh complications relating to the Berlin situation might prejudice the prospects of liberal foreign assistance for prosecuting the Third Plan.

All the above factors created a feeling of nervousness in the minds of the operators, resulting in a bout of selling and rapid decline in prices. Although the statement, made by the Union Finance Minister in the Lok Sabha with regard to the prospects of getting adequate foreign aid for the Third Plan, induced a mild recovery in prices, lack of follow-up support

and the sustained selling pressure on Bombay account, caused again a setback in prices. Moreover, operators did not consider it safe to follow the recovery move unless motivated by any strong bullish news.

The Giltedged market was highlighted by a keen demand for short-dated issues. The long-dated issues were, however, on offer at the quoted rates. 3 per cent 1986 Conversion Loan changed hands at Rs 72.18 to Rs 72.60, to finish the week at Rs 72.35.

Bank shares displayed a slightly easier tendency due to profit-taking at the recent high levels. Punjab National remained unchanged at Rs 24, while United Commercial was marked back to Rs 90.25 from a high of Rs 93 quoted early in the week.

Sentiment in the Jute section remained subdued due to uncertain conditions prevailing in the industry. The only exceptional feature were Birlas, having sustained support up to Rs 26.97 from Rs 26.50 due to diversification of the company's activities. Ganges were enquired at one time up to Rs 11.44, to recede towards the close to Rs 11.09 on profit-taking. Howrah were on offer at as low as Rs 19.56 against Rs 19.81; Kanknarrah at Rs 63 against Rs 70 and New Central at Rs 18.19 against Rs 18.62. National were slightly better at Rs 18.40 against Rs 18.25.

The Coal section was devoid of interest on reports that the loan, to be sanctioned by the World Bank, was lower than expected. Central India changed hands at Rs 13.25 to Rs 13.47; South Karanpura at Rs 8.56 to Rs 8.69 and Western Bengal at Rs 9.44 to Rs 10.06. Burrakur fluctuated rather irregularly between Rs 18.87 and Rs 19.50 on alternate buying and selling, to close finally at Rs 18.87.

Even Tea shares, which had been meeting with selective support, turned quiet on reports of the possibility of an increase in production during the current year. There was also a general anxiety to await the effect of the UK joining the ECM. Basmatia met with business at Rs 25.75 to Rs 26.12; Bishnauth at Rs 25.62 to Rs 26.37; Hasimara at Rs 24.62 to Rs 24.81 and Huldibari at Rs 26.12 to Rs 26.25.

Reports of the possibility of decontrol of the sweet commodity at an early date and the prospects of improved earnings in view of the higher production during the current season imparted some strength to the Sugar section early in the week. Higher levels could not, however, be retained till the close due to profit-taking in view of the obscure outlook for exports. The only two firm features were Balmampore at Rs 2.56 and Dyer Meakin at Rs 35.82. Carew were, however, on offer at Rs 14.25 against Rs 15.94 and SKG at Rs 11.00 against Rs 11.25. Ramnugger were nearly maintained at Rs 30.37.

Textile shares showed an indecisive trend. Bowrah were at one time

enquired up to Rs 31 from Rs 24.87; Dunbar up to Rs 28.06 from Rs 26.87 and J. K. Rayon up to Rs 19.81 from Rs 19.44, to recede towards the close to Rs 30.94; Rs 27.62 and Rs 19.19 respectively. Kesoram were rather quiet at Rs 29.25 against Rs 30.25 with Elgins having some support upto Rs 20.08 from Rs 19.25. Cawnpore met with some enquiry up to Rs 8.62 from Rs 8.47.

In the week's dealings, speculative issues were the worst affected under the lead of Indian Irons. After opening the week at Rs 26.70, Indian Irons receded gradually to Rs 25.70 due to selling pressure, before finishing the week at Rs 25.84. In sympathy, TEXMACO moved down to Rs 18.00 from Rs 18.50; Guest, Keen, Williams to Rs 39.50 from Rs 40.12; Jessop to Rs 19.75 from Rs 20 and Jay Engineering to Rs 28.60 from Rs 29.

Binani Metals were, however, a steady feature at Rs 12.37 while Kumardhubi came in for some support up to Rs 6.37 from Rs 6.19 on reports of the dividend being maintained despite a decline in net earnings for last year. Escorts closed quiet at Rs 24 against Rs 24.12 and so also J. K. Steel at Rs 39.25 against Rs 40.50. Braithwaite firmed up to Rs 39.12 from Rs 38.87 on reports of excellent working.

Miscellaneous issues moved in sympathy with the general trend of the market. Following were the price trends of a few selected shares:

	Week's High	Week's Low	Week's Closing
Orient Paper	34.65	33.90	34.00
Shree Gopal	25.00	24.50	24.50
Sirpur	14.69	14.25	14.31
Bengal	90.00	89.50	90.00
Rohas	19.19	17.44	17.44
Dunlop	51.25	50.44	50.75
H. Motor	20.62	19.84	20.06
Goodyear	39.00	38.12	38.12
NICCO	38.56	38.37	38.62
Alkali Chem.	40.62	39.81	39.81
British Paints	27.62	26.87	26.87
I. Oxygen	40.31	39.31	39.37
I. Cable	36.37	35.69	35.81
I. Aluminium	34.87	34.06	34.31
I. Copper	5.27	5.07	5.08
I. Steamship	8.37	8.12	8.19
General Tyres	6.81	6.50	6.62
BIC	7.72	7.50	7.56

IN BRIEFS

Gwalior Rayon & Silk Manufacturing Company Limited has raised the dividend from Rs 2 to Rs 2.25 per share, taxable, for the year ended 31 March 1961.

Mamallay Tea has reduced the dividend from 15 to 14 per cent taxable, for the same year.

Among Electric Supply Companies, Kumbakonam has proposed a dividend of 12 per cent (10 per cent); Negapatam 12 per cent (10 per cent) and West Coast 14.2 per cent (15 per cent), all for the year ended 31 March 1961, subject to deduction of tax.

CENTRAL AID

For Kosi Project

A loan of Rs 2,00,00,000 has been granted by the Central Government to the Bihar Government for financing the Kosi Project for the first quarter of the financial year 1961-62.

The total loans sanctioned since 1954-55 to the State Government for this project so far amount to Rs 28,68,91,000.

METALS

Electrolytic Engraving

A quick and economic method for engraving trade-marks, figures or letters on hard metals and alloys in their finished condition has been patented by the Council of Scientific and Industrial Research and released free to industry.

The new process has been developed at the National Physical Laboratory, New Delhi.

Etching can be completed in about 20 to 30 seconds by this process. It makes use of a 12-volt battery for electricity supply. Alternating current can also be used.

The process requires a heavy-duty stencil (waxed tissue paper) on which the trade-mark is stamped or typed, and a woollen felt pad in which electrolyte is booked. The articles to be etched it placed alongside the stencil, felt pad and the metal plate which complete the circuit. The available methods such as stamping or spark erosion induce undesirable stresses or involve lengthy operations.

Details of the process are given in the Shraavan issue of *Vigyan Pragati*, a monthly science periodical in Hindi, published by the Council of Scientific & Industrial Research.

WHEAT

Record Production

An all-time record in production and an increase of 8.2 per cent in yield per acre over last year's figure are features of the 1960-61 all-India Final Estimate of wheat.

According to the Directorate of Economics and Statistics of the Ministry of Food and Agriculture, the area covered by wheat and the production of this cereal in 1960-61 were 31,751,000 acres and 10,648,000 tons, respectively. Compared with the Partially Revised estimates for 1959-60 of 32,542,000 acres and 10,089,000 tons, the estimates for 1960-61 show a decrease of 791,000 acres in area, or 2.4 per cent, but an increase of 559,000 tons, or 5.5 per cent, in production. The yield per acre works out at 751 lbs as against 694 lbs last year.

Decreases in area in 1960-61 were reported mainly from the States of Rajasthan, Madhya Pradesh and Gujarat, while increases occurred in Uttar Pradesh, Maharashtra, Punjab and Mysore.

Production rose mainly in Uttar Pradesh and Punjab due to increase in area and to favourable weather conditions during the growing period of the crop. It fell in Madhya Pradesh and Rajasthan.

Company Reports

Excellent Results of Birla Jute

THE Birla Jute Manufacturing Company Limited has produced excellent working results for the year ended 31 March 1961. While sales have risen sharply to Rs 8.41 crores from Rs 6.29 crores, the gross profit has gone up to Rs 1.41 crores from Rs 1.31 crores. The dividend on the ordinary shares is maintained at Rs 1.50 per share, subject to deduction of tax.

Except Development Rebate Reserve the provision for which is lower at Rs 12.77 lakhs against Rs 15.66 lakhs, all other allocations have been quite liberal. The Depreciation amount is raised to Rs 64.86 lakhs from Rs 42.27 lakhs; Taxation to Rs 21.30 lakhs from Rs 16.10 lakhs and General Reserve to Rs 10 lakhs from Rs 7.50 lakhs. The carryover for the next year is substantially higher at Rs 1.83 lakhs against Rs 93,079 brought in.

According to the directors' report, the company has proposed to instal 28 wide looms for the manufacture of wide hessian cloth for export to the US. Orders for the plant have already been placed and production is expected to commence by December 1961.

The company's Cement plant at Sutna worked smoothly, producing 184,920 tons of clinker and 173,289 tons of cement. The company has obtained a licence for expanding the daily capacity from 750 tons to 1,750 tons. Orders for the plant have been placed.

The expansion programme is to be completed by about the middle of 1963. The capacity of the staple-fibre spinning section has now been raised to 30,000 spindles and the working is satisfactory. In view of the introduction of control on the price of staple-fibre yarn on a voluntary basis, the directors have, however, stated that the profits for the year may be affected to some extent.

The Calcium Carbide section is working efficiently with a daily output of 25 tons. The company has received a licence for the manufacture of oxygen and acetylene gas. This is a new line in which the company is diversifying its activities.

The directors, however, state that the prospects for the immediate future are far from encouraging. The working for the first three months of the current year (April to June 1961) has resulted in a large loss and further substantial losses are anticipated in the second quarter.

The Reliance Jute Mills Company Limited has reported a substantial decline in the net profit from Rs 16.83 lakhs to Rs 4.10 lakhs for the year ended 31 March 1961, reflecting the fall in the sale of loom-hours from Rs 23.91 lakhs to Rs 13.52 lakhs. The Depreciation amount is raised to Rs 36,000 from Rs 26,000 and Taxation to Rs 1.27 lakhs from Rs 69,000. The sum provided for Contingency Reserve is substantially lower at Rs 98,000 against Rs 9.32 lakhs. The dividend on the Ordinary shares is skipped again. After making the above allocations, there

Less

The difficult conditions generally experienced by the jute industry are fully reflected in the working results of the Howrah Mills Company Limited for the year ended 31 March 1961. Although sales are higher at Rs 4.60 crores against Rs 3.40 crores, the net profit, after providing for Depreciation and Taxation, amounts to only Rs 12.43 lakhs as against Rs 14.06 lakhs for the preceding year.

The provision for Taxation is substantially raised to Rs 5.05 lakhs from Rs 62,527 apart from maintaining the Debenture Stock Sinking Fund at Rs 1.00 lakh. The Depreciation amount is lower at Rs 9.82 lakhs against Rs 10.94 lakhs; General Reserve at Rs 1.50 lakhs against Rs 2.50 lakhs and Development Rebate Reserve at Rs 1.50 lakhs against Rs 2.50 lakhs and Development Rebate Reserve at Rs 17,494 against Rs 37,340. The dividend on the Ordinary shares is reduced by 25 nP to Re 1.00 per share, subject to tax.

The company's arrangement with the Reliance Jute Mills Company for the purchase of loom-hours of the latter, which was entered into in July 1959, was extended from time to time. In February 1961, the company was authorised the purchase of 5,312 current loom-hours per week for a period of 14 weeks from 27 February to 3 June 1961. This arrangement was terminated on 3 June 1961, as it was found not possible for the company to renew it on the same terms (at 40 nP per current loom-hour being the market rate) in view of the existing market conditions.

Accordingly, a revised agreement was entered into with the Reliance Jute Mills, under which the company offered to work 6,417 current loom-hours on a payment of 25 nP per current loom-hour for a period of 17 weeks ending 30 September 1961.

The directors are fully satisfied that the working of the loom-hours will result in saving of fixed overheads greater than the loss anticipated in the sale of increased production. It will also avoid disruption, both at present and in the future when it should be profitable again to pay and work current loom-hours of the Reliance Jute Mills.

The directors, however, state that the prospects for the immediate future are far from encouraging. The working for the first three months of the current year (April to June 1961) has resulted in a large loss and further substantial losses are anticipated in the second quarter.

Reliance Jute Incurs Loss

The Reliance Jute Mills Company Limited has reported a substantial decline in the net profit from Rs 16.83 lakhs to Rs 4.10 lakhs for the year ended 31 March 1961, reflecting the fall in the sale of loom-hours from Rs 23.91 lakhs to Rs 13.52 lakhs. The Depreciation amount is raised to Rs 36,000 from Rs 26,000 and Taxation to Rs 1.27 lakhs from Rs 69,000. The sum provided for Contingency Reserve is substantially lower at Rs 98,000 against Rs 9.32 lakhs. The dividend on the Ordinary shares is skipped again. After making the above allocations, there

is a balance of Rs 3.12 lakhs which is adjusted against the previous year's debit balance of Rs 31.44 lakhs, leaving still a debit balance of Rs 28.31 lakhs.

Contracts for the sale of loom-hours to the Howrah Mills, Kamarhaty Company, Kanknarrah Company and the Barnagore Jute Factory terminated on 3 June 1961. The market conditions are also unfavourable and the losses being incurred by the mills are such that none of the above companies is prepared to purchase loom-hours from this company. In the circumstances, the directors are arranging that the company's loom-hours will continue to be worked by the other companies named on the basis that this company makes payment to those other companies by way of compensation for the loss which appears likely to be sustained by their working these loom-hours. This arrangement will remain in force until 30 September, 1961.

The position regarding the possibility of re-opening the mill remains unchanged. The current market conditions preclude any possibility of re-opening a mill, which has not been modernised. The company's financial position, although it continues to improve slowly, does not yet, in the opinion of the Directors, justify them in undertaking the large-scale modernisation programme, which will be necessary to render the mill profitable.

Standard Vacuum Sets Records

The Standard-Vacuum Refining Company of India Limited has set new records for crude oil processed and sales volume during 1960; but the gross profit has suffered a slight setback. The company processed, on an average, 38,876 barrels per day as compared with 33,812 barrels in 1959, resulting in a production of 471.4 million imperial gallons.

Sales have risen by 20.41 per cent from 397.5 million imperial gallons to 478.7 million imperial gallons. The increased production is reflected in the gross income from Rs 30.07 crores to Rs 34.41 crores. The gross profit has, however, declined from Rs 3.47 crores to Rs 3.29 crores on account of the rise of more than Rs 2 crores in excise duty and of the rise in production costs.

A sum of Rs 91.86 lakhs is set aside for Depreciation as against Rs 87.12 lakhs and the provision for Taxation is also raised to Rs 105.69 lakhs from Rs 100.84 lakhs. The net profit amounts to Rs 131.23 lakhs, representing a fall of Rs 27.65 lakhs over the previous year. Only a small sum of Rs 2.25 lakhs is provided for Statutory Development Rebate Reserve against Rs 21.84 lakhs. The allocation to Self-Insurance Reserve has been raised slightly from Rs 3.07 lakhs to Rs 3.26 lakhs.

The directors have recommended a dividend of Rs 2.40 per share of Rs 20 each on the Ordinary shares as against nil for 1959.

Since the refinery went into production in 1954, the total foreign exchange savings, including export earnings, are estimated at Rs 18.11 crores. With effect from 15 November 1960, the company has surrendered duty protection on all fuel products, which was available to the company in terms of the agreement with the Government until 1964.

New Dooars Tea Pays More

Thanks to the rise in the net profit from Rs 4.93 lakhs to Rs 5.66 lakhs, the New Dooars Tea Company Limited has been able to raise the Ordinary dividend from Rs 32.50 to Rs 35.00 per share, less tax, for 1960. Apart from maintaining General Reserve at Rs 50,000, the Depreciation amount is raised to Rs 1.54 lakhs from Rs 1.04 lakhs and Taxation to Rs 4.10 lakhs from Rs 3.60 lakhs. The provision for Development Rebate Reserve is slightly lower at Rs 3,025 against Rs 3,365.

The crop outturn is higher at 22,384 maunds against 20,049 maunds and so also the average price at Rs 5.28 against Rs 5.11 per kg.

Sarugaon Tea Repeats

Despite a decline in the net profit from Rs 2.03 lakhs to Rs 1.93 lakhs, the Sarugaon Tea Company Limited has maintained the dividend at Rs 4.00 per share, subject to tax, for 1960. After providing a sum of Rs 1.00 lakh for General Reserve, the Depreciation amount is raised to Rs 41,762 from Rs 32,819. Taxation provision is lower at Rs 1.22 lakhs against Rs 1.50 lakhs. The crop outturn is lower at 8,056 maunds against 9,337 maunds, while the average price realised is higher at Rs 4.79 against Rs 4.45 per kg.

Sutna Stone Raises Distribution

Following a rise in sales from Rs 26.44 lakhs to Rs 28.33 lakhs and in the profit from Rs 2.11 lakhs to Rs 3.30 lakhs, the Sutna Stone & Lime Company Limited has been able to raise the dividend from 20 to 27.5 per cent, less tax, for 1960. In respect of allocations, Depreciation is raised to Rs 1.27 lakhs from Rs 95,023; Taxation to Rs 2.20 lakhs from Rs 1.72 lakhs; General Reserve to Rs 50,000 from Rs 480 and Dividend Equalisation Fund to Rs 50,000 from Rs 30,000. A sum of Rs 75,000 is provided for Contingency Reserve, while the provision for Development Rebate Reserve is lower at Rs 25,000 against Rs 80,000.

The directors state that the programme of expansion, both at the factory and the quarries, is proceeding satisfactorily. To finance the scheme, the directors had already issued right shares, at par, in the proportion of two shares for each share held as on 8 May 1961. They have called only Rs 5 a share in the first instance. The balance of Rs 5 a share will be called later when further funds are needed.

INDEX NUMBERS OF SECURITY PRICES (1952-53=100)

Week ended	23-7-60	15-7-61	12-7-61
(Government and semi-Government securities—All-India)			
TOTAL	101.2	101.1	101.1
Government of India	101.0	101.0	101.0
State Governments	102.7	102.1	102.1
Municipal, Port Trust, etc.	100.0	99.7	99.7
Debentures of Joint Stock Companies—All-India			
Total	101.0	101.3	101.4
Preference shares—All-India			
Total	86.9	83.3	83.4
Variable dividend industrial securities—All-India			
TOTAL	182.0	182.6	182.8
Agriculture and Allied Activities	180.5	170.8	170.5
Tea Plantation	172.5	166.1	165.3
Coffee Plantation	226.1	178.8	178.1
Rubber Plantations	182.5	173.4	171.0
Mining and Quarrying: Total	159.1	155.1	166.9
Coal	123.4	131.3	131.3
Other Mining	183.5	188.2	188.4
Processing and Manufacturing: Total	197.5	197.3	197.2
Processing & Mfg. (Food stuffs, Textiles etc. Total)*	199.3	202.7	203.3
Sugar	195.7	158.8	159.0
Cotton, Textiles	163.6	173.0	173.8
Jute Textiles	93.6	98.1	87.9
Silk & Woolen	1167.9	1205.2	1194.4
Processing & Mfg. (Metals, Chemicals etc. Total)*	208.1	209.2	208.9
Iron & Steel	167.3	176.7	177.1
Transport Equipment	441.7	416.4	412.3
Electrical Machinery	143.1	167.5	167.5
Machinery Other than Transport and Electrical	230.7	214.3	214.0
Basic Industrial Chemicals	222.5	215.8	215.3
Processing and Mfg. (Others): Total*	172.4	159.1	159.9
Cement	149.0	141.5	142.4
Paper	237.0	209.9	211.2
Other Industries: Total*	114.9	109.8	109.7
Electricity Generation and Supply	83.1	83.4	83.6
Trading	150.6	154.2	153.1
Shipping and other Transport	112.9	99.3	98.3
Construction	84.75	283.8	284.6
Financial Total	176.5	200.6	202.9
Banks	191.7	225.3	229.6
Insurance	155.5	155.0	151.1
Investment Trusts	93.7	90.1	90.1

Variable dividend industrial securities—Regional			
Bombay	189.1	190.2	190.3
Calcutta	165.6	168.1	168.9
Madras	194.7	195.5	194.6
Delhi	242.7	246.9	247.3

*Including "Miscellaneous."
*Including "Edible and Vegetable oils."

SHORT-TERM MONEY RATES (Per cent per annum)

	22-7-60	14-7-61	21-7-61
Call Money—From Banks			
Bombay	3.50	3.84	2.88
Calcutta	3.77	3.74	3.92
Madras	3.08	3.92	3.41
Deposits at notice of 7 days—			
Bombay	3.36	3.00	3.00
Calcutta	3.37	3.00	3.00
Madras	3.26	...	...
Fixed Deposits—			
3 Months			
Bombay	3.50	...	...
Calcutta	3.50	3.50	...
Madras	3.41	...	3.50
6 Months			
Bombay	3.49	3.75	3.73
Calcutta	3.44	3.71	3.74
Madras	3.38	3.70	3.75

*No Transaction.

BULLION PRICES

Week Ended	29-7-60	21-7-61	28-7-61
GOLD:—			
Spot—			
Highest	113 12	120 70	121 00
Lowest	111 16	119 30	119 75
Average	111 84	120 13	120 34
1st Settlement—			
Highest	111 72	120 10	120 50
Lowest	110 44	119 25	119 65
Average	111 09	119 75	120 03
SOVEREIGN:—			
Average	86 04	93 95	93 88
SILVER:—			
Spot—			
Highest	190 22	200 60	201 40
Lowest	188 14	199 80	199 95
Average	189 05	200 06	200 80
1st Settlement—			
Highest	188 93	201 35	201 90
Lowest	187 07	200 30	210 45
Average	187 82	200 72	201 17

GOVERNMENT OF INDIA TREASURY BILLS

Week ended,	22-7-60	14-7-60	21-7-61
Amount offered	...	2.00	2.00
Amount tendered	...	2.00	2.02
Amount sold by tender	...	2.00	2.00
Of which against maturing Treasury Bills	...	...	...
Intermediate Treasury Bills sold	...	1.42	1.50
Total sales	...	3.42	3.50
Average rate of discount for auction sales	...	2.650	2.500
Sold in favour of Reserve Bank of India	124.19	211.15	152.23
Total amount outstanding	1,196.73	1,112.86	1,141.40

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From	To
Belgium	Fcs. to Rs. 100	1031	1033
France	"	1033	1035
Switzerland	"	101.80	101.90
Netherlands	Gulden to Rs. 100	89.60	89.70
Italy	Lire to Rs. 100	74.70	74.80
W. Germany	Mks. to Rs. 100	82.60	82.70
Denmark	Kroner to Rs. 100	144.20	144.10
Norway	"	144.10	144.20
Sweden	"	149.70	149.80
Japan	Yen to Rs. 100	107.20	107.30
U. S. A.	Dollars to Rs. 100	75.39	75.39
Canada	"	67.25	67.25

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	22-7-60	14-7-60	21-7-61
Forward Contracts—			
Purchases	£ ('000)	840	135
Sales	Rs. ('00,000)	1.12	18
Deliveries—			
Spot Transactions—			
Purchases	£ ('000)	125	22
Sales	Rs. ('00,000)	1.70	3.320
Against forward contracts—			
Purchases	£ ('000)	215	35
Sales	Rs. ('00,000)	2.9	3

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	29-7-60	21-7-61	28-7-61
1½% 1961	99.80	3.36	99.90
1½% 1962	99.80	3.54	99.89
1½% N.P.B. 1967	99.55	3.57	99.00
1½% Dev. 1970-75	90.84	4.11	91.10
1½% 1974	99.70	3.78	99.62
1½% (Con.) 1986 or later*	73.65	4.07	72.85
Running yield			
1½% 1961	3.36	3.35	3.35
1½% 1962	3.54	3.53	3.53
1½% N.P.B. 1967	3.57	3.69	3.69
1½% Dev. 1970-75	4.11	4.17	4.19
1½% 1974	3.78	3.79	3.79
1½% (Con.) 1986 or later*	4.07	4.12	4.14

INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS (Base: 1952-53=100)

Group and Sub-Group	1-7-61	24-6-61	3-6-61	2-7-60
Food Articles				
Cereals	122.6	122.2	119.3	121.7
Pulses	103.5	102.8	101.0	108.4
Fruits & Vegetables	91.7	91.2	90.7	92.7
Milk & Ghee	135.6	131.9	131.4	119.6
Edible oils	114.9	115.2	113.2	118.1
Fish, Eggs & Meat	166.7	165.3	160.9	143.5
Sugar & Gur	132.8	130.7	127.6	124.1
Others	125.0	126.4	119.4	139.6
Liquor and Tobacco				
Tobacco	182.2	182.8	180.0	165.4
Liquor	97.8	98.6	101.9	110.5
Fuel, Power, Light & Lubricants				
Fuel	94.1	95.0	98.9	109.1
Power	121.5	121.5	121.5	119.7
Lubricants	149.3	150.7	149.1	157.8
Industrial Raw Materials				
Fibres	148.1	153.1	155.3	154.8
Oilseeds	165.0	163.5	156.7	140.2
Minerals	95.3	95.3	95.3	98.2
Others	125.7	125.6	124.7	126.5
Manufactures				
Intermediate Products	123.0	123.4	126.0	150.7
Finished Products	141.3	140.7	137.7	129.5
Textiles	123.0	123.4	126.0	150.7
Cotton	123.0	123.4	126.0	150.7
Jute	123.0	123.4	126.0	150.7
Woolen	123.0	123.4	126.0	150.7
Silk & Rayon	123.0	123.4	126.0	150.7
Metal Products	123.0	123.4	126.0	150.7
Chemicals	123.0	123.4	126.0	150.7
Oil cakes	123.0	123.4	126.0	150.7
Mchy. & Transport Equipment	123.0	123.4	126.0	150.7
Others	123.0	123.4	126.0	150.7
All Commodities	123.0	123.4	126.0	150.7

* = Estimated.

† = Revised.

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees).

	4-8-61	28-7-61	5-8-60
LIABILITIES:			
Notes in Banking Dept.	16,88.44	31,15.35	14,45.27
Notes in Circulation	1903,97.75	1890,76.19	1812,31.81
	1920,86.19	1921,91.54	1826,77.08
ASSETS:			
Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Starling Securities	116,96.07	93,00.89	128,00.89
Total of A	234,62.10	210,76.92	245,76.92
(B) Rupee Coin	122,87.39	123,92.75	129,43.05
Rupee Securities	1563,36.70	1587,21.87	1451,57.11
	1920,86.19	1921,91.54	1826,77.08
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	50,00.00	50,00.00	40,00.00
National Agricultural Credit (Stabilisation) Fund	6,00.00	6,00.00	5,00.00
Deposits—			
(a) Central Govt.	53,35.93	77,98.91	57,38.07
(b) Other Govt.	18,83.17	20,55.93	17,84.71
(c) Banks	81,44.03	81,71.08	118,44.78
(d) Others	200,75.02	111,60.51	139,34.35
Bills Payable	20,70.26	20,71.21	14,49.79
Other Liabilities	10,63.88	11,65.55	10,39.42
	526,62.31	464,33.19	487,91.12
ASSETS:			
Notes	16,88.44	31,15.35	14,45.27
Rupee Coin	2.62	1.58	1.08
Subsidiary Coin	3.80	2.73	4.54
Bills Discounted:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	9,72.06	13,18.08	23,61.41
Balances held abroad	35,00.60	5,03.56	19,84.77
Loans & adv. to Govt.	42,09.61	40,87.14	37,06.88
Other Loans & Adv.	115,53.21	114,80.19	122,05.04
Investments	289,50.15	241,11.41	258,60.17
Other Assets	17,08.32	18,14.30	12,21.96
	526,62.31	464,33.19	487,91.12

(1) The item "Other Loans and Advances" included Rs. 75,00,000 advanced to scheduled banks against advance bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees).

	29-7-60	21-7-61	28-7-61
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	23,95.07	20,83.99	21,34.68
(ii) Demand Liabilities in India	774,86.81	817,50.65	811,20.94
(i) Liabilities in India			
(a) Borrowings from banks other than the State bank & a notified Bank (A)...	27,68.29	19,26.87	18,79.28
(b) Other time liabilities...	1187,62.99	1123,29.78	1123,89.55
(ii) Borrowings in India from the State Bank and/or a notified Bank			
(a) Demand Liabilities	10,11.21	6,74.41	6,20.37
(b) Time Liabilities	2,14.00	7,90.00	9,38.00
(iii) Borrowings in India from the R. B. I.	24,61.95	1,92.35	2,39.70
(iv) Cash in India	44,00.70	46,19.01	44,17.16
Balances with the Reserve Bank of India	119,35.81	100,08.93	77,26.46
Balances with other banks in current account and short notice in India	16,36.26	15,90.85	16,34.43
Money at call and short notice in India	40,42.01	44,46.18	47,09.76
(i) Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	723,85.83	574,07.65	577,

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HIGHLIGHT OF THIS ISSUE

The problems and prospects of the Coir Industry are studied in detail in the Second Leading Article.

Indian Finance

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1928

by

C. S. Rangaswami

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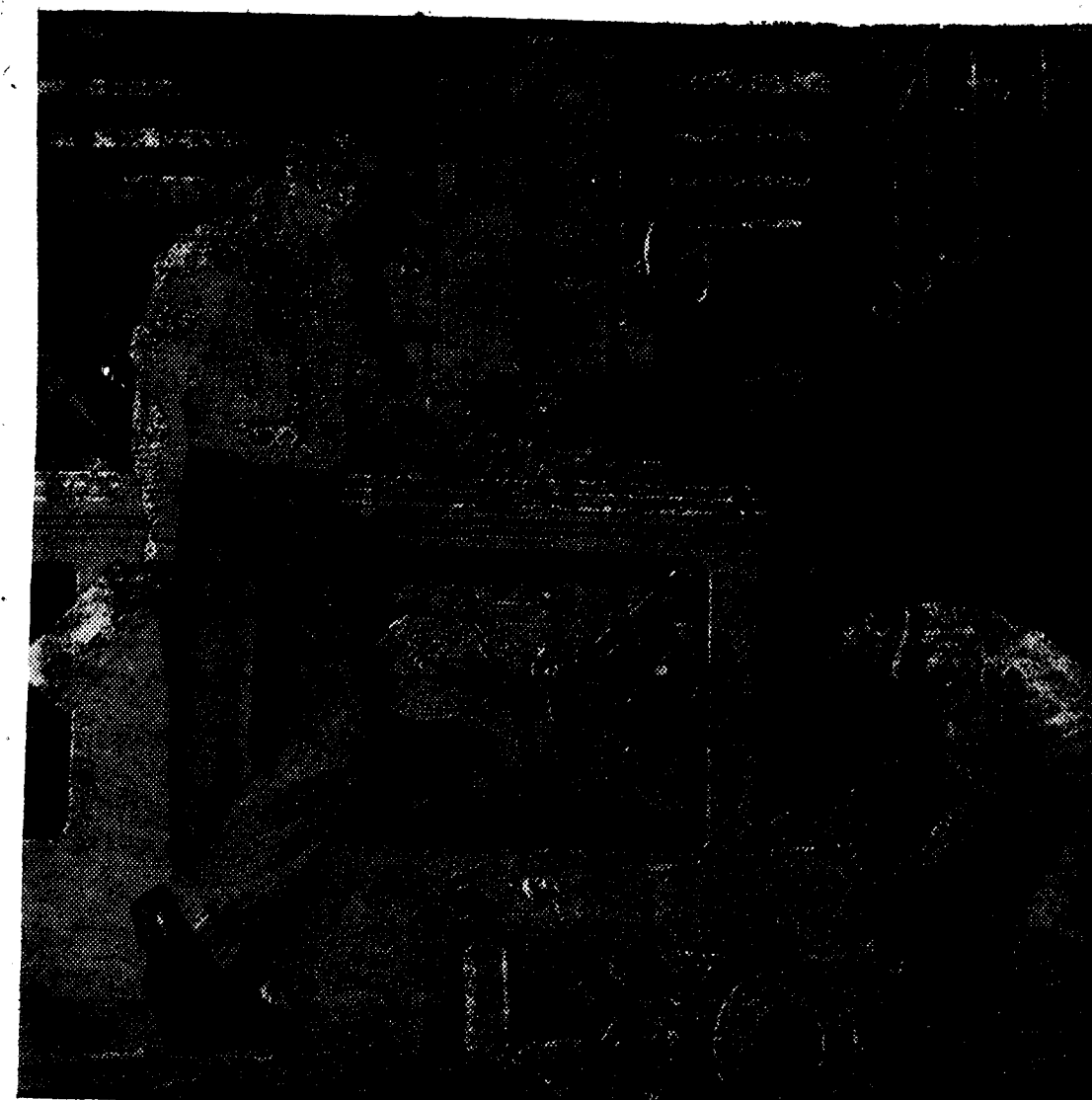
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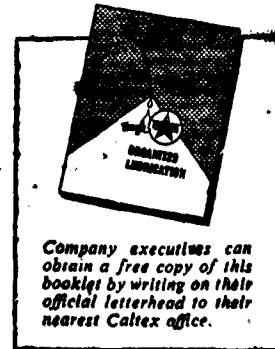
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REPORT OF THE SPECIAL COMMITTEE FOR COMMERCE EDUCATION July 1961

This is the report of the committee set up by the All-India Council for Technical Education under the chairmanship of Dr. V.K.R.V. Rao, Director, Institute of Economic Growth, Delhi to enquire into the position of COMMERCE EDUCATION in India.

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Procedural Reforms for Export Promotion

EXPORT promotion is a slogan that is in some danger of becoming a soporific. Once the need for it is avowed in suitably unctuous tones, it is assumed that the problem will solve itself. It is necessary to remember that export promotion involves a hundred decisions at all levels and an orderly coordination of these decisions by an intelligible policy one part of which does not cancel out another. Above all, it is on matters of detail that attention needs to be directed. A Committee under the chairmanship of Sir A. Ramaswami Mudaliar is examining the whole question and the chairman's well-known grasp of details may be expected to see to it that the Committee's recommendations offer guidance on this rather neglected aspect of the question.

A rational export policy involves a rational import policy. If maintenance imports and imports of certain essential machinery are important from the point of view of the entire economy, they are more urgently so from the point of view of exports. In a general scramble for raw materials, the claims of export industries deserve special treatment. So, somewhat paradoxically, policy and procedure in imports need gearing up for the sake of export promotion. Various steps are necessary for ensuring the steady supply of the needs of the various exporting industries. As a first step in ensuring this, not only should the Development Wing of the Industries Ministry but also trade associations like, for example, the Indian Cotton Mills Federation, should be associated with the control procedure. With the output target raised to 9,300 million yards, economic units will be required and existing mills must be given the chance to extend and improve plant. That is accepted in the Plan presented formally on 7 August to Parliament. A long-term programme will assist in the domestic manufacture of machinery, even if some components have to be imported. The maintenance of operations up to installed capacity is a major requirement for raising consumption and securing a growing surplus for export. Licensing of imports for actual users must be connected with satisfactory performance of the industry. The margin of profit earned must ensure additions to reserves required for development.

The concentration of imports may be required and sources of supply, for instance, under machine tools must be enlarged. The ideal of self-sufficiency must yet be modified to some extent and it is perhaps necessary to look at import figures in order to ascertain what imports can be always pruned or supplemented. Given an assurance of external aid for further development, the country must settle the volume of imports needed as much for increasing exports as for restraining prices. A good point to remember is that import houses are in touch with foreign buyers and export too is very much a concern of the established importers. The barter agreements relating to manganese or other ores may be distinguished from the regular transactions in which the State Trading Corporation engages and a strict demarcation of the field may be called for in view of complaints about the undue advantages conferred on the STC.

The utility of giving out small import licences to a large number has been doubted and the consolidation of licences must be undertaken so as to give established trade bodies like the art silk mills a voice in determining the volume of imports in relation to domestic requirements. Improvement in licensing procedure may follow the maintenance of liaison with the Ministry of Commerce by appropriate trade organisations like the Indian Mining Association. Assimilation of the rules under the customs tariff to the trade control procedure has been commended for the sake of making decisions intelligible. It is not difficult to consult the Tariff Commission as and when required. Delays even in confirming repeat licences have been mentioned in complaints and the Mudaliar Committee inquiry must lead to a positive practice approximating to the best business (not official) standards for prices and delivery dates are as important for maintaining normal production. Procrastination has been a source of discontent and the interests of Central Revenue too may suffer from such delay as has been noticed by applicants for licences.

Though no committee of inquiry can produce a miracle to order it is just possible that export trade will in future enjoy priority needed in transport. The removal of export duties is urgent, though so far pleas of producers or shippers of tea have not received all the consideration they deserve. Export trade or re-exports through a free port may help but the Committee in its questions has made no specific mention of a free zone in relation to the regulation of foreign trade. The opening of Karaikal as a free port to push trade with Ceylon or Malaya has been often suggested but the de jure transfer of former French territory is delayed. The continuance of export incentive schemes may be justified by the retention of surcharges on import duties. But the more important need is freedom to produce more for export markets, for instance yarn and cloth without conforming to official prescriptions as to categories. The cheapening of price is perhaps less urgent than the gradual raising of quality, for instance, in confectionery meant for export, and token imports to upgrade standards of manufacture might find favour with some.

Meantime, industry can show some resourcefulness in spotting new export possibilities especially in under-developed countries. To take an example that occurs readily, it is possible to export small plants for paper making or soapmaking and a good trade in second hand machinery may be built up under certain conditions with Burma or Thailand. Of course, Australia too is in the field, investigating trade opportunities available to SE Asia. But India can attempt construction of plants for cement or sugar and the export of skill to East Africa or Middle Eastern countries may be a legitimate object of trade promotion. And our traditional items are far from being spent forces as export earners. A determined effort at reducing cost and a well-thought out scheme of sales promotion will yield rich dividends.

Coir Exports: Prospects and Problems

INFORMATION presented to the recent meeting of the Consultative Committee of Parliament for the Ministry of Commerce and Industry draws attention to the unsatisfactory state of coir exports. (*Coir is used as a generic term to include the hard, water-resistant and rot proof fibre extracted from the outer husk of the coconut as well as the products made from it such as coir yarn, rope, mats, mattings, rugs, carpets and so on.) While the exports of all categories of coir products have remained practically stagnant, the decline in exports of coir manufactures, particularly coir matting and rugs is described as alarming. This trend, which is disturbing for an industry mainly dependent on exports, offers little encouragement to the development programme under the Third Plan which places the main emphasis on stepping up of exports. About 55 per cent of total annual production is currently exported; in the case of manufactured products, over 90 per cent is exported. The average annual value of exports of coir fibre and yarn over the last six years is about Rs 5.63 crores and of coir manufactures about Rs 3.16 crores.

Because of a combination of special qualities, coir products have long established a position for themselves in the export markets. But the industry so far has not been able, for a variety of reasons, to extend its hold on foreign markets. While total exports have remained more or less stationary over the last decade, it is apprehended that exports of manufactures, such as matting, rugs etc., have fallen to a level not touched before.

The average annual exports of all types of coir and coir products which stood at 64,000 tons during the five year period 1931-32 to 1935-36 dwindled to 57,462 tons in the subsequent quinquennium and further to 37,392 tons during the five years 1941-42 to 1945-46. Exports picked up after the war; the annual average for the period 1946-47 to 1950-51 stood at 75,500 tons. This improvement in the early post-war years was the result more of the back-log of demand which remained unsatisfied during the war years rather than of any permanent improvement in export prospects; for there was no significant improvement in the succeeding decade covered by the two Five Year Plans, when the average yearly exports were stagnant at about seventy to seventy-five thousand tons. On the other hand, there has been a noticeable decline in the export of coir products. Exports have dwindled from 548,631 cwt. in 1939-40 to 430,430 cwt in 1959-60. The following table, which gives the figures of exports of matting and rugs in the post-war years from the Ports of Alleppy and Cochin, the principal exporting centres for coir products, will show the extent of ground lost since 1946.

	Cwts.
1946-47	3,62,477
1947-48	1,79,079
1948-49	2,54,614
1949-50	2,96,318
1950-51	1,75,619
1951-52	2,16,000
1952-53	1,24,806

Since 1953-54 there has been a steady and continuous fall in exports of these items which

are understood to have touched a new low in 1960-61.

The fall in exports is attributed to two factors: the growth of coir manufacture in European countries and changes in tastes that have occurred in the affluent societies of the West. Many European countries, particularly Holland and West Germany, import coir yarn from India in considerable quantities for manufacture into matting and other products. But in regard to matting we have lost markets not only in these two countries but also elsewhere. Whatever might have been the case before the war, it is no longer correct to say that coir matting is the article of preference as floor covering in the UK. Because of the growing taste for more costly and attractive floor coverings, following steady improvement in standards of living, the prospects of recapturing lost markets for matting, coir carpets etc. cannot be rated very high.

As in the case of many other export commodities, the United Kingdom has been so far the largest buyer of coir products. But in post-war years offtake of mattings and rugs has steadily declined from the peak level of 2,39,970 cwt. reached in 1949-50 to 1,20,876 cwt. in 1955-56 and further to 46,194 cwt. in 1959-60. The sharp decline in the UK offtake has in recent years been balanced to some extent by substantial purchases by the USSR which entered the market for coir mattings for the first time in 1958-59. Comparative figures for major importing countries are given below:

	1958-59	1959-60
	Cwt.	Cwt.
UK	56,103	46,194
USSR	44,817	31,462
USA	10,544	9,674
Iraq	9,873	15,834
Australia ..	5,088	5,176
Canada	3,938	4,200
Germany ..	1,152	3,545

If Britain enters the European Common Market, India will be hard put to maintain exports of coir manufactures to that country even at the reduced level of recent years, for Indian products will have to compete with coir manufactures from Holland and West Germany on very unequal terms. Considering all circumstances, stepping up the export of coir manufactures, particularly matting, is an extremely difficult undertaking. It will therefore be advantageous to concentrate attention on coir exports as a whole and to take the necessary measures to achieve that end, in the meantime supporting the indigenous manufacturing industry through the expansion of domestic market for the manufactured products which are faced with the problem of dwindling exports. In this context it may be mentioned that large fluctuations in prices have exerted an unsettling effect on exports. For the stabilisation of the industry, it will be necessary to build up a large domestic market for coir products. The figures of exports of coir products classified into two groups, "Fibre and Yarn" and "Manufactured products" are given in the following table.

India is in a specially advantageous position for developing the export of coir products.

Year	Fibre and Yarn		Manufactured Products*		Total	
	Quantity cwt lakhs	Value Rs crores	Quantity cwt lakhs	Value Rs crores	Quantity cwt lakhs	Value Rs crores
1955-56	11.17	5.86	4.02	3.23	15.19	9.09
1956-57	12.81	6.76	3.73	3.05	16.54	9.81
1957-58	10.54	5.22	3.88	2.90	14.42	8.12
1958-59	10.57	5.03	4.15	3.19	14.72	8.22
1959-60	11.00	5.47	4.30	3.39	15.30	8.86
1960-61	9.99	5.46	3.97	3.21	13.96	8.67

*Manufactured products include mats, matting, rugs, carpets, ropes, etc.

Though coconut is grown in several countries in the world such as Philippines, Indonesia, Ceylon, Malaya, etc., India is the sole producer of coir in the world. But there is also the limitation that, as coir is extracted from a by-product, namely the coconut husk, it is not easy to adjust the supply to the demand or to implement a programme for planned increase in production. In this context it may be mentioned that inelasticity in supply has led to large fluctuations in prices. These in turn have exerted an unsettling effect on exports. For the stabilisation of the industry, it is considered necessary to build up a large domestic market for its products. With the growing industrialisation of the country and the anticipated improvement in living conditions, this should not present any difficult problem. Increased domestic consumption may be automatically achieved. But, if we are to maintain the present level of exports and improve on it, as well as to cater to a growing domestic market, it will be necessary to make arrangements to increase the production of fibre and yarn. Output of both at present is limited by the availability of coconut husk in the area where the industry has been long established.

Although coconut is grown in most States of India, the industry is concentrated in Kerala and the adjacent districts of neighbouring States. The facility of retting the husk provided by the numerous backwaters in the State is advanced as the reason why the industry has been developed only in Kerala, where it now provides employment to about five lakhs of workers.

The total outputs of coir fibre and yarn were estimated at 130,000 and 120,000 tons respectively by the Ad Hoc Committee of Coir Yarn in 1955. Since then there has been some increase in production. Coir manufacture is being developed in the Kanyakumari District of Madras State. Production at present is estimated at about 150,000 tons. Like production of fibre and yarn, manufacture of coir products is also concentrated in Kerala where it provides employment to about 15,000 factory workers. Annual production is estimated at 24,000 tons valued at 3.5 to 4 crores of rupees. Since production of fibre and yarn is carried out as a cottage industry spread over a wide area, statistics of production given above are in the nature of broad estimates.

As indicated earlier, the volume of production is limited by the availability of coconut husk in Kerala. The total production of coconuts in India is estimated at about five million nuts. Out of this not more than two million nuts are used for the extraction of fibre. The output of fibre for domestic use and export can be stepped up in a short period if it is found practicable to devise an implement measures to utilise the husks which are now thrown away or burnt as fuel in other States. Lack of waterspreads suitable for retting has already been mentioned as the reason why the coir industry has not been developed in areas outside Kerala.

Of all the States in India, West Bengal appears to offer the most favourable conditions for the creation of facilities for processing of husks, especially in the 'depressed' areas

of the Sunderbans where extensive areas under rice have been rendered unfit for cultivation on account of periodical influx of salt water through breaches in the embankments. The heavy loss on this account can be compensated to some extent if it is found practicable to establish a coir industry in this region. For a number of years we have been hearing of a Coir Centre to be set up in Uluberia. It appears that the project has been making deliberate progress. The Consultative Committee of Parliament was recently told that the work of construction of buildings etc for the Research Station is nearing completion and that arrangements are in progress for procuring laboratory equipment, office furniture, and for recruitment of staff etc. The Centre is expected to start functioning at an early date.

While research certainly has its place, what is required to establish the industry in suitable localities in West Bengal is effective extension work designed to familiarise the villagers with the methods of processing of the husk, extraction of fibre and its conversion into yarn. This is a field of activity to which the Community Development movement can turn its attention with advantage. A team of village leaders selected from areas selected for development of the industry may be sent to Kerala to observe and learn the process at first hand. Or, in the alternative, a small number of families of coir workers from Kerala (75 per cent of coir workers are women and children) may be induced to settle in central localities in the Extension Blocks to demonstrate the processes by actual working. Either way development of the coir industry in West Bengal can be of substantial assistance in dealing with the residual problem of refugee rehabilitation. Research can be profitably directed to finding commercial uses for the husks of tender coconuts which are consumed in much larger numbers in West Bengal as compared to other States. Only the husks of the nuts which are three-quarter ripe are suitable for extraction of fibre. The husks of the tender nuts cannot be used for the purpose.

In other States where coconut is grown and where facilities for processing the fibre are not available, the husks can be utilised for making mattress fibre and bristle fibre for which there are export prospects. The Government of India has undertaken to provide the necessary foreign exchange for the import of defibering plants for manufacture of bristle and mattress fibre, and steps are under way to set up such plants in some coconut-growing States. In this connexion it may also be mentioned that the investigations conducted by the Coir Technologist have indicated new uses for 'coir waste' and 'coconut pith' as fillers for thermosetting plastics of the phenolic type. It has been observed that 'coir waste' and 'coconut pith,' which are presently being discarded as materials of little value, if suitably processed, could be utilised in the preparation of phenol formaldehyde moulding powders which could be hot-pressed into articles of desired shapes by using appropriate moulds. These products have been termed 'coirrolite' regarding which the Coir Board has released a pamphlet.

The full utilisation of the export potential of coir depends on increase in production and diversification of the products so as to take advantage of changing trends of demand in foreign markets. The Coir Board, it is understood had submitted schemes for a total sum of Rs 5.77 crores for the development of the industry. The Planning Commission has approved programmes costing Rs 9 crores. Out of this Rs 75 lakhs is earmarked for Central Schemes to be implemented by the Board?

while the sum of Rs 228.4 lakhs has been provided for States as shown below:—

	Rs. lakhs
West Bengal	5.00
Gujarat	2.40
Maharashtra	2.00
Andhra	10.00
Mysore	16.00
Orissa	3.00
Madras	15.00
Kerala	175.00
Total	228.40

It has been observed that exports have been adversely affected because of uncontrolled and unregulated exports of substandard materials. Rules regarding registration of producers and licensing of exporters under the Coir Act were brought into force on 22-2-1958. The Rules enjoin that no person shall work a coir spindle or an industrial establishment, unless it has been registered and that no person shall export coir fibre, coir yarn or products unless he has been registered as an exporter and has obtained an export licence. Provision has also been made in the Rules that, in the event an importer in a foreign country required that goods supplied should conform to specific standard, the necessary arrangement should be made by the Coir Board for pre-shipment inspection of the consignment. It is learnt that 317 exporters (fibre 36; yarn 88; and products 143) had been registered under the Coir Industry Rules, up to 31-7-1961. Spindles registered as on that date numbered 17,305 and industrial establishments manufacturing coir products 932. Enforcement of standards is a difficult task in the case of articles manufactured by cottage industries. Nevertheless Standards have been formulated in collaboration with the Indian Standards Institution grades of fibre. Standard specifications for some manufactured products have been laid down and draft specifications for some others are in the process of finalisation. Apart from work at the manufacturing end to regulate exports and to enforce standards, the Coir Board has also arranged for market surveys in Holland, Sweden, Denmark, Finland, Norway and the UK. The surveys have already been completed in Holland, Sweden and Denmark.

The Income-Tax Bill—II

CHARITIES

THE Select Committee has made extensive changes in the provisions relating to exemption from tax of the income of charities. Some of these changes, like the liberalisation of the extent and conditions of tax-free accumulations, are distinctly changes for the better. Others like the denial of exemption to "denominational" charities created after the commencement of the new Act are less defensible either on general principles or in the light of their social implications in the present state of public opinion and feeling. These provisions have had a sufficient airing in the public and in Parliament and need not detain us. But certain other changes of a fundamental character that seem to go against what seemed crystallised thinking on the subject need a closer attention than what they have so far received.

BASIC DEPARTURES

Before going into detail, it would be convenient to summarise these basic departures

from the cumulative consensus that had culminated in the provisions of the Bill. These are:—

1. The position of a religious or charitable institution that is not the creature of a trust has, contrary to the position envisaged in the Bill, become definitely worse.
2. On the other hand, a religious or charitable trust (whether such a trust operates through an institution or not) has been freed from some of the restrictions that the Law Commission and the original Bill had considered it expedient to impose on it.
3. The definition of charitable purposes has been narrowed down in an important respect. Purposes so far recognised as charitable would no longer be regarded as such if they "involved the carrying on of any activity for profit". At the same time, contrary to the recommendations of the Law Commission and the express provision in the original Bill, the scope of "property" held under trust has been enlarged to include a "business undertaking".
4. Income from property held under trust "in part only" for religious or charitable purposes will not, "if such a trust has been created after the commencement of the new Act," qualify for exemption even to the limited extent that such trusts now do. Even in respect of such trusts created before the commencement of the Act, certain concessions regarding the maximum permissible accumulations or setting apart available for a trust wholly for charitable purposes will not be available.

A HISTORICAL BACKGROUND

In order to appreciate the first two of the four propositions listed above, a brief excursion into the history of the tax law relating to charities is necessary. That the charitable impulse deserves fiscal nudging was recognised early enough. But in the spacious manner of those days, there was no pettifogging about the precise nature of the agency for such benevolence. Thus the Act of 1888, provided simply that "any income derived from property solely employed for religious or charitable purposes" was exempt. There was no reference to trusts or similar legal instruments of charity. By the time the amending and consolidating Act of 1922 was passed, this simple provision had grown substantially into the existing section 4(3) (i) by which income from property held under trust wholly for charitable purposes was exempt.

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A LOOSE EQUATION

Even after this, it would appear, as much subsequent litigation and legislative action showed, the expressions used in the section were understood in a vague and inclusive fashion. Thus, there was a loose equation between a charitable trust and a charitable institution, which led to a lot of difficulties later. It was departmentally assumed (as seen by the instructions in the official manuals before 1939) that the expression "property" held under trust should be taken to mean not only immovable property but also such things like securities, business and share in a business.

This departmental view received the imprimatur of judicial authority when the Privy Council declared itself on the same terms in the famous *Tribune* case. (7 I.T.R. page 415). Recently the Supreme Court has also set its seal of approval on this view in the *J. K. Trust Case*. (32 I.T. page 535). But as will be seen from the Ayers Committee's report and subsequent legislative action to give effect to the recommendations of that Committee, there seems to have prevailed an impression that business in the context of a charity must necessarily be an activity associated with an institution. It does not seem to have occurred that a charitable trust can engage "commercially" in a business with a view to using the profits therefrom for indubitably charitable purposes. Consequently, in giving effect to the Ayers Committee's recommendations, the amending Act provided by a separate clause that "income derived from business carried on, on behalf of a religious or charitable institution" should be exempt if it was solely applied for the purposes of the institution and if the business was carried on in the course of carrying out the primary object of the institution or if the work in connection with the business was mainly carried on by the beneficiaries of the institution. After this amendment, it was imagined that section 4 (3) (i) would no longer govern businesses carried on by charities since separate provisions had been made for business by another clause. Indeed, the earlier departmental instruction regarding the scope of the word "property" in section 4 (3) (i) was altered to exclude "business".

THE FINGER ON THE FALLACY

But the Lahore High Court put its finger on the fallacy of this equation of a charitable institution with a charitable trust. In the case of *Gadodia Swadeshi Stores Vs C.I.T. Punjab* (12 I.T.R. page 385), it said in effect that even if an institution does not fulfil the conditions for its business to qualify for exemption, it will be exempt from tax on such business income by virtue of Section 4 (3) (i) if its property (which expression included a business) was held under trust for charitable purposes. In other words, only a business, which was not the subject matter of a trust carried on by an institution had to conform to the stringent provisions newly added in 1939 in order to qualify for exemption.

This led to the amendment of the section in 1953, by which the new provision regarding the business carried on by a charitable institution was made a proviso to section 4 (3) (i). The idea was that, as a proviso, the "scooping" out of business from the expression "Property" in the substantive provision would meet the objections successfully raised in the *Punjab* case. But even this change created unintended complications, as pointed out by the Law Commission. For instance, a charitable institution, not subject to a trust was left high and dry, since a proviso cannot enlarge the main provision and main provision in this case talked only of a trust. (Incidentally, this will be also be the

consequence of the Select Committee's amendment as we shall presently see.) Secondly, whereas an institution subject to a trust can have its business income exempted only if it satisfied the conditions regarding the mode of carrying on of the business, a trust, which is not an institution can carry on its business without any restrictions and may yet qualify for exemption of its business income. (Incidentally the consequence of the acceptance of the Select Committee's changes, will be that this freedom from restrictions will be available to institutions which are creatures of trusts.)

To sum up, the Law Commission wanted to make legislative intentions clear in respect of the following matters:—

"(1). Exemption under section 4 (3) (i) is (in the case of a business) subject to the conditions given in Proviso (b), irrespective of whether the business is carried on by a trust or an institution.

(2). The exemption is also available to institutions not subject to trust, (subject to the same conditions.)"

SET AT NAUGHT

These principles were incorporated in the Bill, but have been completely set at naught by the Select Committee's changes. In the first place, it has amended the explanation to Section 11 in the original Bill to make "Property" held under trust to include a "business undertaking". By this, the laborious attempt over two decades to separate "business" from other forms of charitable property has been nullified. Secondly, section 12 in the Bill dealt with the income from business of both institutions and trusts and the income of both were to be exempt only if the trust or the institution spent the income solely on the purpose of the trust or institution and the business was carried on in carrying out the primary purpose of the trust or institution. The Select Committee has completely deleted these conditions. Indeed the marginal heading of clause 12 in the original Bill read as: "Income from business carried on by trust and institutions for charitable purposes." As amended by the Select Committee, it reads: "Income of trusts or institutions from voluntary contributions."

NON-TRUST INSTITUTIONS TAXABLE?

The combined result of these changes and making the word "property" include a business undertaking is:

(a) A business carried on by an institution which is not also a trust will not be exempted from taxation. To take a hypothetical but by no means unusual case, the profits from the sale of the handicrafts made by a blind school children, if such a school has simply been endowed without the formality of a trust, will now apparently become taxable. This would be so even if the business was carried on in the carrying out of the primary purpose of the institution and the profits were wholly used for the school, since both these conditions simply do not find a place in the amended section.

(b) The only income of an institution that is not a creature of a trust that will be exempted under the Bill as amended will be the income from voluntary contributions. But even such an exemption is subject to the conditions regarding accumulations.

(c) A charitable trust can carry on business, not necessarily in the course of carrying out its primary object and yet be eligible for exemption.

UNINTENDED HARDSHIPS?

Almost the only thing to be said in favour of these results of the amendment is that they

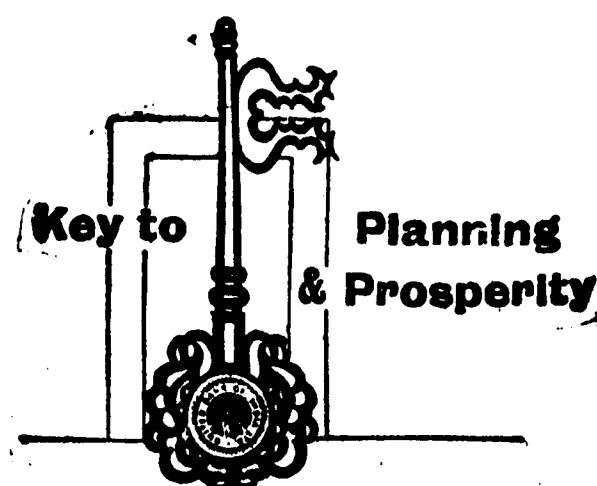
have removed needless restrictions on a trust carrying on a business. But the hardships likely to be caused to institutions which are not also trusts are serious and need immediate parliamentary consideration. Surely it would be ironical if the one entity that alone was originally considered worthy of fiscal support in its charitable activities viz.—a charitable institution—were to become the only entity to suffer under the new Act.

POSSIBLE WAY OUT

Almost the only escape from this predicament within the four corners of the amended sections that we can think of is probably from the definition of the word "trust" in the Bill. In the explanation to section 13, it has been laid down that the word trust in sections 11, 12 and 13 will include "any other legal obligation".

It is perhaps arguable that the business of an institution not the creature of a trust, may yet be properly held under a legal obligation for charitable purposes. In other words, every institution for charitable purposes, may be said to be holding its property under a legal obligation for charitable purposes whether such obligations have been spelt out in the form of a trust or not. But the legal obligations attaching to a "property" simply "endowed" as contrasted to a "trust property" is not easy to determine. The real remedy would therefore, appear to be to make the business income of a non-trust charitable institution explicitly exempt. If considered necessary, the conditions of such exemptions in the present Act may be retained.

The other aspects of the provisions relating to charity will be discussed in a subsequent article.



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STATE LOANS

Greater Support From the Banks?

THE subscription lists for the State Government loans open next week. We sense some doubt and diffidence as to whether the borrowing programme will be a success. For the general impression seems to be that the second tranche of the Centre's new loan was a flop, and so inescapably the State loans too will fail to succeed. We do not agree with such an assessment of the State loans' prospects.

What, we may first seek to clarify, constitutes the clientele for State loans? Until 1957, banks were reluctant purchasers; indeed, in 1956, when the States sought what then was a record amount, and pressure was reportedly exerted upon the banking system, it happened that the banks sold the State loans as soon as they could. Of course 1956 was an unfortunate year in which to have compelled the banks to extend their support. There was no slack season in that year, and with industrial production rising dramatically, banks were already in an over-extended position even before the 1956-57 busy season started. Hence there was nothing strange in banks' attempts to divest themselves of State loans. But the selling pressure pushed down prices of gilt-edged generally. So much so, in the next year, it was gently suggested to the States that they should abstain from the market, and all but two heeded the advice of the Reserve Bank. It was at the time not perhaps the best kind of advice, since already the gilt-edged market had greatly improved. In the 1957 slack season banks were a week-by-week purchaser of gilt-edged; and in that year it was found that the banking system had absorbed no small parcels of State loans. Both in 1958 and 1959 State loans continued to be attractive as far as banks were concerned. In 1960 the interest of banks in State loans tapered off.

But it is wise to remember that banks are not the only, not even the main, customers for State loans. The higher coupon offered, vis-a-vis Central Government loans, makes the State loans especially sought after by entities particularly interested in the running yield. Provident funds and the Life Insurance Corporation tend naturally to prefer State loans. We surmise that by and large not more than one-fourth to one-third of total subscriptions for State loans emanate from the banking system. In a year when the slack season is pronounced, the absorption by banks is larger; and vice versa.

It is clear of course that the 1961 slack is particularly pronounced. The weekly progress of the slack season is being recorded in table published in this section, and the latest figures disclose:

- (a) that net Deposits of Scheduled Banks other than the State Bank have improved by Rs 51.22 crores;
- (b) that the total of Advances of the other Scheduled Banks has contracted by Rs 38.28 crores;

- (c) that the Reserve Balances of member banks are higher by Rs 24.80 crores;
- (d) that the central banking institution's Other Loans and Advances, largely comprising assistance to banks, have fallen by nearly Rs 21 crores;
- (e) that Advances of the State Bank have dropped by Rs 37.88 crores;
- (f) that cash balances of the State Bank have risen by Rs 3.60 crores; and
- (g) that cash balances of other Scheduled Banks are higher by Rs 13.58 crores.

Such "affluence" has enabled the State Bank to put by Rs 14.81 crores to gilt-edged while other Scheduled Banks have added to the same portfolio by Rs 19.58 crores. And yet cash balances are higher, while indebtedness is nominal. The prospect is one of further contraction in Advances and sustained improvement in Deposits. The inference therefore is that, with the 1961 slack season being so easy, the banks may very likely evince greater interest in the State loans. For our part we believe it entirely possible that the banks should earmark, say, Rs 20 to Rs 25 crores for the State loans.

We have secondly the Life Insurance Corporation. The LIC quite obviously did not put into the Centre's second tranche anything like the amount that had been expected of it. Perhaps a smaller subscription was still sufficient to make the loan a success; or perhaps the LIC was biding its time for the State loans. In either case the implication is that a greater quantum of support should emanate from the LIC for the State loans. The amount involved should certainly not be less than Rs 15 crores; and it may be as high as Rs 25 crores.

Still to be accounted for are the subscriptions and the demand from the other institutional investors such as the provident funds. The balance of Rs 45 crores or less should be well within their capacity.

It is such assessment of the capacity to invest in the State loans which impels us to believe that the State loans, 1961, will be an unalloyed success.

Classification of the States

As we have reasoned, the State loans should be a success this year; but some of the loans are likely to be more successful than others. Some of the loans should be over-subscribed; others will be fully subscribed and to the extent of attracting the 10 per cent surplus that the States retain the right to hold on to; and the third category of States will presumably experience full subscription but no surplus.

The classification is as to:

- (a) the "strong" States which will get their money without effort, and which show their strength by normally issuing their loans at par;
- (b) the "developing" States which will be putting in some work, and which rely on the discount in the issue price and the rich potential they possess for industrialisation to attract the subscriptions; and
- (c) the relatively "weak" States which are, again relatively, industrially backward and are consequently compelled to increase the size of the discount.

Till yesteryear, as it were, there were two strong States: Bombay and West Bengal with their bountiful industries. The bi-furcated Bombay is still strong enough, and both Gujarat and Maharashtra are resting confident—quite rightly so—with the issue prices at par, the former seeking Rs 6 crores and the latter Rs 10 crores.

It is to be surmised that West Bengal this year seeks to entice money without relying wholly on institutional investors. Hence perhaps the decision to fix the issue price at a discount of 25 nP, though properly speaking West Bengal should be classified as a "strong" State.

The "developing" States are Andhra (in the market for Rs 10 crores), Madras (also Rs 10 crores) and Mysore (Rs 7 crores). The discount is a nominal 25 nP, and subscriptions attracted by these three States should add up to about Rs 30 crores.

We would have classified Orissa, too, as a "developing" State, but it has preferred to fix the issue price at a discount of 50 nP, with the amount sought at Rs 5 crores. We fancy that worthwhile support will be extended to this loan.

The "eliminated" States are in the market for a total of Rs 19 crores, and Assam is abstaining. Some Rs 20 crores should find their way into the five loans issued at Rs 99.50.

PROGRESS OF 1961 SLACK SEASON

			(In Rs Crores)	
Reserve Bank		28-4-61	Latest Week*	Change
Active Note Circulation	...	1,982.43	1,877.39	—105.04
Banks' Deposits	...	78.16	102.96	+ 24.80
Other Loans & Advances	...	125.47	115.71	— 9.76
Adv. Against Usance Bills	...	21.09	0.11	— 20.98
State Bank				
Deposits (see note)	...	549.70	525.18	— 24.52
Cash inc. Money at Call	...	27.87	31.47	+ 3.60
Giltedged Investments	...	237.47	252.28	+ 14.81
Total of Advances	...	267.33	238.45	— 37.88
Other Scheduled Banks				
Net Deposits	...	1,387.04	1,418.26	+ 51.22
Cash inc. Money at Call	...	153.18	166.76	+ 13.58
Giltedged Investments	...	324.99	344.57	+ 19.58
Total of Advances	...	1,024.78	986.50	— 38.28

*Week ended 25 August for Reserve Bank and State Bank.

Week ended 18 August for Other Scheduled Banks.

Note: State Bank figures are distorted by Rs 24 crores loss in Deposits owing to repayment of counterpart funds.

ANK RETURNS

The 1961 Slack Season Marches On

Pronounced slack season trends are revealed in the latest banking returns (see table according progress of 1961 slack season). According to the returns of the Reserve Bank for 25 August, Active Notes have contracted by Rs 22.47 crores to be placed at Rs 877.39 crores, and Rupee Coin has returned to its circulation in the unusually large amount of Rs 1.80 crores. With Foreign Securities unchanged at Rs 116.86 crores, currency has been contracted against Rupee Securities for Rs 20 crores, with the portfolio declining to Rs 1,533.55 crores. The Reserve Bank's cash in the till is marked up by Rs 4.33 crores at Rs 16.57 crores.

The return for the Banking Department suggests that inter-governmental transactions have occurred. Though the sharp drop in the Centre's Deposits, coupled with a rise of only Rs 10 crores in Investments despite transfer of Rs 20 crores from the Issue Department, could suggest cancellation of ad hoc Treasury bills, the fact (as borne out by the statutory statement of the State Bank) is that Rs 10 crores of securities have been sold by the Reserve Bank. Thus, the fall of Rs 18.43 crores to Rs 64.60 crores in the Centre's balances is to be linked with the improvement of Rs 6.76 crores to Rs 19.93 crores in the Deposits of State Governments and the fall of Rs 3.65 crores to Rs 48.75 crores in the Advances and means advances extended by the Reserve Bank to the States.

Banks' affluence is categorically suggested: Reserve Balances of member banks have risen sharply by Rs 15.03 crores, and somewhat less than one-third of the rise is attributable to the State Bank. Besides, the Other Loans and Advances of the Reserve Bank are lower by Rs 1.16 crores at Rs 115.71 crores, with accommodation against usance bills declining to a negligible and nominal Rs 11 lakhs. Scheduled Banks other than the State Bank may be keeping away from the Reserve Bank tap in order to subscribe to the loans of the State Governments.

As already noted, Investments are higher, roughly Rs 10 crores (Rs 9.94 crores, to be exact) at Rs 284.51 crores; and the balance transfer from the Issue Department is to be counted for by sales of securities to the State Bank.

Balances Held Abroad are again lower, declining during the week by Rs 2.91 crores. The foreign Assets held by the Reserve Bank and both Departments now aggregate Rs 143.47 crores.

The return of the State Bank for 25 August shows a sharp drop of Rs 6.54 crores to Rs 238.45 crores in the total of Advances—clearly a slack season phenomenon. Deposits are nominally higher by Rs 0.19 crores at Rs 525.18 crores. Giltedged has been purchased for Rs 11 crores, raising the portfolio to Rs 252.28 crores. For the purpose Other Assets have been "utilised" to the tune of Rs 7.57 crores, and in the result cash balances, including money at call, have been marked up by Rs 4.28 crores at Rs 31.47 crores.

The statutory statement of Scheduled Banks for 18 August records a further not inconsiderable improvement in Deposit resources. Net Demand Deposits have risen by Rs 7.25 crores to Rs 815.36 crores, while net Time Deposits are higher nominally by Rs 0.10 crore at Rs 1,127.89 crores. Of the rise of Rs 7.35 crores in net Deposits, less than half a crore is traceable to the State Bank. (Since the first Friday in January, the rise in net Time Deposits works out to Rs 22.43 crores, despite the "loss" suffered by the State Bank, to the extent of Rs 72 crores owing to repayment of counterpart funds; and over the same period net Demand Deposits have risen by Rs 37.52 crores). The rise of Rs 1.97 crores to Rs 18.51 crores in indebtedness to the State Bank is almost exactly offset by the fall of Rs 1.92 crores to Rs 1.54 crores in borrowings from the Reserve Bank. Cash balances including money at call, are higher by Rs 6.21 crores. The rise of Rs 1.34 crores to Rs 585.85 crores in giltedged holdings is on account of Scheduled Banks other than the State Bank. But the fall of Rs 3.65 crores to Rs 1,238.21 crores in the total of Advances is wholly on account of the State Bank.

Treasury Bills

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 29 August 1961. Total amount offered was Rs 2,00,00,000. Tenders at Rs 99.400 per cent were accepted in full. Total amount accepted was Rs 2,00,00,000, the average rate of accepted tenders being Rs 2.400 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, 11 September 1961. Successful tenderers should make payment at all centres on Friday 15 September 1961. Other conditions are as usual.

During the week ended 25 August Government of India Treasury Bills for Rs

18,45,50,000 were sold in favour of the Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from 30 August to 9 September 1961 at Rs 99.416 per cent. Sales from 23 to 26 August 1961 amounted to Rs 1,28,75,000.

The Vienna Conference

By Paul Einzig

THE annual meeting of the International Monetary Fund which will open in Vienna on 18 September, will be of considerable interest, because it will have to consider the various proposals put forward to increase international liquidity and to relieve sterling and the dollar of the burden of serving as international reserve currencies. Although drawing rights have only been increased recently, it is conceivable that further increases will be decided upon. The solution of that problem is simplicity itself, however, compared with the solution of the problem of relieving Britain and the US of their role as international bankers. Even a few years ago it would have seemed incredible that either of these countries would be willing to be relieved of that role. But on the basis of recent experience a large section of British and American opinion has come to the conclusion that to have a currency used for international reserves is more trouble than it is worth.

The international banking role of London and New York has been made the scapegoat for the difficulties which both countries had to experience in recent times. Yet in both instances the fault lay not in that role but in the inflationary wages spiral as a result of which Britons and Americans have imported too much and have not exported enough. Thus even if it were possible to relinquish the risky role of world bankers the problem of disequilibrium would remain.

As a matter of fact, to relinquish that role is easier said than done. We could only do so if we paid out in gold or foreign exchanges short-term holdings amounting to some £3½ milliard. The United States is in a better position to pay out foreign holders of dollars, but it would leave her with highly inadequate gold holdings. In any case, holders of sterling or dollars have something to say about it. They may prefer to hold sterling or dollars rather than some newfangled IMF currency, unless and until all international trade comes to be transacted in terms of such a currency.

To some extent the sterling-dollar duopoly has already weakened, because the IMF now grants drawing rights in terms of a number of currencies. But it would take long before this policy could be carried to its logical conclusion. And the solution would raise more problems than it would solve. The additional reserve currencies would be exposed to attacks, and some of them would be in a much worse position than sterling or the dollar to withstand them.

The right solution lies in the adoption of an intelligent forward exchange policy with the aid of which it would be possible to mitigate pressure on reserve currencies. There is a fair scope for the IMF to assist by encouraging the adoption of such policies and assisting it with advice and through serving as a channel for an interchange of technical and statistical information.

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Notes

ROAD TRANSPORT Inadequate Provision

Addressing the annual general meeting of the Calcutta Branch of the Indian Roads & Transport Development Association, Sir L. P. Misra, Chairman, underlined the great importance of developing road transport. Under both the First and Second Plans, the transport policy of the Government has suffered from a bias toward railways which has invariably operated against the interests of road transport development. In the Second Plan railway development was provided with an outlay of Rs 900 crores against only Rs 280 crores for road transport. The railways also accounted for 182 million tons out of the originating long distance traffic of 182 million tons in 1960-61. It is a disappointing feature of the Third Plan that it has repeated the mistake of inadequate provision for road transport development during the next five years. The total provision for road transport is only of the order of Rs 325 crores which is deplorable considering that the Plan assessment of transport capacity to be handled reveals gap of a considerable order. Thus out of the total lift

estimated at 320 million tons at the end of the Third Plan railways are expected to meet transport needs to the tune of 250 million tons. This leaves a balance of 70 million tons, most of which will fall to the share of road transport. Doubts however, arise in respect of the ability of the road transport system with the meagre allocation provided in the Third Plan, to carry freight traffic to the extent of nearly 70 million tons. According to Sir L. P. Misra, annual lift by motor vehicles on roads still remains below 20 million tons.

Development of road transport has so far been crippled by the policies adopted by the Government which have marked out road transport for a number of fiscal levies. If road transport is therefore to cover the gap in transport capacity during the Third Plan, it is necessary that Government should adopt a more sympathetic policy towards its development.

Sir L. P. Misra has suggested some very practical steps for enabling road transport to handle the balance of 70 million tons during the Third Plan. These include increasing the mileage of roads to open up new neglected tracts developing under the impetus of the plans, improving the capacity of existing roads by better surfacing, strengthening of weak bridges, increasing the use of trailers, quicker disposal of applications for registration of new commercial vehicles and increasing the output of the existing automobile factories needed to meet the country's requirements. The Centre has recently announced a scheme for financing of transport operators through Transport Finance Corporations to be set up in each State. At the same time it is also necessary to revise the financial outlay for road transport in the Third Plan so as to enable road transport to meet the expected capacity. Sir L. P. Misra has suggested that the funds could be obtained out of the lapses of funds allotted for various schemes, by reappropriation. Failing such a device, Sir L. P. Misra suggests provision of funds from the normal revenue yield from the new motor vehicles which will have to be put on the road. The average contribution of a commercial vehicle towards taxes comes to between Rs 5,400 and Rs 6,000 per vehicle. And estimating that nearly 3 to 3½ lakhs of more vehicles have to be put on the road during the Third Plan period, it should not be a difficult proposition to finance the road development pro-

gramme to carry nearly 70 million tons.

A revision of road transport policy according greater importance to road transport would be warranted not only by the need to cover the gap in transport capacity during the Third Plan, but also by the comparative advantages for road transport in relation to other forms of transport. Flexibility, scheduled delivery, and greater speed are factors which give a decided superiority to road transport as the best method of transport. During the last 30 years, the trend in transport even in the industrialised countries has turned definitely in favour of roads as against railways. It has been calculated that the traffic handled by road transport constitutes nearly 103 per cent of the traffic handled by railways in the UK while in Italy the proportion is even greater. In our country, on the contrary, freight carried by roads constitutes only about 40 per cent of the railways traffic which provides a measure of the backwardness of the Indian road system.

OIL TRANSPORT

A Notable First

The acquisition of a super oil tanker by the Jayanti Shipping Company, marks a noteworthy achievement for the Indian shipping industry. It marks the first entry of the country in the overseas oil trade. Development of shipping in the past decade has not been commensurate with the needs of the country, and though the ostensible object of shipping policy has been to carry a larger volume of overseas and coastal trade in Indian ships, the performance so far has not been very remarkable. While more than 50 per cent of the coastal trade is now accounted for by the Indian shipping industry, the proportion of overseas trade is pitiful at 10 per cent. While tramp and liner vessels are greatly important for overseas movement of bulk commodities, tankers have their own place and in so far as India is concerned the scope for saving of foreign exchange through greater participation in tanker trade is considerable.

The acquisition of the new super oil tanker can therefore be considered very timely and auspicious for the fulfillment of the Third Plan target for shipping. It also has demonstrated how shipping could be enabled to expand by a flexible policy in respect of the role of the private and public sectors in the shipping industry. The Jayanti shipping company is one of the new latest entrants into the shipping industry and the acquisition is therefore proof of the enterprise which private sector could bring on the development of shipping. It is noteworthy that the oil tanker has been acquired without paying any foreign exchange. On the other hand, it is expected

to bring in £18,000 in foreign exchange. The greatest advantage of the new enterprise was that it had been set up on credit without expanding any capital. It is expected to pay as it earned. The enterprise has been helped by the Burmah Shell Company which has chartered the tanker for 12 years till 1973.

LAND REFORM

Sanity in Madras

Views in the Congress Party on land ceilings in Madras have been revised and the Bill as reported oh JSC is marked by improvements. Exemption of religious and other trusts from the scope of expropriation is in response to public feeling and the Bill has distinguished between land put to agricultural use and industrial purposes. Factory extension will not be hampered by prohibition of transfers, and if a ceiling on ownership of land is imposed, dowry by way of land can be given.

One question raised is whether Stridhana approved by the Committee runs counter to the new Dowry Act. The groom taking wet land in place of hard cash may encounter legal penalties if not social opprobrium and the Bill may excite comment. The standard acre is rather elastic—it may go up to 4 acres, which really means that a family can retain or cultivate 120 acres for itself. The Bill is not calculated to acquire much surplus land for distribution. If it encourages consolidation of holdings, it may prove beneficial. Few, in the light of the Socialist ideal, will care to call it extremist. After all, English dis-

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Dated Lucknow, August 14, 1961

PRESS NOTE

4½ per cent Uttar Pradesh State Development Loan, 1972

The Government of Uttar Pradesh are floating a loan of Rs. 6 crores in order to finance development schemes particularly those relating to electricity, irrigation and industries. The loan will open for subscription on September 4, 1961 and will close on September 9, 1961 unless closed earlier. The main terms of the loan are that the issue price will be Rs. 99.75 for every Rs. 100 of the loan applied for; the loan will have a currency of 11 years from September 4, 1961 and will be repaid at par on September 4, 1972; the loan will carry interest at the rate of 4½ per cent per annum from September 4, 1961, payable half-yearly on March 4 and September 4, the payments being subject to tax under the Indian Income Tax Act, 1922. Subscriptions for the loan can be made in the form of cash or cheque or securities of 2½ per cent U. P. Loan, 1961 and will be received at the branches of the State Bank of India in Uttar Pradesh, the Government treasuries and sub-treasuries in the State of Uttar Pradesh where there is no branch of the State Bank of India and at the offices of the Reserve Bank of India at Bombay, Calcutta, New Delhi, Madras and Bangalore.

Full details of the terms of the loan are contained in Finance Department notification no. B-7879/X-88-1961, dated August 14, 1961, copies of which, along with the application forms are obtainable at the receiving offices mentioned above.

2. Financial position of the Government of Uttar Pradesh.

Revenue position—The revenue receipts and expenditure and the surpluses for the last ten years are as follows:

(Figures are in lakhs of rupees)

	Revenue receipts	Revenue expenditure	Surplus (+)
1951-52	5,596	5,550	+ 46
1952-53	6,483	6,483	0
1953-54	7,564	7,281	+283
1954-55	7,819	7,713	+106
1955-56	8,553	8,423	+130
1956-57	8,996	8,984	+12
1957-58	10,483	9,942	+541
1958-59	11,723	11,614	+109
1959-60	12,955	12,816	+139
1960-61	14,794	14,437	+357

The major portion of the revenue surpluses was put into various reserve funds. During 1952-53, revenue expenditure exceeded revenue receipts because of large expenditure on Development Schemes and the gap in that year was covered by withdrawal from the Revenue Reserve Fund.

Balances in the Reserve Funds—The balances at the credit of the various reserve funds at the end of 1960-61 were 380 lakhs in the U. P. Road Fund, 17 lakhs in the Hospital Fund, 21 lakhs in the Famine Relief Fund, 1,428 lakhs in the Revenue Reserve Fund, 2,237 lakhs in the Zamindari Abolition Fund, 198 lakhs in the Depreciation Reserve Fund—Irrigation, 339 lakhs in the Depreciation Reserve Fund—Electricity, 21 lakhs in the Contingency Reserve Fund—Electricity and 187 lakhs in the Depreciation Reserve Fund—Cement Factory. Some of these are invested in Government of India Securities. The total balance in these Reserve Funds amounts to 5,249 lakhs.

Debt Position—On March 31, 1961, the debt of the Uttar Pradesh Government amounted to 27,374 lakhs consisting of 925 lakhs representing the consolidated debt due to the Central Government, 19,598 lakhs taken from that Government for development purposes and 373 lakhs for Relief and Rehabilitation Schemes plus 5,895 lakhs representing the amount of public loans floated by this Government from time to time. 142 lakhs as Uttar Pradesh Encumbered Estates Act Bonds; 206 lakhs from the Reserve Bank of India, 109 lakhs from the Life Insurance Corporation of India, 43 lakhs from the National Co-operative Development and Warehousing Board for expansion of Co-operative Institutions and Marketing Societies and 83 lakhs from the Khadi and Village Industries Commission. Apart from this, the State Government have also issued Zamindari Abolition Compensation Bonds and Rehabilitation Grant Bonds, the outstanding balance of which on March 31, 1961 amounted to 8,195 lakhs. Sinking Funds have been constituted for all the public loans and the balances at the credit of these funds which amounted to 2,133 lakhs on March 31, 1961 are mostly invested in Government of India Securities. Besides this a sum of 1,958 lakhs is also available in the Sinking Fund, built up for the amortization of loans obtained from Government of India, which are repayable in lump sums.

Assets of the Government—Against the outstanding debt of 27,374 lakhs there are assets in form of the Ganga, Yamuna and Sarda Canals, various other small canals, and the State Tubewells, Cement Factory, Government Bus Services and Electricity Schemes, in which about 22,100 lakhs have been invested. Another asset is the balance due to Uttar Pradesh Government on account of loans and advances amounting to 13,161 lakhs. Besides these, there are a large number of buildings and roads for which no separate capital accounts are maintained.

Footnote—The accounts for 1960-61 have not yet been closed finally. The figures for 1960-61 mentioned in the Press Note are based on the March (Supplementary) 1961 Accounts.

encashment may create problems for payees. They may also lead to queries about the commission charged for M.O.s. at present, if payment is made by cheque, which cannot be called legal tender. The P.O. will only be issuing bank drafts paid for by remitters and competing without a licence with scheduled banks. The idea that remittances by cheque should be credited to savings bank accounts to stimulate small savings may be a bright one, but that too means intensified competition with private banks which will also point out that delay in payment will result if the P.O. offers or undertakes to pay by cheque to those who receive money orders. A far better thing would be to enlarge sales of postal orders but help should be given in their encashment at counters.

That postmen should be relieved of risk or responsibility may appear quite laudable but if remittance in the fashion adopted by banks for mail transfers is adopted, questions will be asked about unhealthy competition and undue influence on the part of a revenue department which is only incidentally a commercial establishment. Banks always spend money to win and keep clients and if the m.o. system is used as a trick to divert business to the P.O. savings bank, the banking industry including its workmen may register alarm. The more important question is if the P. & T. staff unions have been consulted; also, if the procedure is acceptable to the customers who may prefer the banks in future for sending small sums to distant places by draft or cheque. The T.M.O. business may rapidly fall away, if customers resort to T.T. facilities made available. Of course, the workload will be reduced on the average postman's beat. But the P.O. Act which confers monopoly may not envisage diversification that threatens banks' business or interests at present.

PRICE-FIXING

The Anti-Monopoly Strain

The US Government's decision to prosecute three leading manufacturers of antibiotics proves only that success in preventing price rings among electrical manufacturers has induced the Attorney-General to look for his next target. Pfizer or American cyanamid will perhaps enter a defence but the anti-monopoly strain in the Administration will prove too strong. The present inquiry into UK firms price policy vis-a-vis the Health Service may influence the US Government's action against the big manufacturers who, by means of patents, put up prices, and enhance profit margins. The action is a sign that private enterprise cannot abuse its freedom under a democratic government and the usual search for

profits must always be restrained by deference to the public interest.

The outcome of the case against the General Elec. and other Companies proved that the US Government had no objections to deal with the big concerns boldly. The action may lead to a general review of prices paid by the Public Health Service and the price to be paid for the fruits of medical research. A fear that big profits encourage take-over bids has been in evidence for a year in the UK because of renewed competition for acquiring a company like British Drug Houses. The control of vested interests is also the purpose of the US Government, because it is felt that competition is vital and private agreements to preserve profits at a high level are incompatible with consumer interests. The full working of the industrial system, without interruption or dislocation is compromised by restrictive agreements that regulate supplies and appropriation quotas. Some may think that the UK monopolies Act has influenced US policy up to a point and due restraint of profits earned by private business. There must be a limit to free income because consumption must be freely encouraged, as Veblen noted in one of his essays and industrial progress must be measured only in larger supplies and lower price for the consumer.

COFFEE

Research Pays Dividends

The Coffee Board's annual reports to increasing expenditure on research and development schemes. Tribal delegates from Assam visited the stations to study coffee cultivation. This may lead to an extension of cultivation even though a surplus of coffee presents a problem at present and the world is concerned with withdrawal of stocks and maintenance of prices. It is interesting to find that in spite of strained relations the Indian Coffee Board receive samples of seed from Portugal through the FAO. The seeds are said to be resistant to Honei Vastatnx. The research station supplied selected seed to man estates to more planters.

Extension of coffee-growing in Andhra Pradesh and Orissa hilly areas has been mooted but it is certain that Mysore remains the area most suitable for development of coffee. The opening two co-operative tea factories turn green leaf into black tea with State aid was certainly anticipated by the opening of two pulp units. Small planters are no ready to turn fruit into parchment and new pulpers have gone into operation. Coffee-growing in Palni Hills has not been a great success but in 1959-60 a crop

tons was expected. This means that Bodinayakanur becomes a centre for coffee sales as cardamoms. The use of artificial manures on a balanced basis for coffee is being extended. Green manure also has been used for coffee cultivation. Efforts are being made to produce superior Ethiopian coffee. Mysore as the seeds are resistant to leaf disease. India has lied seed to the Philippines, Laos, and even China.

The report indicates that minor variations in temperature and a well-distributed rainfall of 100 inches per annum are ideal for coffee growing and rainfalls in suitable areas can start only when these conditions are present. Assistance in control of pests is perhaps the force of help given by the research agency which in 12 years helped to raise the yield of coffee substantially. That means coffee revenue, though the export duty has been abolished years ago.

TILES

Attaching to Grips with Export Problems

Some concern has been expressed about a setback to Indian exports of cotton textiles at the meeting of the National Consultative Committee of Ministry of Commerce and Industry. India's showing in respect of ports in this field has not been par with performance in earlier years. With the exception of 1958, exports of cotton textiles recorded in 1959 were lower than exports for any year since 1956, when total exports of cotton textiles stood at 743,842,000 yards. Exports touched an all-time low in the next year with a total of 723,687,000 yards compared with 850,182,000 yards for 1959.

Regarding the fact that cotton textile exports constitute a source of foreign exchange for the country, the decline in 1960 should be a matter of concern. It should be more so in view of the adverse signs that are visible in the outlook for Indian cotton in the context of the world's movements in cotton textile exports.

There is strong and emerging competition from China, Japan and Germany against Indian cotton exports. Japan particularly has the list of world exporters and the most efficient and orderly marketing structure which places it in a considerable advantage in competition against India.

Another source for concern is the move of the UK, traditional largest market for Indian cotton, to join the European Common Market, a step which will hit Indian export to the UK in view of the loss of duty-free entry of Indian

goods into England. The Common Market countries, particularly France and West Germany maintain a high level of import duty on exports from low wage producing countries and Britain's entry without compensating arrangements will have severe repercussions. Though the recently held Geneva Textile Conference of 16 producing and importing countries sought to evolve ways and means of stabilising the world export trade in cotton textiles, a permanent agreement acceptable to all countries has proved hard to arrive at. While the European countries have been persuaded to increase the quota for imports from low wage producing countries, from the Indian point of view, the arrangement has not eliminated the danger to Indian exports constituted by competition from new countries and from Japan.

Though the Government seems to be seized of the question of stimulating cotton textile exports, there is no evidence of attempts to get to grips with the real issues involved in securing larger exports of cotton textiles. At the meeting of the Consultative Committee, Mr K. C. Reddi, has announced that as a measure to increase Indian exports of cotton textiles, the Government would license 5 model mills with modern machinery and having a capacity of 500 looms and 25,000 spindles each, with the idea of exporting the entire production of these mills. This obviously will touch only the fringe of the problem. The most important requirement that arises in connection with promotion of cotton textile exports is the need to provide the industry with sufficient funds for modernisation of machinery, so that cost of production could be brought down. Such requirements for modernisation have been estimated at Rs 800 crores of which nearly 75 per cent will be in Indian rupees for replacement by machinery manufactured within the country. The assistance from the National Industrial Development Corporation has proved of relatively paltry dimensions compared to actual requirements. Up to the end of last year the NIDC has granted only Rs 18.48 crores for the cotton and jute textile industries.

Allocation of additional spindles that is envisaged for raising cotton textile production in the Third Plan should also be geared to export requirements. One of the prime considerations should be to raise efficiency of production particularly by enabling the uneconomic mills to add to their capacity. Achievement of the Plan target for exports assumes the maintenance of proper relationship in the production of various kinds of cloth and the allocation of cotton with reference to these production needs.

BANKS

Earn More in 1960

Banking trends last year were somewhat obscured by the failure of the Palai Central Bank and the subsequent chain reaction on the entire banking system of the country. At one stage it was even feared

that public confidence will take considerable time to restore. Although no serious dislocation has been brought about, some damage has nevertheless been done. Deposits were not flowing as freely as before and the banks were hard put to it to meet the ever increasing demand for funds.

A complete picture of how scheduled banks have fared during last year as well as much useful information is as usual now available in the Statistical Tables relating to Banks in India, 1960, just published by the Reserve Bank. During the year deposits of scheduled banks were accumulating at a rather slow pace. As a matter of fact they were much smaller than in 1959, even after taking into account the phased transfer of PL-480 funds from the State Bank of India to the Reserve Bank at the rate of Rs 12 crores per month from July 1960 onwards. On the other hand loans and advances recorded a sharp increase to Rs 860.36 lakhs in 1960 from Rs 701.06 in 1959. This is indeed a sharp upturn as in 1958 the figure stood at Rs 628.78 lakhs. The banks were obliged to run down a part of their investments in Government securities in order to meet this sharp increase in the demand for funds.

However, the total earnings of banks were larger in 1960 than in the previous year mainly owing to a marked increase in the level of advances and partly to a rise in their lending rates. Indian scheduled banks' earnings in respect of loans and advances showed an increase of Rs 6.0 crores to Rs 45.9 crores as compared to a rise of Rs 3.0 crores to Rs 39.9 crores in 1959. On the other hand, earnings from investments remained more or less static in contrast to a rise of Rs 6.2 crores in 1959. Total current operating earnings rose by Rs 9.2 crores to Rs 82.4 crores, as compared to a rise of Rs 11.4 crores in 1959. Their current operating expenses showed an increase of Rs 5.0 crores to Rs 74.2 crores as compared to a rise of Rs 8.1 crores in 1959. As a result, their profits increased by Rs 3.8 crores to Rs 17.4 crores in 1960 as compared to an increase of Rs 3.2 crores to Rs 13.7 crores in 1959. As regards foreign scheduled banks, their current operating earnings showed an increase of Rs 2.5 crores to Rs 18.0 crores as against a small decline of Rs 0.7 crore in 1959. Their current operating expenses rose by Rs 1.2 crores to Rs 14.1 crores as against a decline of Rs 1.2 crores in 1959, resulting in an increase in profits by Rs 1.2 crores to Rs 3.8 crores in 1960 as compared to a rise of Rs 0.4 crore in 1959.

The number of scheduled banks' offices in the Indian Union increased by 223 to 4,149 as compared to a rise of 297 in 1959 and 358 in 1958. The number of offices of non-scheduled banks, however, continued to decline. The net increase in the offices of the State Bank of India was 78 as compared to 111 in 1959 and 90 in 1958. The offices of scheduled banks located in places with population of less than 25,000 stood at 1,572 in 1960, having increased during the year by 139, as compared with 156 in 1959.

It has also been suggested that to enable banks to increase profits, for the purpose of building up reserves, and to limit lending commitments of banks, the Reserve Bank should issue a directive to all banks

A Strong Base

In the light of the discussions by the leading bankers toward the middle of the month on the recent proposals of the Reserve Bank regarding capital funds, statutory reserves and liquidity of banks, the Indian Banks Association is understood to have formulated certain recommendations on the Reserve Bank proposals. The Association has expressed the view that the banks should raise the ratio of paid-up capital and reserve fund to deposits to the target of five per cent for the present, and raise it further to 6 per cent in due course, when circumstances become favourable. However, the Association has pointed out that the ratio of paid-up capital and reserve fund to deposits should not be laid down by statute, but should be reached by each bank in consultation with the Reserve Bank of India.

It has also been agreed that every bank should transfer 20 per cent of its declared profit to its published reserve fund until the reserve fund equals the paid-up capital and the paid-up capital and reserve fund are five per cent of its total deposits. Bankers are, also in favour of a convention among themselves that the declared profit should be arrived at after provision for taxation in addition to their casual and necessary provisions. As regards the transfer of funds to the inner reserves the Indian banks are of the opinion that they must transfer 10 per cent of their declared profit to inner reserves until they reach three per cent of the risk assets (to be defined in consultation with the Reserve Bank of India) of the banks.

Another recommendation of the bankers is that the statutory reserve should be five per cent of the public deposits provided the Reserve Bank of India pays interest at bank rates thereon. The bankers have, however, pointed to the need for including in the statutory reserve the balances of banks with the State Bank of India and with notified banks. The Reserve Bank, may, according to the Bankers, acquire power to raise the statutory reserves of Banks from 5 per cent up to 15 per cent of their public deposits.

In respect of the question of liquidity ratio, the bankers have pleaded that in view of the increase in the liquidity ratio, the bill market facilities given by the Reserve Bank to the commercial banks should be liberalised and sanctions of fresh limits should be communicated to the banks preferably three months, but at least two months prior to the expiry of the previous limits. It has in this connection been pointed out, that if fresh bill market limits cannot be made available two or three months before the expiry of the previous limits, the Reserve Bank should grant advances to the banks against Government securities at bank rate upto unspecified amounts, outside of the borrowing quota of banks under the three-tier lending rate schemes.

It has also been suggested that to enable banks to increase profits, for the purpose of building up reserves, and to limit lending commitments of banks, the Reserve Bank should issue a directive to all banks

it obligatory upon them to levy a commitment fee on all limits granted by them for advances. It is considered that the commitment fee should be half a per cent per annum. The minimum paid-up capital for banks to be floated hereafter should be Rs 25 lakhs.

The recommendations of the Indian Banks' Association are intended to enable the increase in the reserves and liquidity ratio of the commercial banks without imposing needless strains on the Banking system. That the implementation of the original recommendations of the Reserve Bank will present considerable diffi-

culties to member banks, seems to be admitted even in official circles. In the light of this knowledge, the Union Government is expected to modify to some extent the scheme formulated by the Reserve Bank. It is suggested that to mitigate the adverse effects on banks of the implementation of the Reserve Bank scheme, the Government would spread over the changes over a reasonable period of time and also grant suitable exemptions wherever necessary in the case of any bank which may find it practically difficult to comply with the new changes immediately.

4½ PER CENT

ANDHRA PRADESH STATE DEVELOPMENT LOAN, 1972.

Issue Price Rs. 99.75 Per Cent

Open on the 4th SEPTEMBER, 1961.

The Loan will be closed without notice as soon as the subscriptions amount to Rs. 10 Crores approximately, and in any case not later than the close of the business on the 9th September, 1961.

The applications will be received at the Offices of the Reserve Bank of India, Bombay, Calcutta, New Delhi, Madras and Bangalore; at the branches of the State Bank of India and the branches and Treasury Pay offices of the State Bank of Hyderabad within the State of Andhra Pradesh, and the the Government Treasuries and sub-treasuries in the State of Andhra Pradesh at places where there is no branch of the State Bank of India or branch or Treasury Pay Office of the State Bank of Hyderabad.

FULL PARTICULARS CAN BE OBTAINED at any of the Offices or Branches mentioned above or at any Treasury or sub-Treasury in the State of Andhra Pradesh.

Indian Finance

COAL Expert Advice

The visit of British coal experts to help the Indian Government mines under the Plan may prove that complaints had a basis. But in view of the British Coal Board's own indifferent performance advice may not have much value as compared with Polish advice for Poland exports coal while the UK imports coal. The permanent deputation of experts to advise the coal controller may help to enlarge supply but the transport problem will remain. And a nationalised sector will have to compete with privately-owned mines for wagon space. However, the difficulties in Bengal's consuming industries may induce a different but hopeful view of expert aid. The Indian Mines Department may require to be reinforced like the Geological Survey if the mineral programme is to go through as expected. And the Colombo Plan may provide the necessary basis. The expansion of coal output per annum to 97 million tons may call for more mechanisation and expert help in making mining machinery locally may be more urgently needed. The Bihar coalfield may require extra consideration because of the steel plants' demands. That steel-making has suffered owing to the coal industry's failure to deliver the goods has been made plain more than once. The welfare of miners rather than mines has been long upheld and the country has already paid a high price in power shortage, this year particularly.

INVENTING Indians only Moderately Active

The annual report of the Patent Office for the year 1960 shows that Indian inventors have been only moderately active last year. It is true that the total number of applications for patents made in 1960 was 4,503 as compared with 3,965 applications made in the previous year. Out of this total, only 721 applications originated in India and even among these 58 applications were received from residents other than Indians. Considering that applications originating in India in the previous year totalled 728, it appears that inventive genius taken for the country as a whole has received a setback. Statewise analysis of the applications shows that Maharashtra is responsible for the largest number of applications with its figure at 204. A proper comparison is not possible in regard to the two new States of Maharashtra and Gujarat as they came into existence only last year. The number of application in 1960 for undivided Bombay has considerably increased to 307 as compared with 252 in the previous year. Next in the list comes West Bengal with its figure at 159 as against 156. There has been a decline in patent applications in Delhi where the number for 1960 is only 86 as against

128 in the previous year. On the other hand there has been an improvement in Madras, which has increased its share from 32 to 45. Among other States except Madhya Pradesh which has accounted for 8 applications against 3 in the previous year, all others have recorded a decline.

The increase in the total number of applications is due solely to applications from abroad. As compared with the previous year, there has been an appreciable increase in the number of applications originating from the USA, Germany, Switzerland, the Netherlands, Italy, Sweden and Japan. The number of applications originating from the United Kingdom, Canada, France, Czechoslovakia, Poland, and certain other European and Latin American countries also recorded a slight increase. The number of applications originating from the UK increased to 1,032 from 1,016 in the previous year. Other Commonwealth countries show a decline to 60 from 64. European countries show a considerable increase with 1,700 applications as compared with 1,389 in 1959. Out of a total of 880 applications originating from the Americas, the United States alone accounted for as many as 875. Among the Asian countries, Japan tops the list with 89 applications out of a total of 98 for the whole group of countries.

The trend of inventions shows that a majority of applications for patents during last year related to chemical industries. This is not a new development as in the previous years also this group had received the special attention of inventors. The iron and steel industry contributed a fairly large number of inventions most of which, however, were from foreign countries. This perhaps reflects the increasing attention that is being paid to the development of this industry. Patent applications relating to textile technology originated mainly from foreign countries. Inventions of Indian origin were small in number. Other fields in which patents were applied for were food and agriculture, health and sanitation, civil engineering, mechanical engineering, electrical engineering and miscellaneous. While Indian inventors have evinced interest in all the above mentioned fields; it would appear that research based inventions are still few and far between. Perhaps this is due to lack of widespread research facilities so far. This position is fast changing in the country and since more and more research institutions are coming up the coming years may well witness a notable increase in the number of applications for patent as well as a shift toward industries in the trend of inventions.

INDUSTRIAL INDIA A Detonator Factory

India will have its first detonator factory established at Hyderabad in the private sector with Hungarian collaboration. The agreement for the establishment of the factory has

2 September 1961

been concluded between the Indian firm and the Hungarian Organisation "Komplex". According to the terms of the agreement, Hungary will supply the plant and equipment for the factory in Rupee payment and there will be no royalty or know-how price. The Hungarian factory will also pass on the benefit of continuing research and development to the Indian counterpart from time to time.

The project is a pioneer venture. The company with the name of Indian Detonators Limited, has already been registered at Hyderabad and land measuring 72 acres is in the last stage of acquisition. The first phase of the factory is expected to be completed by the middle of next year and the second phase, which will be the last phase, within 12 months from then.

Though production of civil explosives and safety fuses is fairly well advanced in the country, the requirements of detonators are being met through imports which involve an annual drain of Rs 1 crore in foreign exchange. When the factory gets into full production, it would enable foreign exchange saving of this order since all the raw materials are expected to be supplied from within the country itself. The licensed capacity of the new unit is 64 million detonators, including both plain and electric detonators.

EAST AFRICA Federation Prospects

Kenya's views on joining a federation, including Uganda and Tanganyika, are changing. Mr. Kenyatta's release has influenced a profound change to the old scheme proposed; so also the decline and fall of the Kabaka of Buganda. The East African Federation that might cancel out the eclipse of the Central African Federation may get foreign aid on a larger scale, and immigrant capital too may be soon satisfied with assurances. Sir Alan Kirby has described the very limited progress of local industry because tropical agriculture is still underdeveloped in East Africa and the plantations are mainly European-owned. The main task is one of promoting work on the land, not land itself, and the exit of British planters may give a chance to Africans to try scientific farming, just as the big co-operatives in Uganda have done. The dependence on export trade must be ended, and the home market for textiles or food stuffs got ready. Because overseas capital may be anxious, few can forecast any increase in tea or coffee, but more maize will be needed and the killing of surplus cattle may lead to better farming in dry zones.

The political changes in Kenya may lead to UN aid or US aid but it is from the few mines that foreign trade must be built up. Confusion in the Congo and alarm in South Africa may bring the

big mining interests into Kenya if the release of Kenyatta is followed by a right degree of political stability.

Economic unity, or at least the framework necessary, exists and the hopeful outlook may be in part due to the Boer triumph in South Africa. The chances of Portuguese East Africa joining up a new African Commonwealth may be deemed small but the eagerness of Nyasa land to throw in its lot with Kenya or the prospective Federation is apparent. The protectorate may not be self-supporting, but it can count on a subsidy, if it breaks away from South Rhodesian control. The impossible may happen, if North Rhodesia also decides to leave the Federation and the main point is that Federation will bring nearer an agreement with Ruanda-Urundi or Zanzibar from which rich Arabs may move off to faraway places or to the Sudan where big opportunities may be grasped easily, because of the military regime. European groupings today may turn the tide in favour of Federation in Africa and it is not unlikely that emigration of some Britons to South Africa will encourage Dr Verwoerd to go on his own way. There is little doubt that Mrs Indira Gandhi's trip to East Africa is timely. Contact with emergent States may help trade and old commercial connections may be strengthened with Africa.

OIL New Depths to Plumb

Mr K. D. Malaviya, Union Minister for Mines and Fuel, has followed up the understanding reached with the French Petroleum Institute regarding oil exploration in the Jaisalmer area with the announcement of an agreement of wider scope with ENI, the Italian Government-owned oil undertaking. Negotiations with the ENI for oil exploration and processing had been going on since July last year. Mr Enrico Mattei, President of the ENI, came to the country on the invitation of the Government of India in December last for discussions on technical and credit assistance for the development of the oil industry. The details of the agreement were further discussed during the visit of Mr Malaviya to Italy last June. The agreement, which is the first arrangement for collaboration with Italy for the development of the oil industry, was signed last Tuesday. Making the announcement in Lok Sabha earlier in the day, Mr Malaviya expressed the hope that it would be the forerunner of many more to come in the future.

The agreement will provide for a 100 million dollar credit being given by the ENI for public sector petroleum projects in two categories:

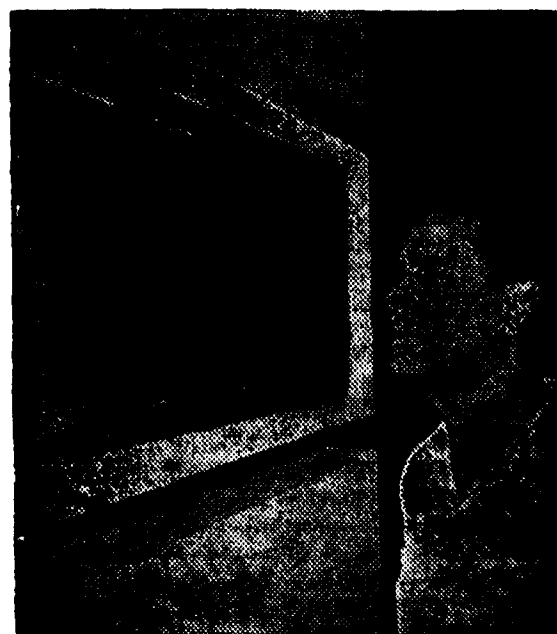
The first category includes projects for which the general provision has

already been made in the Third Five-Year Plan, such as, transport pipe-line for petroleum products from Barauni to Delhi and Barauni to Calcutta, Gas Fractionation Plant, Liquid Petroleum Gas Bottling Plant and distributing facilities, Lubricating Oil Plant, supply of crude oil production equipment and also distribution equipment. Among the list of projects is also included contract drilling for any areas specified by the Oil and Natural Gas Commission. In the second category come additional projects like Petro-chemicals and some others for which the

Planning Commission and other Ministries have further to be consulted for concurrence and for which consultations have also to be made with ENI in the course. The time schedule for projects under the first category is such as to enable them to be executed within the Third Plan period.

Conclusion of the agreement, it is understood, was stalled so long pending clearance of terms of repayment with the Finance Ministry. As a general rule the Finance Ministry is not keen on development credits which would involve a heavy

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burden of repayment in the short run. And ENI could not see its way to extend the period of repayment to the extent considered appropriate for development loans. It may be mentioned that while announcing the conclusion of the agreement in Lok Sabha Mr Malaviya did not refer to the terms.

The effect of the credit for non-Plan projects on the total funds that may be made available for Plan projects through the Aid India Club also requires further clarification. This will depend upon the source from which the credit for new oil development projects will be forthcoming—whether out of the funds of the ENI or from the Italian Government. According to the understanding with the World Bank Consortium, all assistance received from whatever country on a Government to Government basis for project, whether included in the Plan or not, will be set off against the total foreign assistance that India requires for implementation of the Plan projects according to the estimate presented to the Consortium. This means that if new projects are included in the Plan at this stage for which it is now found possible to make special credit arrangements, this will necessitate a reordering of Plan priorities. That is why Mr Malaviya in his statement mentioned that in regard to the second category of projects, further consultations will have to be held with the Planning Commission and other Ministries concerned to secure their concurrence.

Mr Malaviya also mentioned that ENI have now made an additional offer of 20 million dollars for collaboration with ONGC in oil exploration which is still under the consideration of the Government of India. The collaboration contemplates among other things supply of specialised services including equipment for exploratory programme in the Cutch area. If the proposal does not go through, there is every prospect, said Mr Malaviya, of new proposals for a participatory venture for exploration and production of oil being re-negotiated. ENI had made a proposal, as far back as July 1960, for a participatory venture for exploration and production of crude oil in the Cutch area. Following talks during the Minister's visit to Italy last June, this proposal has been substituted by the additional credit offer.

WHOLESALE PRICES

Small Decline

The official wholesale price index (with the year ended May 1953 as 100) declined by 0.9 per cent to 127.5 during the week ended August 12, 1961 as compared with 128.6 (revised) for the previous week. The index was lower by 1.5 per cent when compared with the corresponding week of the earlier month but was higher by 1.8 per cent than that of a year ago.

The prices of Rice at Kotma (-6%) and at Jayanagar (-5%), Salt at Cuttack (-8%), Groundnut Oil (-4%), Fish (-3%), Jowar, Arhar, Gingelly Oil, Tea and Black Pepper (-2% each) and Barley,

Maize, Masur Urad, Milk, Ghee, Coconut Oil and Dalda (-1% each) moved down, while those of Rice at Sambalpur (+8%) and at Tirunelveli and Balurghat (+5% each), Oranges (+8%), Onions (+7%), Bajra at Rajkot and Salt at Tuticorin (+5% each), Eggs and Gur (+4% each), Cashewnuts ((+3%), Potatoes, Bananas, Coffee and Turmeric (+2% each) and Wheat, Mung and Chillies (+1% each) showed advances and as a result the index for Food Articles stood at 124.0 as against 124.1 (revised) for the earlier week.

The index for Tobacco remained unchanged at the previous week's revised level of 96.6.

The index for the Fuel, Power, Light and Lubricants group also stood unchanged at the earlier week's level of 121.5.

Lower prices of Raw Jute (-9%), Groundnuts (-4%), Tanning Materials (-3%), Raw Silk, Linseed, Manganese Ore and Lac (-2% each) and Raw Cotton, Raw Wool, Castorseed and Copra (-1% each) brought down the index for 'Industrial Raw Materials' by 2.9 per cent to 146.1 as compared with 150.5 (revised) for the previous week. The prices of Cottonseed (+3%) and Raw Hides (+1%), however, moved up.

The index for 'Intermediate Products' fell by 0.9 per cent to 140.5 due to a decline in the prices of Rayon Yarn (-4%) and Linseed Oil (-2%).

A substantial fall in the prices of Jute manufactures (-7%) and lower prices of Oil Cakes (-1%) brought down the index for 'Finished Products' by 1.2 per cent to 123.7 as compared with 125.2 (revised) for the earlier week.

CORRIGENDUM

Iron Ore Export

In last week's report on the subject in the Notes Section, an omission had crept in in regard to the country-wise distribution of export contracts for iron ore. The correct figures are given below.

Poland: 0.6 million tons (1961-1963); East Germany: 0.3 million tons (1961-63); Yugoslavia: 1.33 million tons (1961-65); Japan: 7.2 million tons (1957-58 to 1961-62); 0.45 million tons (1959-60 to 1961-62); 20.0 million tons (1964-65 to 1973-74) and 80.0 million tons (1966-67 to 1980-81); Rumania: 2.7 million tons (1962 to 1966) and Czechoslovakia: 1.17 million tons (1960-61).

NEWS IN BRIEF

Money supply with the public at the end of June 1961, was practically unchanged at Rs 2,872.6 crores compared to Rs 2,872.7 crores at the close of the previous month. While currency with the public fell from Rs 2,010.6 crores at the end of May 1961 to Rs 1,968.8 crores at the close Rs 862.1 crores to Rs 903.8 crores. of June, deposit money rose from

Total world supply of tea during 1960 was 702 million kg. while total absorption was 701 million kg leaving a surplus of 1.0 million kg. accord-

ing to provisional estimate prepared by the International Tea Committee.

Iraq has the highest per capita consumption of tea in Asia, according to statistics released by the Tea Board. The per capita consumption in Iraq in 1959 was 2.35 kg against 0.48 kg in Iran, 0.49 kg, in Saudi Arabia, 0.28 kg in India, 0.22 kg in Pakistan and 1.34 kg in Ceylon. Among European countries, the per capita consumption is highest in the UK and Eire amounting to 4.34 kg and 3.56 kg respectively. In the USA it was 0.28 kg, in Canada 1.16 kg and in Chile 1.20 kg. Consumption in Australia was 2.66 kg and in New Zealand 2.98 kg.

India will receive a Japanese yen credit worth eighty million dollars (over Rs 38 crores) for the first two years of the Third Five Year Plan under an agreement signed in Tokyo recently.

The tentative production targets for the Fourth Plan are: steel ingots—18 to 19 million tons; electric power—23 million kw. Coal—170 million tons; oil refining 18 to 20 million tons; foodgrains—125 million tons; machine building output worth Rs 1,600 crores and exports Rs 1,300 to 1,400 crores. The investment for the Fourth Plan might be of the order of Rs 17,000 crores and for the Fifth Plan Rs 25,000 crores. This information was given by the Prime Minister in the course of the Lok Sabha debate on the Third Plan.

Six States—Rajasthan, Andhra Pradesh, Assam, Madras, Mysore and Orissa—have implemented the scheme of democratic decentralisation popularly known as Panchayati Raj.

The oil-producing wells already completed in Ankleshwar can yield about 650 tons of crude oil every day. The first lot of five-tank wagons of 20 tons each is proposed to be despatched to the Burma Shell refinery from 31 August.

India earned foreign exchange worth nearly 4.5 crores during 1960-61 by exporting handloom cloth. The countries where handloom cloth was exported were Malaya, Ceylon, Singapore, Aden, Nigeria, Sudan, Britain, and the United States.

India earned nearly Rs 26 crores worth of foreign exchange between December last year and July this year, by exporting goods through the State Trading Corporation.

The total output of steel in the country during the first six months of this year was over 1.3 million tons.

The programme of the National Water Supply and Sanitation scheme and rural areas during 1961-62 has now been finalised. Nearly Rs 172 crores would be spent under the scheme in the Urban areas and Rs 39 crores in the rural areas.

According to the Directorate of Economics and Statistics, Ministry of Food and Agriculture, the area and

production of gram for 1960-61 are placed at 23,483,000 acres and 6,207,000 tons respectively. Compared to the partially revised estimate of 25,372,000 acres and 5,502,000 tons for 1959-60, the estimate for 1960-61 shows a decrease of 1,889,000 acres or 7.4 per cent in area but an increase of 705,000 tons or 12.8 per cent in production.

Net collections under the small savings scheme in the country during the period April-July this year, has touched an all time record figure of Rs 18.82 crores, according to Mr R. G. Khedkar, Assistant National Savings Commissioner. Collections for the corresponding period of last year had amounted to Rs 17.17 crores. Maharashtra led among the States with net collections of Rs 4.93 crores, followed by West Bengal with Rs 3.38 crores and UP with Rs 2.30 crores.

PERSONAL

Mr P. C. Bhattacharyya, Chairman of the State Bank has been appointed Governor of the Reserve Bank. Mr Bhattacharyya, will take over his new appointment on 1 March, 1961. Mr S. Ranganathan, at present Secretary, Ministry of Commerce and Industry has been appointed as Chairman of the State Bank and will join his new post on 1 March 1961.

Mr K. B. Lal, Additional Secretary, Ministry of Commerce and Industry, will take over as Special Secretary in the Finance Ministry on 1 September.

Mr T. Swaminathan, at present India's Commissioner-General for Economic Affairs in Europe, will return to India to take Mr Lal's place in the Ministry of Commerce and Industries.

Mr Lala Bharat Ram, chairman of the Board of the Delhi Cloth & General Mills has been unanimously elected chairman of the Indian Society of Advertisers.

Mr P. N. Sarma, Senior Artist of Bomax Ltd, Bombay has been appointed as Director of the company. Mr Sarma is the first Indian to be appointed to the post.

Mr Jayantilal Ojha, Chairman of Messrs Jayantilal Ojha & Co and also Managing Director of India Crucibles (Private) Limited has been elected President of the Geological Society of India for the current year.

Mr P. K. Sen, DIG of Police (Traffic) West Bengal and additional Commissioner Calcutta will represent India at the ECAFE conference on traffic engineering and highway safety to be held in Manila.

The Executive Committee of the International Academy of Management which met recently in Paris, has elected Dr K. S. Basu as a fellow. Dr Basu, who is the first Indian to receive this distinction, has been closely associated with the management movement in India. He is the President of Bombay Management Association and a director of Hindustan Lever.

Clive Street Gossip

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

SIR Biren Mookerjee's statement to the shareholders of Indian Iron and Steel Company lacks none of his usual punch and this time the aim is surer. Obviously Sir Biren had in mind a wider audience for his thoughts than the IISCO shareholders and it must be said that never did a speech deserve it more. Authority, in particular, should read it, not superciliously, but with becoming willingness to learn. First the grouses; but most of them are old. Difficulties of production caused by coal with a high ash-content are not new. Nor is the failure of the transport system to cope with the demands made on it a recent tribulation.

These, as I said, are familiar themes. But the special importance of Sir Biren's speech this year consists in his lucid analysis, supported by detailed figures, of the prospects for exports. At least since the time the Third Plan officially commenced, people do mouth the slogan "Export or Perish" as though they did believe in the starkness of the alternatives. Therefore there is a chance that Sir Biren's persuasive case for reducing cost to make our steel competitive in the world market will fall on sympathetic ears. After all, Authority thinks nothing of subsidising sugar export and the circumstances that forced us to become sugar exporters are not too creditable to our planning techniques. And unlike sugar, steel does not ask for subsidy but mainly for an opportunity to reduce cost. It does sound odd that the C & F price of Indian steel (even after adjusting drawbacks on excise duty for exports) at Rs 588 per metric ton of light bars and at Rs 572 per metric ton of structurals should be higher than that of British, German, Belgian and Japanese steel even at destinations nearer to us than to any of these countries. And none of these countries enjoys the natural endowments that make us probably the world's most automatic producers of steel: the best kind of ore in the world and unrivalled economies of location are no small advantages. And yet we are outpriced in the world market. The reasons for these have been listed with a certain inexorable cumulativeness by Sir Biren. And constructively, he has also suggested the steps to overcome the difficulties. These include, "improvement of transport facilities, establishing of coal washeries, stabilisation of labour costs, and regularisation of supply of raw materials". How these

solutions repeat themselves! Sir Biren also suggests reduction in labour cost by increase in productivity, a plea with which it is difficult to quarrel, though Sir Biren's now familiar inveighing against the system of yearly increments is a little forlorn. Besides he advocates other positive incentives like rebate on freight, remission of certain levies and taxes imposed by State and Central Governments, reduction in Port Commissioner's charges, quicker inspections and reasonable allowance for the play of the profit motive. These, in their sum, don't sound too unreasonable a demand to make, when it is realised that each ton of steel exported will earn the country foreign exchange to the tune of about 45 pounds sterling.

★

President Kennedy has need of all the resilience he is famed for. He must be feeling a sorely tried man, for despite his tremendous efforts, the US Congress—the two houses in their different ways—has chosen to clip the wings of his idealism over foreign aid. The timing must have been particularly frustrating, for almost at that very moment, at Punta del Este, Mr Dillon was committing the US to an "Alliance for Progress" with Latin America which involved a promise of a ten billion dollar aid from the US over a decade. Aid-receiving countries have not exactly been helpful: for example, Mr Nehru, who in Lok Sabha threaded with skill and understanding the tangled skein of the Berlin issue, chose to read from an official brief in Rajya Sabha about the legal issues surrounding access to West Berlin. He has since made his position clearer and said in so many words that access to West Berlin cannot be denied with any international propriety. But his original statement has created, to put it mildly, a certain amount of misunderstanding in the US.

The present position about American aid is briefly this: The President had asked for two things: one, an authorisation for the current year and another, an authority to borrow for a period of five years from the Treasury to enable the Administration to make long-term commitments to the aid-receiving nations. The latter request was the more important, of course. As regards the first, the President's request for Congress approval for a 4.76 billion dollar appropriation for

aid (including military aid) for the current fiscal year has been partially granted. The Senate pared it to 4.1 billion dollars and the House of Representatives to 4.4 billion dollars. But the more important request for long-term authority was completely rejected by the House (by 197 to 185 votes), whereas the Senate was kinder and merely cut down the size of the appropriation to 8 billion dollars. The House merely authorised a year's appropriation of 1.2 billion dollars. The differences between the President and the Congress (and the differences between the Senate and the House) will now have to be ironed out in a Senate-House-Conference Committee, where again, Mr Kennedy is sure to exert his influence. The Administration is prepared for a compromise of a shorter period of authorisation—say three years for a sum of 5 billion dollars. But the House had rejected this. Senator Fulbright, who successfully steered the bill through the Senate by having Senator Byrd's amendment of yearly appropriations rejected, may be able to exert some influence and convert Representatives in the joint meeting. The Dirksen amendment in the Senate by which Congress was to have some say on the way the money was to be spent by making every appropriation above 5 billion dollars subject to prior Congressional approval, may be seen now as a sufficient homage to the amour propre of the Congress. But the issue is still open.

★

On his eightieth birthday, the Establishment in England has, to its infinite credit, made decent amends to P. G. Wodehouse for the rather scurvy way it had treated him. The BBC which had denounced him for his alleged treasonable broadcasts in 1941, recently enlisted Evelyn Waugh to expiate its past and he has done it with a characteristically felicitous tribute. The Sunday Times has called for an "act of homage and reparation." To us in India, who were not so deeply involved in the emotional storm the broadcasts set off, and who owe many hours of unalloyed pleasure to Wodehouse, the act of homage comes more spontaneously. (In fairness to the British, I am bound to say that I cannot answer for how my countrymen would behave in a similar predicament.) But reading the text of the broadcasts in the Encounter a few years ago, I was struck by the innocuousness of the whole thing. I do, however, feel that Wodehouse acted rather like his own Lord Emsworth in accepting the invitation to broadcast at all. It simply

does not appear to have occurred to him that it was his name and not the contents of his broadcasts that would constitute the tremendous propaganda scoop it did become. In extenuation of Wodehouse's rather odd misjudgment, it must be said that the broadcasts originated from an American request. The US was then not at war with Germany and the Berlin representative of the Columbia Broadcasting System asked Wodehouse whether he would broadcast to his American readers. Wodehouse, not realising that the broadcasts will go over the German Radio, accepted. But there was nothing in what he spoke that could be construed as treasonable. In an article in the New Statesman, Malcolm Muggeridge has revealed that the matter was gone into thoroughly from the legal angle and a barrister appointed by the Government for the purpose came to the conclusion that there "was nothing that Wodehouse has done that could be regarded, in any real sense, as treasonable or dishonourable."

Muggeridge records an amusing and unintended contribution to the British war effort by Wodehouse. The Nazis, in their humourless way, had taken the lunatic adventures of Wodehouse characters at their face value. (In this, they resembled the communists: I have in my time read quantities of solemn nonsense from critics who try to break the Wodehousean butterfly on Marxian wheels.) From Bertie Wooster's addiction to spats, the Germans drew the conclusion that all upper class Englishmen wore spats and dropped a spy in the Fen country wearing spats. With such an outlandish garb to give him away, he did precious little spying. The incident is not without its relevance to the literary merit of Wodehouse. Wodehouse characters are timeless, except in the elementary sense of every character, as a mortal, has to have a temporal frame assigned to him. Wodehouse's milieu was dead long before he got into his stride as a writer. (Indeed, Evelyn Waugh fixes it as that of the Garden of Eden.) Wodehouse is in the central tradition of the comic spirit, not in the priggish Merdithian sense of "thoughtful laughter", but in the uproarious rowdy sense of Commedia dell'arte. Bertie's pal who punches the policeman on the boat-race night and pinches his helmet is a modern variant of Punch (Elizabethan, not Victorian, vintage). Bertie and Jeeves are in direct line of succession to Don Quixote and Sancho Panza and Pickwick and Sam Weller. The convention of the daft master and the comic servant is as old as laughter and storytelling. They are archetypes rather than men in flesh and blood. The Drones Club is as imaginary as the Shangri-la. No wonder the German got caught on his way to it.

RAJESWAROPPER.

Olympus

CRAFTSMEN FOR INDUSTRY

The Apprentices Bill, 1961

A BILL to provide the legal framework of a scheme for training craftsmen for industry was introduced in Lok Sabha on 19 August by Mr Gulzarilal Nanda, Minister for Labour. The requirement of skilled craftsmen for the Third Plan programmes has been estimated at about 1.1 million (7,50,000 in the Engineering Trades and 3,50,000 in non-Engineering Trades). A scheme of apprenticeship training of limited scope, run on a voluntary basis, was introduced during the Second Plan. An expert committee of the National Council for Training in Vocational Trades had recommended legislation to make it obligatory on employers in 'designated trades' to provide in-plant training for a prescribed number of apprentices. This recommendation was endorsed by the National Council at its third meeting held in August last year. The Apprentices Bill, 1961, seeks to give legal sanction to this recommendation. The legislation will apply to establishments in both private and public sectors.

The Bill provides for training of two categories of apprentices: (1) those who will undergo full-length training; and (2) those who have passed the trade tests conducted by the National Council for Training in Vocational Trades, after undergoing the prescribed institutional training, and have to undergo a further course of short term in-plant training for qualifying themselves for the grant of the National Trade Certificate. Employers are also divided into two categories according to the number of workers employed, with different scale of obligations in respect of the facilities they are expected to provide and the financial commitment they have to undertake for the purpose.

The Bill seeks to provide for the setting up of the Authorities for the implementation of the scheme and defines their powers and functions. The different Authorities in the Central and State sectors are: The National Council, The Central Apprenticeship Council, The State Councils, The State Apprenticeship Council, The Central Apprenticeship Adviser and State Apprenticeship Advisers. The Act will extend to the whole of India except the State of Jammu & Kashmir and come into force in different areas on such dates as the Central Government may, by notification in the Official Gazette, appoint. The provisions of the Act shall not apply to any area, or any industry in any area, unless the Central Government by notification in the Official Gazette specifies that area or industry as an area or industry to which the said provisions shall apply with effect from such date as may be mentioned in the notification. Any graduate or diploma apprentice undergoing training in accordance with any scheme framed by or with the approval of the Government, or any special apprenticeship scheme for imparting training to apprentices in non-designated trades, are also exempted from the provisions of the Bill.

The obligations of the employers under the main provisions of the Bill are briefly indicated below:

For each designated trade, the ratio of apprentices to workers other than unskilled workers in that trade will be determined by the Central Government, after consulting the Central Apprenticeship Council, by order in the Official Gazette. Every employer in the 'designated trade' will be under an obligation to engage such number of apprentices, within the ratio determined by the Central Government, as required by the Apprenticeship Adviser by notice in writing, and also provide them with the necessary facilities for training in the trade in accord-

ance with the provisions of the Act and rules framed thereunder. The employer may also be required to provide for training of additional number of apprentices, if the Government concerned makes available such additional facilities and such additional financial assistance as are considered necessary by the Apprenticeship Adviser. It is also provided that the employer may, if he chooses, engage a number of apprentices in excess of the ratio without seeking additional assistance of Government. Employers could also make joint arrangements for purpose of providing practical training to the apprentices in their respective establishments.

Under the Voluntary Scheme in force during the Second Plan, the cost incurred by the employers in engaging apprentices and providing them with facilities for training, including payment of stipends, was reimbursed by the Government up to a certain limit. The Bill provides that such recurring costs including stipends shall be borne by the employer, if such an employer employs five hundred workers or more. Where the number of workers employed is less than five hundred, the cost will be shared by the employer and Government in equal shares up to a prescribed limit and beyond that limit by the employer. It is also provided that cost incurred by an employer in connexion with practical training imparted to apprentices who have undergone institutional training and have passed trade tests conducted by the Council, shall in every case be borne by the employer. The Financial Memorandum attached to the Bill points out that the existing voluntary scheme would have cost the Central Government Rs 112 lakhs for an identical number of trainees as against an expenditure of Rs 98 lakhs expected to be incurred under the proposed scheme. The total expenditure on the part of the Government on apprentices who undergo the full-length course of training will be about Rs 184 lakhs during the Third Plan period, out of which the liability of the Central Government will be about Rs 98 lakhs, the balance being met by State Governments.

Provision for basic training of the apprentices as have not undergone institutional training in a school, or other institution recognised by the Council, has to be made by the employers who employ five hundred or more workers. Where the employer employs in his establishment less than five hundred workers, the basic training will be imparted to the apprentices in Training Institutes set up by the Government. The Bill also provides for imparting of "related instruction" in the theoretical aspects of their trades to the apprentices, at the cost of the appropriate Government. The employer, however, will be required to afford facilities for

imparting such instruction. Time spent by an apprentice in attending classes on related instruction shall be treated as part of his paid period of work.

The employer is required to pay every apprentice during the period of training such stipend at a rate not less than the prescribed minimum rate as specified in the contract of apprenticeship, at such intervals and subject to such conditions as may be prescribed. Payment of apprentices on the basis of piece-work or their participation in any output bonus or other incentive scheme is forbidden. The hours of work of the apprentices shall be such as may be prescribed and no apprentice shall be required or allowed to work overtime except with the approval of the Apprenticeship Adviser, who shall not grant such approval unless he is satisfied that such overtime is in the interest of the training of the apprentice or in the public interest. The apprentices under the scheme will not be regarded as workers and provisions of Labour Legislation will not apply to or in relation to them. But the Bill provides for the application of the provisions of the Factories Act/Mines Act, dealing with health, safety and welfare, to the apprentices as if they were workers within the meaning of the Acts. In case of personal injury caused to an apprentice, the employer will be liable to pay compensation in accordance with the provisions of the Workmen's Compensation Act subject to modifications specified in the Schedule.

Where a contract of apprenticeship is terminated for failure on the part of the employer to carry out the terms and conditions of the contract, the employer will be required to pay to the apprentice such compensation as may be prescribed. Where the contract is terminated for failure on the part of the apprentice, the apprentice or his guardian shall refund to the employer as cost of training such amount as may be determined by the Apprenticeship Adviser.

Unless otherwise provided in the contract of apprenticeship, there is no obligation on the part of the employer to offer any employment to any apprentice who has completed the period of training in his establishment and has secured his certificate of proficiency in trade after passing tests conducted by the National Council; nor will it be obligatory on the part of the apprentice to accept an employment under the employer, unless the contract so provides. The period and remuneration of such obligatory service as provided in the contract may be revised by the Apprenticeship Adviser if he considers that such change is necessary to make them reasonable. The Bill also provides for penalties for contravention of its provisions ranging from fine to six months imprisonment with fine.

General Assurance Society Limited

India on Threshold of Self-Sustaining Economy

Sri B. L. Jalan on Stability of Prices

The following is an extract from the speech of the Chairman, Mr. B. L. Jalan, at the Annual General Meeting of the General Assurance Society Ltd., held on the 28th August, 1961:—

The proposed entry of the U.K. into the European Common Market, when seen in the background of the economic power enjoyed by Great Britain during the 18th and 19th centuries, seems to be a rather curious, amazing, development. We may recall that only last year, the U.S. gold-drain had assumed an alarming proportion and the dollar had become so weak that its devaluation was considered imminent. In the course of the last few months, the things have changed a lot. The U.S. economy has staged a recovery and the sterling has become weaker than ever before. The situation has been temporarily saved by the IMF loan of the order of 2,000 million dollars to the U.K.

Nevertheless, these events are not isolated problems and the repercussions which they produce on the economies of other countries have also to be reckoned with. Thus, while it has, perhaps, become necessary for the U.K. to join the European Common Market, it will have very adverse effects on the Commonwealth trade, and in particular on our exports of tea, cotton textiles, and others. The U.K. continues to be by far the largest single supplier of our imports and consumer of our exports. The withdrawal of the preferential treatment, if not properly phased and counterbalanced, will be a set-back to our exports, foreign exchange earnings and eventually development programmes. This may be viewed in the light of the very encouraging foreign assistance exceeding \$2 billion promised by the Aid-India Consortium led by the U.S.A. Foreign exchange was perhaps the most important impediment in our scheme of resources for the Third Plan. The promised aid has largely solved the problem in one sweep so that the bold, although essential, goals set by the planners for the next five years, appear to be within reach. Any deterrent which might jeopardise this position has to be avoided.

EPOCH-MAKING EXPERIMENT

As you are aware, we have, in last March, completed ten years of our planned growth. Meanwhile, the Third Plan has commenced functioning. The rates of progress achieved during the last ten years and the pointers of the future show that India has

been successful in launching a new epoch-making experiment in economic growth. An accelerated rate of growth has been achieved under democratic framework.

During the first two Plans, the National Income of the country increased by 42 per cent. The rate of growth in the United States, in real terms, was also of the same order during the same period. While it should be realised that rate of growth in the U.S.A. is bound to be slow as she has already attained a high degree of maturity and the progress is measured from a very high level of economic advancement, the low standards of living, consumption and savings prevailing in India have also to be reckoned with. This does not, however, overlook the fact that other countries like Germany, Japan, France, Turkey, secured a higher rate of growth during the last decade.

It is not merely a question of quantitative increases in productivity and gross or net product. Revolutionary transformation has been brought about in the institutional framework while adhering as far as possible, to democratic methods. The regulated economic operations have left some indelible marks on the basic structure of our economy. While the economy is still vulnerable to severe operational jolts, it is well geared to an accelerated growth rate.

These results have brought the country to the threshold of a new era of self-sustaining economy which we should be able to achieve by the end of the Fourth Plan. It might take another decade to achieve a fair degree of maturity. We might say, in other words, that over a perspective of 30 years, we will have passed through three stages of economic growth—laying the foundation for a growth economy, organisation of a self-sustaining economy, and attainment of a degree of maturity. In the context of our population growth at a rate of 2 per cent per annum, this would be an accomplishment of which the country and its leaders could be well proud. The projection, no doubt, of the past into the next two decades, is dependent on an assumption that the country will continue to be committed to hard work and austerity.

FINANCIAL RESOURCES

The paramount problem is of finding enough capital resources. The problem, again, is not one of the availability of total quantum as that of the means to be employed to raise such resources.

The capital market, having manifested a few new bullish features during the last two years or so led to a misleading impression about its vitality and intrinsic strength. What is ignored is that it witnessed equally alarming periods, as at present, of bearish tendencies. There is no doubt about an increasing interest being taken by the foreign investors specially from the U.S.A. in new industrial ventures in India. It is left to us either to make the best use of the opportunity or to frighten them away once again. Many new features of our Indian Companies Act and the remodelled Indian Income Tax Bill need modification when seen from this perspective. In our zeal for orderly growth, the objective of rapid industrialisation should not be sacrificed. If we need regulatory devices it is in respect of price movements such as those witnessed by the jute industry and in food grains. The prices in jute industry can be very well regulated by operating buffer stocks through the mills by encouraging buying of raw jute by means of reduction in bank margins.

There have also been some other disquieting features affecting the new confidence which has been built up. Recently, the Reserve Bank, following certain bank failures, has been considering measures by which the capital base of banks is sought to be raised and advance-deposit ratio reduced appreciably. Considering the rate at which deposits are growing and, therefore, also the requirements of industries, this will further restrict bank credit and facilities available to industry. The measures may not be necessary in view of the deposit insurance being very rightly sponsored by the Reserve Bank and the Government.

INCENTIVE-BASED REGULATED GROWTH

The history of industrially advanced economies has a lesson for us. We might even look at the spectacular advances made by countries like Western Germany after the War. What is desired is a policy of "incentives-based regulated growth". It is possible, perhaps, to work out mathematically by means of forecasting and projections that a given amount of incentives such as relief in taxation, subsidisation of exports, and similar other measures would be more than off-set by a higher rate of national product and thus not only not reduce the total revenues to the national exchequer but in fact raise it. Planning does not simply mean a diversion of resour-

ces to more economic uses; may be from consumption—by means of indirect taxation—to productive channels on the basis of a catalogue of programmes and projects. It is something more. This additional function of planning is to contemplate and provide for conditions of more rapid and more balanced economic development. A lot has been achieved by means of diversion of resources—say from the private to the State sector. A lot also has been achieved by instituting a system of regulated development by a scientific cataloguing of plans and projects. But, we are constrained to believe, a lot remains to be achieved by deliberate and purposive creation of incentives consistent with and leading to a higher rate of national productivity and prosperity at the least cost possible.

Assuming the public sector investment as 100 units, the investment in the private sector in First Plan was 100 units, in the Second 85 units and will be only 65 units in the Third. What is more important is the fact that the change is more spectacular in the industrial sector with the result that while the Government is taking a larger and larger share in programmes which could well be taken care of by private industry, development of basic sinews of progress in the form of economic overheads does not receive the attention it deserves. I believe there is a unanimity of opinion that our progress would have been faster and smoother if transport bottlenecks were avoided, supply of cheap power was more adequate and the governmental machinery for regulation of economic activities was more efficient and speedier.

STABILITY

Another objective to be gained by means of planning is a kind of stable, steady, system of economic operations. One serious aspect which is generally ignored about the rise in prices is the fact that as and when such rises outstrip the international price movements, the international value of rupee is undermined, which in turn affects export and foreign exchange earnings. Exports, in fact, have not kept pace with the growth in the economy. Thus, while the National Income increased by 42 per cent and industrial production by 94 per cent, exports remained constant. Many industrial proposals had to be or are being abandoned since the same could not satisfy certain assumed foreign exchange criteria. You are aware

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that not long ago it was necessary to justify import of capital equipment to obtain some kind of deferred credit arrangements. Later on five years credit arrangements were insisted on. This period was gradually lengthened. Today, not deferred credits, but direct capital participation by foreign parties is considered imperative. Foreign exchange regulations and requirements of our industrial policy have thus become one of the principal impediments to our industrial expansion.

It is necessary, I would believe, to have now an independent commission to review the progress, assess the achievements and suggest ways and means to rectify and regulate unbridled trends in our economic operations. While this has to be independent of both the Planning Commission and the Government, this would function in close collaboration with both. This Commission will become the watch-dog of our planned progress.

GENERAL INSURANCE

Coming to our own General Insurance Industry, in my address to you in September last, I had made a plea for the appointment of a high-powered Commission of Inquiry to assess the results of the Code of Conduct and to suggest new ways and means to curb the internecine competition. I reiterate that the need of such a Commission is greater today than ever before. In elaborating the suggestion I had also pointed out the need for doing away with the irksome controls and to initiate effective ways for mutual cooperation and understanding. I am glad to say that the industry in Bombay has initiated such a move in the form of an agreement for non-division of business. I believe that this is a welcome move which the industry needed, for a long time. If the move is implemented in the right spirit, it will usher in an era of prosperity for the industry. However, it is necessary that all companies operating in India, whether Indian or foreign, should be made to join the consortium. The agreement perhaps needs certain revisions and modifications. Thus the provision for surrendering all business in excess of 20 per cent of the previous year's business to a common pool will be harsh for those companies which have not caught up a self-sustaining level of business from the point of view of cost. So long as such companies do not attain an economic level of business, they should not be required to cede business secured by them even in excess of 20 per cent of the previous year's business. I hope that amendments like these will be made and all companies will join the agreement and will demonstrate that the industry left to its own, could, by means of self-government, introduce means of healthy regulation and growth. The one big malady which has afflicted the industry is cut-throat competition.

ALUMINIUM CORPORATION OF INDIA LIMITED

NOTICE IS HEREBY GIVEN that the Twenty-third Annual General Meeting of the members of THE ALUMINIUM CORPORATION OF INDIA LIMITED, will be held at the Registered Office of the Company at 7, Council House Street, Calcutta, on Thursday the 28th September, 1961, at 4-30 P.M., for the following purposes:

1. To receive and adopt the Audited Accounts for the year ended 31st March, 1961 and the Directors' Report and Auditors' Report thereon.
2. To declare dividends.
3. To elect Directors in place of those retiring by rotation and in this connection to consider and, if thought fit, to pass, the following resolutions in respect of which special notices have been received by the Company and relative explanatory statements have been annexed hereto.

(a) AS SPECIAL RESOLUTION

RESOLVED that pursuant to the provisions of Section 261 of the Companies Act, 1956 Sri Hari Shankar Singhania, a Director of the Company who is an associate of J. K. Industries Private Limited the Managing Agents of the Company and who retires by rotation be and is hereby re-appointed a Director of the Company.

(b) AS ORDINARY RESOLUTION

RESOLVED that Sir A. Ramaswamy Mudaliar, K.C.S.I. D.C.L. (Oxon) a Director, retiring by rotation, who has attained the age of 74 years be and is hereby re-appointed a Director of the Company and it is specifically declared that the age limit prescribed under Section 280 of the said Act shall not apply to him.

4. To appoint Auditors and to fix their remuneration.

AS A SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass, with or without modification, the following as a Special Resolution. RESOLVED THAT in accordance with the provisions of Section 360 of the Companies Act, 1956, the Company do sell its products to and purchase the products from the following companies who are or are deemed to be, associates of the Managing Agents of the Company on terms and conditions that the rates receivable or payable for the transactions shall be not less favourable to the Company than the rates prevailing in the market for the time being or they shall otherwise be reasonable and

payments in respect of each transaction shall be received or paid, as the case may be, within one month of the respective supply.

- (a) J. K. Steel Limited
- (b) Hoyle's Paints Limited.
- (c) Bihar Mines Limited.
- (d) Straw Products Ltd.
- (e) Madhya Pradesh Industries Limited

6. To consider and, if thought fit, to pass, with or without modification, the following as an Ordinary Resolution:

RESOLVED THAT the Board of Directors be and they are authorised to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company apart from temporary loans obtained from the Company's Bankers in the ordinary course of business will exceed the aggregate of the Paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose provided the total amount remaining outstanding at any time on account of principal shall not exceed Rs. 5 (five) crores.

7. To consider and, if thought fit, to pass, with or without modification, the following as an Ordinary Resolution:

RESOLVED THAT the Board of Directors be and they are hereby authorised to contribute to charitable and other funds, not directly relating to the business of the Company or the welfare of its employees, such amounts up to a total of Rs. 2 (two) lacs, in any financial year notwithstanding that such amounts in any financial year will exceed Rs. 25,000 (Rupees twenty five thousand) or 5% of the Company's average net profits as determined in accordance with the provisions of the Companies Act, 1956 during the three financial years immediately preceding, whichever is greater.

8. To consider and, if thought fit, to pass, with or without modification, the following as an Ordinary Resolution:

RESOLVED THAT the Board of Directors be and are hereby authorised to contribute to any political party or for any political purpose, to any individual or body, any amount or amounts which are the aggregate of which will, in any financial year not exceed Rs. 25,000 (twenty-five thousand rupees) or 5% of the average net profits of the Company as determined in accordance with the provisions of Section 349 and 350 of the Companies Act, 1956 during the three financial

years immediately preceding, whichever is greater.

The Registers of Members and Transfer Books of the Company will be closed from 11th to 28th September, 1961, both days inclusive.

By Order of the Board,
J. K. INDUSTRIES PRIVATE LIMITED, Managing Agents
B. H. SINGHANIA
DIRECTOR.

7, Council House Street, Calcutta, the 28th August, 1961.

NOTE:

- (1) Dividend as recommended by the Directors, if approved at the Annual General Meeting, will be paid to those members whose names are on the Company's Registers on the 28th September, 1961 or to their mandatees. Payments will be made on or after 26th October, 1961.

- (2) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

An explanatory statement is annexed to the Convening Notice issued to Members of the Company.

THE INDIAN CABLE COMPANY LIMITED

NOTICE is hereby given that a General Meeting of the Members of the Company will be held at the Registered Office of the Company, 9, Hare Street, Calcutta, on Wednesday, the 27th day of September, 1961, at 10.45 a.m. to consider and, if thought fit, to pass, with or without modification, the following resolution which will be proposed as a special resolution:—

"RESOLVED that subject to the sanction of the Central Government under the provisions of the Companies Act, 1956, being received, the Articles of Association of the Company be altered in the manner following:—

- (1) The word 'seven' in Article 88 be substituted by the word 'nine'.

- (2) After Article 90 the following Article numbered 90A be inserted:

"90A. So long as any moneys borrowed by the Company from the Industrial Credit and Investment Corporation of India Limited shall remain outstanding, the Industrial Credit and Investment Corporation of India Limited shall be entitled to appoint one director acceptable to the Board of Directors of the Company and to remove any director

so appointed and appoint another in his place or in the place of a director so appointed who resigns or otherwise vacates his office. Such director shall be an ex-officio director within the meaning of these Articles and shall not be required to hold any qualification shares."

- (3) The following proviso be added to the first paragraph of Article 95:

"Provided that the director appointed by the Industrial Credit and Investment Corporation of India Limited shall not be entitled to participate in any commission hereinbefore mentioned."

By Order of the Board,
P. S. SHAVAKSHA,
Managing Director.

Registered Office:
9, Hare Street, Calcutta, 18th August, 1961.

N.B. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead and a proxy need not be a member of the Company.

NOTICE

NOTICE is hereby given that the Forty-second Annual General Meeting of the Shareholders of The Indian Cable Company Limited will be held at the Registered Office of the Company, 9, Hare Street, Calcutta, on Wednesday, 27th September 1961 at 11 O'clock in the forenoon for the following purposes:

- (1) To receive and adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 1961.
- (2) To declare Dividends.
- (3) To re-appoint a Director who retires by rotation.
- (4) To re-appoint the firm of Messrs. Lovelock & Lewes of 4, Lyons Range, Calcutta, Auditors of the Company for the current year and to fix their remunerations.

As Special Business

- (5) To consider resolutions in relation to the following matters and things:

- (a) In pursuance of Section 228(1) of the Companies Act, 1956 to appoint the firm of Messrs. A. F. Ferguson & Co. of Bombay for the purpose of auditing the accounts of the Factory at Tata-nagar and the Branch Offices of the Company at Bombay, Ahmedabad, Jamshedpur, Kanpur, Nagpur, New Delhi and Secunderabad, and to fix their remuneration.

- (b) In pursuance of Section 228(1) of the Companies

Act, 1956 to appoint the firm of Messrs Fraser & Ross of Madras for the purpose of auditing the accounts of the Branch Offices of the Company at Madras Bangalore and Coimbatore, and to fix their remuneration.

The Share Transfer Books of the Company will be closed from the 12th September, 1961 to 27th September, 1961, both days inclusive.

Dividends, if any, declared at this meeting will be payable on or after 30th October, 1961 to Shareholders registered on the Company's Books on the 27th September, 1961 or to their mandates.

On behalf of the Board,
J. D. K. BROWN,
Chairman.

9, Hare Street, Calcutta, 27th July, 1961.

N.B.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

THE INDIAN STEEL & WIRE PRODUCTS LTD.

NOTICE

Notice is hereby given that the Twenty-sixth Annual General Meeting of the Shareholders of The Indian Steel & Wire Products Ltd. will be held at its Registered Office, No. 7, Wellesley Place, Calcutta-1 on Friday, the 29th September, 1961, at 11-30 A.M. to transact the following business:

1. To receive and adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account of the Company for the year ended 31st March, 1961.
2. " declare dividend on Ordinary Shares of the Company.
3. " appoint Director in place of Mr. B. B. Ghose, who retires by rotation and being eligible, offers himself for re-appointment.
4. " appoint Auditors for the current year and to fix their remuneration.

SPECIAL BUSINESS:

5. " consider and if thought fit, to pass with or without modification, the following resolution which will be proposed as special resolutions:—

(a) RESOLVED that in lieu of the Directors' monthly remuneration of Rs. 125/- provided in clause 109 of the Articles of Association of the Company, the existing fee of Rs. 200/- payable to a Director for each meeting of the Board,

or a committee thereof, attended by him, be increased to Rs. 500/- with effect from 1st October, 1961, subject to the approval of the Central Government.

- (b) RESOLVED that necessary application for obtaining the approval of the Central Government be made.

- (c) RESOLVED that the Articles of Association of the Company be altered or amended by substituting the following clause for Clause 109.

"109. Unless otherwise determined by a resolution passed by the Company in General Meeting each of the Directors shall with effect from the 1st October, 1961, be paid out of the funds of the Company, by way of remuneration, a fee of Rs. 500/- for each meeting of the Board or a committee thereof attended by him. A Director shall be paid all travelling, hotel and other expenses properly incurred by him in attending and returning from meeting of the Board of Directors or any committee thereof or in connection with the business of the Company."

The Transfer Books of the Company will be closed from 14th September, 1961 to 29th September, 1961, both days inclusive.

By Order of the Board
INDRA SINGH & SONS
PRIVATE LIMITED.
A. Singh,
DIRECTOR
MANAGING AGENTS.

Registered Office:
7, Wellesley Place, Calcutta-1.
29th August, 1961.

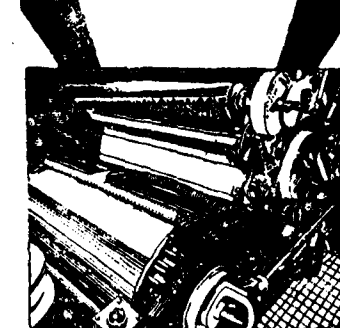
Note: A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and upon a poll to vote instead of himself and that a proxy need not be a member.

The relevant Explanatory Statement in respect of item No. 5 of the Notice of the Annual General Meeting to be held on the 29th September, 1961, will be sent to the shareholders along with the Notice of the meeting. It can be inspected at the Registered Office of the Com-

pany, No. 7, Wellesley, Place Calcutta-1, during the usual Office Hours on any working day.

If the dividends on share as recommended by the Directors are passed at the meeting, the payments will be made on or after the 13th October, 1961, to those shareholders, whose names are on the Company's Registers on the 29th September, 1961.

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N. K. KARANJI,
General Manager

Life Insurance Corporation of India

Phenomenal Growth After Nationalisation

Systematic Expansion of Business in Rural Areas: Mobile Insurance Office

Mr P. A. Gopalakrishnan, Chairman, Reviews Progress during 1960

"In a world of ever increasing commodity prices, life insurance policies in India cost less today than at any time during the last fifteen years or so", says L. I. C. Chairman.

Statement by Shri P. A. Gopalakrishnan, ICS, Chairman, at the 64th Meeting of the Life Insurance Corporation of India, held in Bombay on 28th August 1961 to discuss Annual Report and Audited Accounts for the year 1960.

Gentlemen, I have great pleasure in welcoming you all to this fifth anniversary meeting of the Corporation. We have assembled here today to consider the draft of the Annual Report and Audited Accounts of the Corporation to be submitted to Government under Section 27 of the Life Insurance Corporation Act. These have already been circulated to all the Members.

NEW BUSINESS

2. The Corporation is now five years old. During this period, the second Five Year Plan of the country has come to a close and considerable progress has been made in all fields of economic activity. The national income at current prices has risen from Rs. 8,980 crores in 1955-56 to Rs. 12,840 crores in 1959-60. On the other hand, the general price level has also increased hitting middle-classes with fixed incomes. These classes form the bulk of our policyholders and we have been finding it extremely hard to get business from them. To add to our difficulty, there were in 1960 widespread floods in Punjab, Uttar Pradesh, Bihar and Orissa, drought in Mysore and Andhra Pradesh, and linguistic disturbances in Assam. Our business in these areas was adversely affected by these factors. We had also to contend with rival demands made by the various forms of savings propagated by banks and the Government.

3. In spite of all the above factors, our new business last year was Rs. 498 crores covering 1.26 million policies as compared with Rs. 429 crores in 1959 covering 1.15 million policies. The premium income increased from Rs. 84 crores in 1959 to Rs. 97 crores in 1960 and the total income exclusive of refund of tax from Rs. 105 crores to Rs. 122 crores. In 1955, the

year immediately preceding nationalisation of life insurance, the premium income of all the companies was only Rs. 58 crores and the total income Rs. 74 crores.

RURAL DEVELOPMENT

4. We have been able to achieve these results and hope to improve upon them during the current year owing to our policy of systematically expanding business in the rural area. Field Officers have been allotted exclusive rural territories in which they are building up a net-work of agency force. In some States, we have been utilizing the agency of Panchayats and Co-operative Societies for securing rural business. Rural publicity has been intensified and life insurance literature is now distributed through Community Development Blocks and village panchayats, in addition to our normal channel of distribution through our own branch and sub-offices. Jeeps have been supplied to all Divisions and a mobile publicity van equipped with projector and films has been provided to each zone as an experimental measure. These vans visited over 3,400 centres in 1960 and secured spot business of about Rs. 37 lakhs. Approximately, 26 lakhs of people attended the meetings convened by the officers-in-charge of these vans. Seeing the future prospects for rural business revealed by this mobile van publicity, we have supplied an additional van to each Zone during the current year. The spot business secured by these vans during the first half of 1961 is as much as Rs. 61 lakhs. In the Southern Zone, we have gone a step further by converting the mobile publicity van into a mobile insurance office. This Office underwrites business and issues policies on the spot. The experiment has been recently extended to the Northern Zone also and will be extended to other areas if it proves a success.

NON-MEDICAL BUSINESS

5. Another significant step that we have taken in the current year is to extend non-medical business, i.e., insurance without me-

dical examination, to all those within certain age groups whose total insurance does not exceed Rs. 2,000. This will help us to secure more and more business from the rural areas. Non-medical business to special categories of persons in civil employment has been increased upto a limit of Rs. 5,000 and to category 'A-1' of the Commissioned Officers in the Armed Forces upto a limit of Rs. 10,000.

FOREIGN BUSINESS

6. In the foreign countries, where we operate, conditions were not quite favourable for life insurance business in 1960. Political uncertainty in East Africa led to a flight of capital and fall in the business secured from the Indian community. In 1960, however, we started insuring African lives and we got a certain amount of business from this source. There was considerable damage in Mauritius by a cyclone and in Fiji Islands by a prolonged strike of cane growers. Nevertheless, we completed in all Rs. 9.7 crores of new business during the year as against Rs. 9.47 crores in the previous year.

FOREIGN EXCHANGE EARNINGS

7. Although our foreign business is very small compared to the business that we are doing in India, it is very important from the point of view of foreign exchange. Our net earnings of foreign exchange per year amount approximately to Rs. 2.5 crores.

BUSINESS IN FOREIGN

8. The total business in force at the end of 1960 was Rs. 2,285 crores covering 7.7 million policies as compared with Rs. 1,958 crores covering 6.9 million policies at the end of 1959. These figures include the business outside India which increased from Rs. 103 crores in December 1959 to Rs. 109 crores at the end of 1960. In this connection, I would like to refer to the phenomenal growth of life insurance in India during the last ten years and, particularly, after nationalisation of the industry five years ago. The life business in force in India has almost trebled during this period. To this remarkable increase, the contribution made by the private

sector companies during 1950-55 was Rs. 380 crores. During the following five years, the increase has been as much as Rs. 1,048 crores. Expressed as a percentage of the national income, life business in force has increased in the country from about 11% in 1955 to 17% at the end of 1960. As these figures do not include the comparatively small amounts of business on the books of the Postal Department and a few State Governments, the percentage of business in force at the end of 1960 should be more than 17.

YIELD FROM INVESTMENTS

9. The income from interest, dividends and rents before deduction of income-tax rose to Rs. 23.96 crores from Rs. 20.98 crores in 1959. During the five years from 1955 to 1960, the income from this source has more than doubled. The gross interest yield on the Life Fund was 4.58% as compared with 4.54% in 1959 and 4.52% in 1958. This steady increase in the yield on our investments has been brought about mainly by the judicious manner in which we are making investments from year to year.

LIFE FUND AND ASSETS

10. The Corporation's Life Fund has registered a significant increase from Rs. 495 crores in 1959 to Rs. 560 crores in 1960. The total assets have similarly increased from Rs. 554 crores in 1959 to Rs. 622 crores in 1960. Net investments of all kinds made in 1960 amounted to Rs. 63.62 crores as compared with Rs. 35.04 crores in the previous year. The total Stock Exchange investments as on 31st December 1960 had a book value of Rs. 471 crores. Their market value on the same date was higher by nearly a crore of rupees. There is, moreover, a reserve of Rs. 13.41 crores to offset any future fall in the market value of these investments and it is proposed to keep this reserve intact for the present.

HOUSING

11. Owing to the acute housing shortage in the country, the Corporation decided to build its own staff and officers' quarters at different places and step up housing loans to State Governments, Co-

2 September 1961

operative Housing Finance Societies and other institutions. Besides, in granting mortgage loans against the security of buildings, the Corporation shops special consideration to applicants wanting loans for constructing or completing residential buildings for their own use. From the commencement of these schemes within the last two years up to March of this year, the total housing loans sanctioned by the Corporation amount to Rs. 23.05 crores. These loans have not yet been fully utilised by the agencies which received them. According to information available with us the State Governments have so far sanctioned loans for the construction of 3,859 middle class houses and 4,238 State employees' houses. The Co-operative Housing Finance Societies and other institutions have disbursed loans for the construction of 2,795 houses and the Corporation itself has constructed 264 quarters in India besides sanctioning loans to its employees' Co-operatives for building 116 houses. The number of houses, for whose construction or completion mortgage loans have been sanctioned is, 95. Thus, the total number of houses constructed or under construction in the country with the aid of L.I.C. funds is 11,367. The Corporation has also indirectly helped the relief of housing shortage by putting up or completing office buildings worth Rs. 3.91 crores during the last five years.

EXPENSES OF MANAGEMENT

12. Turning to expenses of management, 1960 was a difficult year. The cost of administration has been going up owing to various reasons such as increase in the prices of stationery and printing and of conveyances and their maintenance. Higher rates of conveyance and travelling allowances had to be sanctioned for certain categories of touring officers. The penetration of the rural area and organization of publicity in the villages are costing more than the procurement of business in the cities and towns. Above all, we had to sanction from 1st April 1960 an ad-hoc increase of Rs. 15/- in the dearness allowance paid to all our officers and staff drawing upto a salary of Rs. 500/- per month. This alone increased our expenditure in 1960 by Rs. 46.44 lakhs. However, by effecting economies, wherever possible, and keeping a strict control on recruitment of staff, it has been possible for us to keep down our expenses of management. The overall expense ratio of the Corporation fell from 28.7% in 1959 to 28.4% in 1960, but the renewal expense ratio, which is the real indicator of economy of management, remained practically constant at 12.9%. Had it not been for the factors mentioned above, the renewal expense ratio might have been nearer 12% than 13%.

CLAIMS PAID

13. Maturity benefits to owners of policies amounted during the year to Rs. 23 crores and death benefits to Rs. 8 crores. The total claims during the year thus amounted to Rs. 31 crores as compared with Rs. 28 crores during 1959. During the four years and four months ending with December 1960, the total benefits to our policyholders and their beneficiaries by way of claims amounted to Rs. 113 crores.

PREMIUM RATES

14. There has been a suggestion in certain quarters that since competition has been eliminated after nationalisation of life insurance and overheads have been reduced, the Corporation should examine the possibility of reduction in premium rates. I would like to point out in this connection that the premium rates charged by us are much lower than those charged in the past by Indian companies. For example, the rates charged by the Oriental Government Security Life Assurance Co. Ltd. from 1947 to 1953 under main insurance plans were 5% to 35% higher than the Corporation's rates. In 1954, there was a drastic reduction in premium rates by all the Indian companies, including "Oriental", and these reduced rates continued upto the date of nationalisation. In spite of this drastic reduction, the 'Oriental' reduced rates were higher than the Corporation's rates by Rupee 1 per thousand sum assured or anything from 1% to 5% under various plans. Thus, while the price of every other commodity has been increasing, life insurance policies cost less today than at any time during the last fifteen years or more. It is true that our mortality experience has been showing steady improvement and death claims have been going down as compared with the volume of business in force. While these factors should enable premium rates to be reduced, inflation and the resultant increase in the cost of administration and the higher cost involved in the expansion of rural business work in the opposite direction. All these problems are constantly under study in our Actuarial Department and if and when we find it possible, we shall certainly consider further reduction of premium rates.

LAPSE RATIO

15. During the Second Plan Period, the general price level is estimated to have increased by 30% and the working class cost of living index by 24%. Inflationary pressures thus generated have begun to be reflected in the net lapse ratio of the Corporation. The lapse ratio which was 9.1% in 1958 came down to 6.4% in 1957 and to 5.1% in 1958. In 1959, it rose to 6.0% and in 1960 to 6.6%. The abnormal drop in the ratio of 1958 is partly accounted for by a necessary alteration

in our system of treating policies as lapsed. Even so, it is clear that the net lapse ratio which gradually fell after nationalisation, has begun to rise again. There are also certain other disquieting signs which show that some policyholders with fixed incomes and increasing commitments are finding it difficult to save enough and keep their policies alive. Loans to policyholders, which used to increase by roughly Rs. 1 crore per year till 1959, increased by Rs. 3 crores in 1960. Outstanding premium, which similarly used to increase by Rs. 1 crore per year, have increased in 1960 by Rs. 2.5 crores. If inflationary pressures increase during the period of the Third Five Year Plan, it is bound to accentuate these tendencies and make it extremely difficult for the Corporation to keep down its lapse ratio. The only gratifying fact is that the 1960 lapse ratio of 6.6% is still well below the lapse ratio of 7.6% in the last year of life insurance management by the private sector companies.

ADMINISTRATIVE EFFICIENCY

16. The efficiency of our administrative offices has been steadily improving as a result of our training programmes and better supervision and control by the officers-in-charge. Practically, every Divisional Office has one or more instructors to train newly recruited assistants and also existing assistants who need training. Our Officers' Training College at Nagpur has already trained 536 officers and supervisory personnel. As more and more of our administrative staff are trained at these institutions, further improvement of the efficiency of our offices may be expected to take place. The improvement that has already resulted is evident from the big drop in the number of complaints received and also from the increase in the average output of our offices. In 1959, the monthly average of the number of complaints received in our various Divisional Offices and major I.H.O. Units was 3,274. In 1960, the number fell to 2,171 representing a fall of 33.7%, despite the increase in the number of policies. Similarly, the increased output of our offices will be evident from the fact that, while between 1957 and 1960, the number of new policies increased by 55% and the total number of policies on our books increased by 36%, the total staff of the Corporation increased only by 30%. Further steps are being taken to improve our systems and procedures for more expeditious despatch of business and also to assess the minimum staff requirements of each office on a more scientific basis than hitherto. These steps are bound to bear fruit in future years.

FIELD EFFICIENCY

17. The Development Training Centres which we have started in

all the Zones have been systematically training our field officers and agents. The number of persons trained so far is 5,214 field officers and 4,844 agents. This training as well as the experience gained by the field officers during the last five years have enabled them to increase their average output of new business from year to year. The average output in 1957 was Rs. 4.1 lakhs and it has increased by 60% to Rs. 7.8 lakhs in 1960. The average output of an active agent has increased by 55% from about Rs. 31,000/- in 1957 to about Rs. 47,900 in 1960. This improvement in average output is only partly accounted for by a 14% increase in the average size of a policy issued between 1957 and 1960.

INCOME-TAX

18. The Corporation pays tax to Government just as the life insurance companies in the private sector used to pay in the past. Assessments upto the end of 1958 have been completed and the tax assessed amount to Rs. 4.36 crores. During 1959 and 1960, tax deducted at source amounted to Rs. 10.19 crores which will be adjusted against future tax assessments.

DIVIDEND TO GOVERNMENT

19. The capital invested by Government in the Corporation is Rs. 5 crores and, under Section 28 of the Life Insurance Corporation Act, upto 5% of the surplus that emerges at each valuation may be utilized for such purposes and in such manner as the Government may determine. The Government have indicated that in respect of 1957 & 1959 valuations the entire 5% should be credited to them. At the 1957 Valuation, the share of Government was Rs. 1.45 crores. Deducting from this figure an amount of Rs. 71.5 lakhs which Government have agreed to contribute in respect of the policies of deficit companies taken over by the Corporation, the return to Government amounts to 11% per annum on their capital. In respect of the 1959 Valuation it is estimated that the Government's share of the surplus would give them a dividend of 13% for each of the years 1958 and 1959.

BONUS ANNOUNCEMENT

20. Our policyholders have been making anxious enquiries about the bonuses that would attach to their policies as a result of the 1957 and 1959 Valuations. Our field officers and agents have also been experiencing difficulty in securing with-profit proposals since bonuses have not yet been declared by the Corporation. I had hoped that it would have been possible for us to declare bonuses on the different groups of policies on our books by the middle of this year. The work involved took a slightly longer time, but everything was finalised sometime back and the

regulations framed in this respect were submitted to Government for their approval. As soon as the approval is received, it will be possible for the Corporation to make its bonus announcement.

21. Five years is too short a period in the life of a new institution but we can be justifiably proud of what we have achieved during this period. We are aware of our deficiencies and are con-

stantly trying to overcome them. If we persist in our endeavour in a spirit of dedication, a day will soon come, much sooner than we expect, when we will be able to announce that we are much nearer the goals promised at the time of nationalisation than we are today. All that I can say is that we must hope and strive.

22. Before I close this statement, I sincerely thank all the

Members of the Board and of the Investment Committee for their unstinting co-operation during the last three years and more that I have been Chairman of this organization. My thanks are also due as Chief Executive of the Corporation to all the senior officers who have loyally co-operated with me and performed their duties. Above all, I am indebted to the thousands and

thousands of our field officers and agents, without whose unrelenting efforts, the Corporation would not have been able to show such remarkable results during the last five years. Last but not the least, I am grateful to all those steady workers in the Corporation's offices who have not only kept up but improved upon the efficiency of the Corporation. 28th August, 1961.

Markets

JUTE From Paucity to Plenty

ANXIETY over shortage of raw jute has now yielded place to anxiety over a plethora of supplies. At last week's meeting of the representatives of the Central, and West Bengal Government and the Indian Jute Mills Association, the future course of action seems to have been broadly decided. On its part Government is to devise the machinery for fixing a minimum price for raw jute at an early date along with steps to build up a buffer stocks. The IJMA on its part is reported to have agreed to advise its member mills to unseal the 9 per cent additional looms sealed by mills on an individual basis during last month. It is also to abolish the quota system for the purchase of raw jute by mills. The details of the manner in which the proposed buffer stock is to be built up are not yet available but the idea has received wide support. It may be recalled that the IJMA has sometime ago indicated that it was working out a scheme in this regard in conjunction with Government. It

would appear that whatever the composition of the central authority which will be entrusted with the task will perforce have to use the storage and other facilities available with mills. It is said that this authority will also enter into agreements with cooperative marketing bodies and warehousing corporations to purchase and store raw jute.

Although Government seems to be committed to fixing a floor price for raw jute, it is not going to be an easy task. While it is accepted on all hands that if jute production is not to be subjected to frequent uncertainty, the jute cultivator should feel confident that he will not be left in the lurch. The jute cultivator is quite naturally sensitive to the trend of prices from season to season. Paddy is jute's rival and as has been recently pointed out by the Chief Minister of West Bengal, the additional advantage in paddy cultivation is that if the worst comes to the worst the cultivator can use rice for his own consumption. Past experience has clearly shown that unless the cultivator is assured of an equitable return on his jute production, he is apt to switch over to the crop which has a better chance of yielding a higher profit at the time

of sowing. But it is not the cultivator only whose interests are involved. There is the equally important question of the reactions of the foreign buyer. For the jute goods industry is predominantly an export industry (nearly 75 per cent of its production is sold abroad). And it is not as if the overseas buyer has perforce look to India or any other jute goods manufacturing country, for that matter, for his requirements of packaging materials. If he was once solely dependent on jute goods, he is no longer so. He has devised a number of ways of reducing his dependence on jute goods and one of them is bulk handling. Moreover, substitute packaging materials are always there ready to take the place of jute. So while fixing a minimum price for jute, Government can ill afford to ignore its possible repercussions on the exports of jute goods. It should have become clear by now to all concerned that it is idle to expect the foreign buyer to support the market whatever the price level. He will be interested only when the prices are reasonable and this has been made abundantly clear this year. Mr Nityananda Kanungo, Union Minister for Commerce has himself pointed out that since Indian jute goods are meeting with increasing competition in world markets, prices for raw jute cannot be fixed only on the basis of a good price for the jute grower.

TEA Supply Prospects

THE softer trend, noticed in the export auctions, during the past few weeks is not surprising in the light of the substantial rise in the North Indian output. Total production, till the end of July, amounts to as much as 213.8 million pounds as against 173.7 million pounds in the corresponding period of last year. As the weather continues to be favourable, it is expected that the crops during the current month and in September will also be substantially higher.

World supplies up-to-date are also running at a higher figure of 656.6 million pounds as against 599.2 million pounds for the corresponding period of last year. Although it is difficult to estimate at this stage the extent to which world supplies can exceed demand, it is reasonable to expect that there will be adequate supplies during the current year.

For instance, production in British East Africa rose to 5.3 million pounds in June 1961 from 4.8 million pounds in the corresponding month of 1960 although total production, during the first half of the current year, is slightly lower at

44.2 million pounds as against 45.8 million pounds in the corresponding period of last year.

In Pakistan, more than two-fold increase in production has been recorded. Of a total production of 21.31 million pounds during the period from 1 April to 31 July 1961, 3,555,089 pounds were reported to have been sold at the internal tea auctions of Chittagong at an average price of Rs 2.02 per pound.

Under the circumstances, buyers are not expected to take their requirements in a hurry. When the weight of bigger supplies are felt to an increased extent during the coming weeks, the trend should naturally be downwards rather than upwards. In this connection, it will be interesting to note that the annual review, released by the Tea Board states that the world supply and consumption of tea will be fairly balanced and there is little possibility of any serious imbalance arising in the current year or the next.

Meanwhile, in the Export Sale held in Calcutta this week, offerings were 77,950 packages. There was a good demand at easier rates, though, to some extent, this reflected a fall in quality. Plain orthodox broken were 10 nP to 15 nP per kilo easier with similar Fannings 15 nP to 20 nP easier and sometimes more. The remaining orthodox descriptions shared in the decline with better BOPs often up to one rupee easier and sometimes more.

CTC descriptions were irregular and lower by up to 70 nP and sometimes more, while any teas with fibre present in the leaf were heavily discounted by buyers. Towards the close of the sale, the demand for CTC teas weakened and there were a number of withdrawals. Legg-cut teas were up to 20 nP easier.

Darjeeling teas met with fair support at easier rates, whole Leaf grades were again weak, while selective buying for Tippy teas also resulted in easier prices. Following rates (per kilo) were quoted:—Clean Plain Pekoe Rs 4.50 to Rs 4.70; Plain BP Rs 4.35 to Rs 4.50; Plain Fannings Rs 4.15 to Rs 4.25; Medium Assam CTC BP Rs 5.00 to Rs 5.30; Medium Assam CTC Fannings Rs 5.00 to Rs 5.40; Best Assam CTC BP Rs 5.40 to Rs 5.70 and Best Assam CTC Fannings Rs 5.40 to Rs 6.00.

In the Internal Sale, offerings were 27,287 packages of Dusts. Demand was less general than of recent weeks. CTC varieties met with fair support; but they were easier by 60 nP to 80 nP per kilo and sometimes more. The small and powdery descriptions, however, realised better prices. Plain orthodox dusts were absorbed at a discount of 20 nP to 30 nP, while Assams were

a weak feature of the sale and much easier to buy. Legg-cut teas followed the general trend of the market and were easier by up to 40 nP. Following rates (per kilo) were quoted:—Plain Orthodox Dust Rs 4.10 to Rs 4.40; Medium Assam Dust Rs 4.40 to Rs 5.00; Legg-cut Dust Rs 4.50 to Rs 5.20; Medium Assam CTC Dust Rs 5.60 to Rs 6.00 and Good Assam Dust Rs 6.40 to Rs 6.70. Also 219 packages of Leaf grades were offered for internal consumption. These met with quite good demand, but at prices which were much lower.

According to the Tea Board, the quantity of tea sold at the Calcutta auctions fell to 136.04 million kgs in the fiscal year 1960-61 from 150.23 million kgs in the previous year and 149.25 million kgs in 1958-59. Teas sold for export fell sharply from 110 million kg in 1959-60 to 98.83 million kg in the year under review as did those for consumption in India from 40.23 million kg to 37.21 million kg.

Arrivals of tea in the Calcutta Port increased to 506,333 chests in July from 374,589 chests in the corresponding month of last year. This put the total arrivals in the four months ended July 1961 higher at 829,286 chests as compared with 642,248 chests in the corresponding period of 1960. Arrivals by river rose from 349,080 chests in April-July 1960 to 454,232 chests in the period under review as did those by rail from 208,621 chests to 232,145 chests. Arrivals by road and air, too, increased from 56,783 chests and 29,784 chests to 111,646 chests and 31,263 chests respectively.

In the Cochin market, offerings were 487,000 kilogrammes of Leaf teas for export. Against fair demand, plain and low medium broken were 10 nP to 15 nP easier and similar fannings about 5 nP lower. Better medium sorts were steady, while Fannings were 10 nP to 15 nP easier. High-grown teas were irregular; but the best quality teas in this sort were dearer.

The export allotment of tea for the fiscal year 1961-62 has been fixed at 5.00 million pounds by the Pakistan Government. This is done in consultation with the Pakistan Tea Board.

COTTON Favourable Outlook for Cotton

A notable development in the Bombay cotton futures market during the last week was that the Jarilla August, the last futures contract of 1960-61 season, after a rather uneventful and subdued career, went off the board on Wednesday at a cut rate of Rs 645 per three quintals. After a very promising and encouraging start at Rs 588 on 27 February, the contract shot up to Rs 604.50 on 20 March, but later slipped down to Rs 561 on 18 April following the decision of the Government of India to import 0.3 million bales of short staple American cotton. Jarilla August, thereafter, fluctuated irregularly between Rs 561 and Rs 589 before closing at Rs 586. However, it is significant to point out that despite

the bumper crop of about 5.4 million bales during the current season, tenders received against this contract were insignificantly at a low of 1,750 bales, comprising 550 bales of Laxmi "A", 500 bales of Ankleswar, 300 bales of Jarilla, 100 bales each of Surti, Cambodia "B" and "C" and 50 bales each of Buri American and Jayadhar "A".

Meanwhile the outlook for cotton has started showing signs of change for the better. According to recent estimates the new season (1961-62) will start on 1 September with a heavy carryover of approximately 2.3 million bales as compared to nearly 1.4 bales in the current season. The supply position will also be comfortable if the indigenous crop is near about 5 million bales in which case distribution to the mills can be carried out without confronting much difficulty.

The pattern of trading in the Jarilla March 1962 was somewhat quiet. But as the week progressed the apprehension of a slight reduction in the cotton crop during the coming season and the reported

damage to the crops in Vidarbha, Gujarat and Moglai areas created an upward trend in the price and at one time the contract was quoted at Rs 595 per three quintals. However, the price again receded and on Tuesday last it was quoted at Rs 592.50.

The conditions in the spot market at Sewri were steadier and a revival of mill demand was visible. Spinners' interests hovered around CO2, L-147, Vijay, Laxmi and Digvijay. The intervention of holidays restricted, to a great extent, the activity in the market. Foreign cotton failed to attract much attention during the week under review. Stray business was done in East African growths, but the prices showed signs of decline. A small quantum of superior quality of Sudanese growth was transacted. Egyptian and American cotton failed to catch the interest of purchasers.

No fresh development in the export section was reported during the past week. The Government of India's decision to extend the shipment period for the export quota of 30,000

bales of cotton of 3/4" staple and below other than Bengal Deshi upto 30 September was gratefully greeted by the market. The trade is not, however, optimistic of the outcome of this gesture on the part of the Government since the conditions in foreign countries were not at all encouraging and the demand for short staple Indian cotton is reported to be at a low ebb.

According to the East India Cotton Association, consumption of cotton by the Indian mills from 1 September to 31 May totalled 3,944,972 bales. Consumption of cotton during this period showed an increase of 116,650 bales from that of the corresponding period in 1959-60.

Description	1959-60	1960-61
Indian	3,397,868	3,078,906
Pakistan	13,252	16,625
American	94,731	508,829
Egyptian	102,765	89,811
Sudan	100,052	91,887
East African	106,880	131,683
Others	9,774	27,231

Total ... 3,825,322 3,944,972

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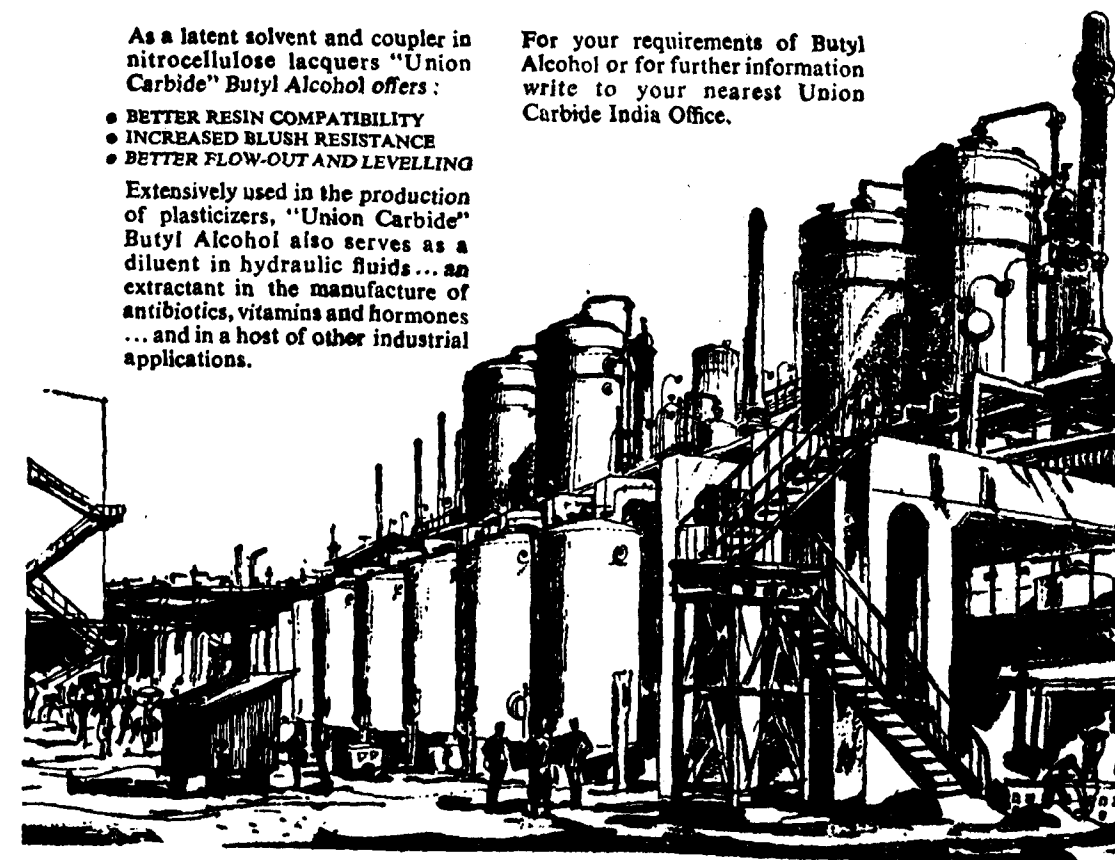
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INDUSTRIAL PRODUCTS SALES DIVISION

UNION
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UNION CARBIDE INDIA LIMITED

BOMBAY CALCUTTA DELHI MADRAS

JWTUC 248 A

PRICE TRENDS.			
	As on 24 Aug. Rs	As on 28 Aug. Rs	As on 30 Aug. Rs
Hessian:			
45" x 11 ozs. ...	54.00	55.00	55.00
40" x 10 ozs. ...	45.50	46.00	47.75
Ready ...	45.50	46.00	47.50
September ...	44.25	44.60	46.20
October-December ...	38.75	38.75	40.25
40" x 8 ozs. ...	35.75	36.00	37.50
40" x 7 1/2 ozs. ...			
Sackings:			
B. Twills—			
Ready ...	125.00	126.25	132.25
September ...	125.25	127.00	130.50
October-December ...	121.00	119.75	125.25
Heavy Cees (Green) ...	128.00	127.50	132.00
Corn sacks ...	128.00	125.50	132.00
Cubans ...	163.00	158.00	165.00
A. Twills ...	156.00	155.00	160.00
L. Twills ...	149.50	148.00	153.00
D. W. Flours ...	154.00	155.00	160.00
Sugar Twills ...	146.00	142.00	148.00
Ready Raw Jute:			
Assam Bottoms ...	32.00	32.00	33.00
Northern Bottoms ...	32.50	32.00	33.00
Daisee Bottoms ...	36.50	35.50	37.00
Futures:	High Rs	Low Rs	Closing Rs
Hessian—November ...	43.96	44.54	45.60
Sacking—November ...	120.60	119.75	123.50
Raw Jute—December ...	31.26	31.24	46.60

Export of Indian cotton to foreign countries from 1 September to 12 August aggregated 269,744 bales as against 191,506 bales from the corresponding period in the previous season.

Countries	1959-60	1960-61
UK	1,810	5,798
Continent	11,212	19,291
Hongkong	6,655	19,160
Japan	163,333	219,404
USA	7,238	5,695
Other countries	1,258	396
Total	191,506	269,744

THE TITAGHUR PAPER MILLS COMPANY LIMITED

NOTICE OF MEETING

Notice is hereby given that an Annual General Meeting of THE TITAGHUR PAPER MILLS COMPANY LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, at 3 p.m. on Friday, the 29th day of September, 1961 for the following purposes:

- To consider and approve the Profit and Loss Account of the Company for the year ended 31st March, 1961, the Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
- To declare Dividends recommended by the Directors.
- To appoint Directors in the place of the retiring Directors.
- To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

- As special business to consider and, if thought fit, to pass the following resolutions including (a) which will be proposed as a special resolution:—
 - (As a special resolution) "That, in conformity with Article 97 of the Articles of Association of the Company and Section 309 of the Companies Act, 1956, authority be and is hereby accorded to the continuance of a payment to the Directors of the Company other than the ex-officio Directors appointed by the Managing Agents and a Director appointed by The Industrial Credit and Investment Corporation of India Limited of a commission of 1% of the net profits of the Company in excess of Rs. 20 lakhs in each financial year over the period of five years extending up to and including the financial year of the Company ending on 31st March, 1966, such commission to be divided between them in such manner as they shall from time to time determine."
 - (As an ordinary resolution) "That the South India Export Company Limited of Madras be and is hereby reappointed Sole Selling Representative of

PIECEGOODS

The cotton piecegoods market in Bombay depicted mixed patterns of trading during the past week. The domestic sector presented a picture of subdued trend while no noteworthy shift in trading conditions was visible in the export section. The upcountry purchasers were conspicuously absent. It appears that lack of demand from the consumers coupled with the expectation that the prices may fall down further constrained them to adopt a holiday mood. Only Assam, UP and Bihar were active in the market whose trading was con-

fined to cover their immediate requirements.

Mills and merchants who have large stocks with them, on the contrary, seem to have gone panicky at the depressing conditions in the market. Even the endeavour of some of them to liquidate at least part of their holdings at a discount failed to attract buyers. Popular varieties were in short supply. Seasonal goods during the period under review remained featureless.

Transactions in the export section too were not heartening. Moderate business with the United Kingdom in the usual qualities was reported. Sudan purchased small quantum of grey sheetings at mill prices. Stray business with Singapore in bleached longcloth was transacted. Burma's fancy hovered around superfine voiles and that destination accounted for moderate quantum of that variety. Australian demand was confined to lower weight sheetings.

East Africa was contented with limited quantity of sheetings and processed goods. Eritrea and Ethiopia were also in the picture although their dealings were confined to grey sheetings and bleached longcloth.

Foodgrains — Output Highest in 1960-61

FOODGRAINS production in India has reached a total of 79.3 million tons in 1960-61, the highest ever. This represents an increase of 4.6 million tons over the partially-revised estimate of 74.7 million tons for 1959-60. It exceeds the previous record of 75.5 million tons in 1958-59 by 3.8 million tons.

According to the all-India final estimates, released by the Directorate of Economics and Statistics, the increases registered in important crops are Rice 2.7 million tons; Wheat 0.6 million tons; Jowar 1.1 million tons and Gram 0.7 million tons. Bajra has fallen by 0.4 million tons and Ragi by 0.3 million tons. Records have been achieved in the production of rice, jowar and wheat. Among the States, which have contributed to the increase in production, are West Bengal, Uttar Pradesh, Bihar, Punjab, Maharashtra and Madras.

India has also agreed to buy 400,000 tons of rice from the open market to fulfil one of the clauses of the American PL-480 food assistance programme. The US Government is giving 1,000,000 tons of the rice to India under the Food Aid Programme. At the same time, India has represented to the US Government that her annual quota of 400,000 tons of wheat, which she must buy from the open market under the PL-480 food agreement, should be reduced to 200,000 tons. India is also expected to buy her requirements of wheat from Australia. Last year, she bought 400,000 tons of wheat from that country.

For obvious reasons, conditions in the Hapur Foodgrains market have continued to remain quiet with prices displaying an easier tendency.

Average wheat prices are stagnant at Rs 15 to Rs 15.25 a maund as demand is slack. The Rice section is also ruling quiet; and the standing paddy crop is reported to be progressing well under favourable weather conditions. Gram prices have eased fractionally due to selling pressure from stockists and weak advices from the Punjab. Pluses have developed an easy trend owing to lack of demand in the face of heavy stocks.

SHELLAC

Conditions in the Calcutta Shellac market have remained generally quiet with Pure TN quality quoting around Rs 126 per maund as against Rs 132 quoted early in the month. Shipments, during the current month till 19, were 8,670 packages comprising 6,887 packages of shellac; 1,250 packages of seedlac; 155 packages of buttonlac and 378 packages of other varieties.

The reported decision of the Government of India not to modify the new price policy for shellac has resolved the deadlock, created since the adoption of the policy in August 7 by the Indian Exporters Association. The measure is stated to be of an *ad hoc* nature and will be effective only until the Government evolves a more broad-based policy in September.

In spite of the uncertainty about the final shape that the policy might take eventually, the decision will help exporters to effect shipments already contracted under the new price policy and thereby maintain the continuity in the export of shellac. While the authorities are keen on fixing the minimum price at a higher level to ensure a fair return to growers, exporters plead for a lower level in order to make Indian shellac prices on a par with international prices. It is pointed out by exporters that the current prices have induced some of the importers to go in for substitutes.

Indian shellac is exported to the UK, Russia, America, China, Brazil, West Germany, France, Italy and Japan. The export has been steadily increasing since the enforcement of the price policy. Against the shipments to the extent of Rs 5.9 crores in 1958, exports improved to Rs 6.1 crores in 1959 and Rs 6.41 crores in 1960.

CHEMICALS & DYES

In the Bombay Chemicals and Dyes markets, prices showed a mixed trend. There was fair activity in Chemicals, while Dyes continued to be listless.

Active conditions in Chemicals were generally attributed to Caustic Soda and Menthol, which met with sustained demand. In the case of caustic soda, earlier expectations of an improvement in the supply as a result of imports by the STC had not materialised. Prices, therefore, improved with the ICI quality quoting around Rs 51 and the indigenous variety around Rs 47.

Menthol registered a sharp rise in prices due to paucity of stocks and higher advices from Calcutta. The price for the Chinese variety went up to Rs 154 from Rs 147 mainly due to cornering of stocks by the

Calcutta dealers. The stock position in Bombay was also stated to be tight, as import licences for the current period were allowed only on the basis of 5 per cent for the whole year, which was considered to be very low as compared to the demand. It was felt that, in view of the stringent exchange position, any liberalisation of the import policy for the forthcoming October-March period should be remote.

Except for stray enquiries, Dyes were generally dull with no change in prices.

YARN

In the Bombay Yarn market, price movements were rather irregular on alternate bouts of buying and selling. Turnover was limited. The unofficial premium for import licences remained almost unchanged around 150 per cent.

Rayon yarn moved irregular with 150 DNRC having buyers around Rs 6.98 and 120D around Rs 8 per pound. Trading in Acetate yarn was featureless, while the prices of Nylon yarns came down further by about 50 nP per pound in the absence of any ready demand.

According to the figures released by the Bombay Yarn Merchants' Association, imports of Art Silk yarn into Bombay amounted to 6.86 lakh kg in July, while those of synthetic yarn amounted to 90,101 kg and of staple-fibre yarn 374 kg. The US was the main supplier of art silk yarn, shipments from this country being of the order of 4 lakh kg. Other important suppliers were Germany, Holland and the UK.

In the Cotton Yarn section, there were no fresh developments. Prices remained practically unchanged.

PEPPER

At a time when great stress is laid on increasing India's exports with a view to earning as much foreign exchange as possible, it is unfortunate that exports of certain important dollar-earners like pepper, should be declining. Apart from the higher price obtained in the home market, the fall in exports has also been brought about by the withdrawal of Russia from the Indian market. Moreover, Brazil has recently emerged as an important competitor in the American market.

Pepper exports for the month of June are placed at 7.72 lakh kg against 13.75 lakh kg in May. The aggregate decline for the season from November to June is 27.79 lakh kg as compared with that in the corresponding period of the previous season.

GINGER

In the Bombay market, Ginger prices have developed a hardening tendency in the wake of the firmness noticed in Cochin. The fact, that there has been no slackening in the demand from overseas buyers in the face of the rising price levels, is a pointer to the continuance of the creditable export performance.

On sustained demand mainly from the UK, Germany and some European countries, exports have been generally running at a distinctly higher level as compared with the previous season. In keeping with this

trend, exports for June stood at 5,01,280 kg, representing a steep rise of 2,47,421 kg.

Since the commencement of the current season in November up to the June-end, dry ginger exports have totalled 48.86 lakh kg—a new high level—as against 25.32 lakh kg in the corresponding period of the previous season. At the rate at which the tempo of exports has so far been maintained, it is felt that, at the end of the season, ginger exports would have reached an all-time high.

RUBBER

In Ceylon, production of Rubber last month was good for this time of the year, with a marked increase in arrivals of all types, especially crepe and scrap crepe. The improvement in output is attributed to favourable weather although, in the last week of July, occasional heavy showers of rain interrupted tapping operations in certain planting areas.

Total offerings of latex and scrap crepes at the public auctions in July 1961 amounted to 2,468 tons, showing an increase of 1,006 tons over the previous month and about 574 tons over the quantity offered in July last year. Offerings of smooth sole crepe at four auctions last month totalled 41½ tons, showing an increase of 15½ tons as compared with the previous month.

According to official statistics issued from Singapore, exports of ribbed smoked sheet rubber from Singapore and Malaya, during July this year, amounted to 53,806 tons. In the first seven months of this year, exports amounted to 372,143 tons as compared with 346,809 tons for the same period last year.

GOLD & SILVER

After ruling initially firm, prices on the Bombay Bullion Exchange displayed a slightly reactionary tendency towards the close due to heavy bull liquidation and profit-taking. With increased arrivals from the interior due to higher price levels and lack of fresh support, they lost much of the gains.

The weakness in Silver was more pronounced than in the yellow metal and this was due to several factors. First, while arrivals picked up from about 15 bars per day to about 40 bars, the offtake continued to be poor at about 10 bars. Secondly, stocks mounted up to about 1,300 bars. Thirdly, there were no indications of any appreciable improvement in demand. Lastly, the backwardation continued to be in favour of bars. Silver (below .996) changed hands at Rs 204.20 to Rs 204.70.

Gold ruled comparatively steady. Contrary to the general expectations of a rise in arrivals on account of seasonal factors, the inflow has remained very thin. The daily average arrivals of about 4,000 tolas were readily absorbed, South India being the major buyer. As the authorities are said to be exercising a strict vigilance on the activities of the smugglers, the supply of contraband gold this year is expected to be much smaller. Gold readily changed hands at Rs 124 to Rs 124.25, while Sovereign ruled steady at Rs 94.75.

OILS & OILSEEDS

Conditions on the Bombay Oilseeds Exchange remained generally weak with prices showing an all-round decline due to nervous bull

unloading. There was a landslide in the prices of Groundnut and its by-products. The bumper crop expectations, following the favourable turn in weather, induced the operators to believe that there might be a further fall in prices. Moreover, the crop in Saurashtra was expected to be a bumper one this year. Ready Bold was quoted at Rs 49.75 and Groundnut Oil at Rs 20.50.

The crop position all over the country is considered to be very favourable this year. Trade circles estimate the total crop in India at around 31.25 lakh tons, less 10 per cent to be kept for sowing of new crop next year. Thus, the total supply, expected for marketing in the new season, is placed at 28 lakh tons. After allowing for a consumption of about 25 lakhs, a net surplus of 3 lakh tons is expected to remain by the end of the new season.

The market for Castor took bearish turn due to lower foreign advices in respect of castor oil in the absence of new business. Castor ready closed at Rs 33.87 and Castor Oil, commercial quality, at Rs 13.91.

Linseed was featured by a sharp fall in spot as well as forward price. The weakness in groundnut was also a contributory factor. Ready Linseed was quoted at Rs 38.50 and Linseed Oil at Rs 16.50.

In the Calcutta market, the price of Linseed has declined to Rs 29.7 a maund for ready delivery. The reaction appears to have taken place in sympathy with the softer trend of other seeds. Arrivals from the upcountry centres are being maintained at a low level. The oil market also quiet and routine business being transacted for ready delivery.



Company Reports

Expansion Plans by Mettur Chemical

The expansion scheme by the Mettur Chemical & Industrial Corporation Limited to step up production of Caustic Soda from 20 to 40 tons per day has been making good progress and the directors expect to complete the erection of the plant and start higher rated production by October this year.

With the increasing requirements of caustic soda in the Third Plan period and the target of 3,50,000 tons per year which has been set for the Third Plan, most of the existing caustic soda factories are effecting substantial expansion. Two other South Indian caustic soda factories have been licensed to increase the capacity - one from 80 to 180 tons per day and the other from 40 to 100 tons per day.

In line with such expansion and in pursuance of the programme, the company has applied for and has secured a licence to expand its capacity of caustic soda from 40 to 100 tons per day. This expansion of caustic soda production and the manufacture of new lines of organic chemicals will entail a further capital expenditure of about Rs 2.5 crores.

To expedite matters, the directors are sending a delegation abroad to negotiate with prominent industrial firms in Europe and USA and to secure the necessary foreign exchange for the expansion through the Development Loan Fund or World Bank. It will, therefore, be necessary to find, in the near future, part of this capital by the issue of shares, equity and/or preference, besides loan capital.

The production of the main chemicals has been maintained at a satisfactory level, as will be clear from the following figures:

	1959-60 Tons	1960-61 Tonnes
Caustic Soda	5,066	5,760
Bleaching Powder	4,489	5,535
Liquid Chlorine	1,142	1,207

The working of the bleaching powder plant for the previous eight months was at an uneconomic level. However, owing to the commencement of production of potassium chlorate and satisfactory returns from lime and vegetable products, the directors are able to make up for the shortfall in the working of the stable bleaching powder section.

Meanwhile, the net profit of the company for the year ended 31 March 1961, after providing for Depreciation, amounts to Rs 18.78 lakhs as against Rs 17.06 lakhs for the preceding year. In respect of allocations, the Depreciation amount is raised to Rs 9.47 lakhs from Rs 6.96 lakhs. After transferring Rs 1.50 lakhs from Deferred Taxation Reserve and Rs 1.30 lakhs from provision for taxes made in prior years, the provision for Taxation is increased to Rs 6.60 lakhs from Rs 4.75 lakhs and General Reserve to Rs 1.00 lakh from Rs 80,000. Development Rebate Reserve is slightly lower at Rs 2.50 lakhs against Rs 2.70 lakhs. The dividend on the ordinary shares is maintained at 12½ per cent, subject to tax.

The issued and subscribed capital is Rs 1 crore divided into 8,00,000 equity shares and 2,00,000-0 per cent tax-free cumulative preference shares both of Rs 10 each. Against this, reserves and surplus are shown at Rs 26.54 lakhs. The gross block at Rs 1.56 crores is depreciated by Rs 81.57 lakhs, leaving a net block of Rs 74.61 lakhs.

Mg. Agents:—Seshasayee Brothers (Private), Ltd.			
Year ended March	1961 Rs.	1960 Rs.	
Sales	13,388,858	11,732,349	
Interest, Dividends & Mls.			
Incomes	235,367	194,464	
Stocks	578,212	540,982	
Stocks in progress	117,526	116,013	
Net profit	2,957,343	2,303,267	
Taxation	660,000	475,000	
Depreciation	947,258	695,685	
Reserve Fund	100,000	80,000	
Development Rebate			
serve	250,000	270,000	
Div. Amount Ord.	840,972	628,126	
Div. Amount Pref.	156,000	160,709	
Carry Forward	15,829	12,716	
Div. % Ord.	124T	124T	
Div. % Pref.	6T	6T	

(Annual General Meeting on 9-9-61 at 4 p.m.)
After transferring Rs 150,000 from Deferred Taxation Reserve and Rs 129,559 from provision for taxes made in prior years.

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

Liabilities.	1961 Rs.	1960 Rs.
Capital Paid-up:		
6% T.R.C. Pref.	2,000,000	2,000,000
Ordinary	8,000,000	5,925,699
5% Debentures	1,125,000	1,275,000
6% Debentures	1,350,000	1,500,000
Share Premium	642,208	642,208
Capital Reserve	1,535	
Reserve Fund	422,000	322,000
Other Funds	1,572,224	1,472,224
Loans Secured	2,291	657,296
Loans unsecured	24,000	24,000
Taxation Provision	660,000	1,284,673
Debts	1,850,955	1,927,109
Carry Forward	15,829	12,716
Total	20,966,040	17,042,914

Assets.	1961 Rs.	1960 Rs.
G. Block	15,617,773	14,365,802
Depreciation	8,156,950	7,381,046
Block (net)	7,460,823	6,984,756
Machinery under erection	2,728,012	38,575
Stores	2,633,873	3,496,956
Stocks in progress	117,526	116,013
Raw Materials	595,186	495,222
Stocks	578,212	540,982
Outstandings	1,493,112	1,409,524
Do More than 3 months	19,609	
Mis. Deposits & Advances	2,980,664	2,322,941
Investments	1,440,131	1,424,244
Cash	920,892	213,701
Total	20,966,040	17,042,914

Soom Tea Pays 50%

Against 30%

Of all the companies in Williamson Magor group, the Soom Tea Company, Limited has produced excellent working results for 1960, thanks to the rise in the crop outturn from 141,637 kgs to 152,998 kgs and in the average price realised from Rs 6.99 to Rs 7.44 per kg. The net profit works out to Rs 3.09 lakhs as against Rs 2.39 lakhs.

Apart from maintaining Rs 25,000 for Building Reserve and a like amount for Repairs and Renewals Reserve, the Depreciation amount is raised to Rs 14,866 from Rs 14,372 and Taxation provision to Rs 1.20 lakhs from Rs 95,000. The directors have proposed a final dividend of 25 per cent, making a total of 80 per cent, taxable, for the year as against a taxable dividend of 30 per cent paid for 1959.

Mg. Agents:—Williamson Magor & Co., Ltd.			
Year ended Decr.	1960 Rs.	1959 Rs.	1958 Rs.
Outturn (kg.)	152,998	141,637	141,637
Av. Price per kg.	7.44	6.99	6.99
Net profit	309,323	238,527	331,158
Taxation	122,340	95,000	158,000
Depreciation	14,866	14,372	9,000
Other Funds	50,000	50,000	
Div. Amount:			
Ordinary	150,000	90,000	150,000
Carry Forward	144,181	172,064	182,000
Div. % Ord.	50T	30T	
(Annual General Meeting on 7-9-61 at 11-10 a.m.)			
Synopsis of balance sheet as on the last day of December.			
Liabilities.	1960 Rs.	1959 Rs.	1958 Rs.
Capital Paid-up	300,000	300,000	300,000
Reserve Fund	300,000	300,000	300,000
Other Funds	215,000	165,000	115,000
Taxation Provn.	226,341	240,500	341,600
Debts	354,840	241,283	321,900
Carry Forward	144,181	175,267	182,000
Total	1,540,362	1,428,050	1,561,400

Assets.	1960 Rs.	1959 Rs.	1958 Rs.
G. Block	773,247	756,966	762,900
Depreciation	365,047	349,266	381,900
Block (net)	408,200	407,700	380,900
Stores	113,891	132,105	83,400
Stocks	115,758	218,971	209,400
Outstandings	29,002	8,901	48,400
Mis. Deposits and Advances	85,981	37,032	42,400
Investments	200,547	200,547	199,500
Deposit in Banks			200,000
Cash	586,983	422,794	397,100
Total	1,540,362	1,428,050	1,561,400

Dimakusi Tea Reports Lower Profits

The decline in the crop outturn from 307.7 kgs to 283,650 kgs is reflected in the work results of the Dimakusi Tea Company Limited, the same managing agency group. The net profit is lower at Rs 3.36 lakhs as against Rs 4.07 lakh. Apart from maintaining Building Reserve Rs 50,000, the Depreciation amount is reduced to Rs 56,856 from Rs 62,719 and Taxation to Rs 1.10 lakhs from Rs 1.50 lakhs. The directors have proposed a final dividend of 15 per cent, making a total of 25 per cent, taxable, for the year against 30 per cent, taxable, for the preceding year.

Mg. Agents:—Williamson Magor & Co., Ltd.			
Year ended Decr.	1960 Rs.	1959 Rs.	1958 Rs.
Outturn (kg.)	283,650	307,746	309,700
Av. Price per kg.	6.19	6.17	5.6
Net profit	336,862	406,860	373,900
Taxation	122,253	150,000	135,000
Depreciation	56,856	62,779	60,800
Other Funds	50,000	50,000	25,000
Div. Amount:			
Ordinary	118,350	142,020	118,350
Preference	6,309	5,608	5,600
Carry Forward	145,510	162,416	165,900
Div. % Ord.	25T	30T	15
Div. % Pref.	9T	8T	
(Annual General Meeting on 7-9-61 at 11-30 a.m.)			
Synopsis of balance sheet as on the last day of December.			
Liabilities.	1960 Rs.	1959 Rs.	1958 Rs.
Capital Paid-up:			
9% C. Pref.	70,100	70,100	70,100
Ordinary	473,400	473,400	473,400
Reserve Fund	483,000	500,000	500,000
Other Funds	260,000	210,000	160,000
Taxation Provn.	296,795	265,467	344,380
Debts	512,222	548,410	448,590
Carry Forward	145,510	156,884	165,900
Total	2,241,027	2,224,261	2,162,430

Assets.	1960 Rs.	1959 Rs.	1958 Rs.
G. Block	1,767,421	1,691,156	1,602,494
Depreciation	800,121	743,656	706,194
Block (net)	967,300	947,500	896,300
Stores	317,516	287,353	271,644
Stocks	612,544	530,209	487,580
Outstandings	97,658	48,392	10,725
Do More than 3 months	2,362		495
Advances	27,593	14,442	34,422
Investments	104,750	150,250	148,750
Cash	111,304	246,115	312,519
Total	2,241,027	2,224,261	2,162,435

Dufflaghur Tea Reduces Dividend

The Dufflaghur Tea Company has also reported a lower net profit of Rs 4.55 lakhs as against Rs 6.92 lakhs for 1959, reflecting the decline in the output from 421,110 kgs to 388,343 kgs.

The following allocations have been made:—Depreciation Rs 73,193 (Rs 63,649); Taxation Rs 1.50 lakhs (Rs 2.20 lakhs); Repairs and Renewals Reserve Rs 50,000 (same); Building Reserves Rs 50,000 (Rs 1.50 lakhs) and Development Rebate Reserve Rs 6,500 (Rs 6,000). The directors have proposed a total dividend of 25 per cent, taxable, for the year. This compares with a taxable dividend of 35 per cent for the preceding year.

Mg. Agents:—Williamson Magor & Co., Ltd.			
Year ended Decr.	1960 Rs.	1959 Rs.	1958 Rs.
Outturn (kg.)	388,343	421,110	480,069
Av. Price per kg.	8.18	5.97	5.56
Net profit	455,006	692,147*	695,403
Taxation	151,447	220,000	305,000
Depreciation	73,193	63,649	63,801
Development Rebate Reserve	6,500	6,000	
Other Funds	100,000	200,000	
Div. Amount:			
Ordinary	175,155	245,217	315,279
Carry Forward	348,515	389,804	442,523
Div. % Ord.	25T	35T	45
(Annual General Meeting on 7-9-61 at 11 a.m.)			
Synopsis of balance sheet as on the last day of December.			
Liabilities.	1960 Rs.	1959 Rs.	1958 Rs.
Capital Paid-up	700,620	700,620	700,620
Reserve Fund	874,500	900,000	900,000
Other Funds	387,500	281,000	180,000
Loans Secured	132,439		
Taxation Provn.	296,797	591,503	863,955
Debts	737,379	897,184	987,862
Carry Forward	348,515	383,571	412,523
Total	3,479,750	3,753,878	3,984,960

Assets.	1960 Rs.	1959 Rs.	1958 Rs.
G. Block	2,908,299	2,754,322	2,541,375
Depreciation	1,535,899	1,469,122	1,418,175
Block (net)	1,372,400	1,285,200	1,123,200
Stores	434,219	406,768	289,814
Stocks	930,041	883,779	814,923
Outstandings	132,296	43,147	149,750
Mis. Deposits and Advances	83,895	66,447	52,061
Investments	440,000	507,750	206,750
Deposits in Banks			600,000
Cash	36,889	560,787	748,452
Total	3,479,750	3,753,878	3,984,960

Chamong Tea Skips Dividend Again

Despite a higher net profit of Rs 83,674 as against Rs 18,390, the Chamong Tea Company Limited has passed over the dividend again for 1960. Apart from providing Rs 24,000 for Taxation and Rs 25,000 for Repairs and Renewals Reserve, the Depreciation amount is reduced to Rs 7,874 from Rs 6,581.

Although the crop outturn is higher at 82,007 kgs against 63,605 kgs, the average price realised is lower at Rs 7.75 against Rs 8.09 per kg.

Mg. Agents:—Williamson Magor & Co., Ltd.			
Year ended Decr.	1960 Rs.	1959 Rs.	1958 Rs.
Outturn (mds.)	2,260	1,753	1,819
Av. Price per lb.	8.52	3.87	3.51
Net profit	83,674	18,390	—2,089
Taxation	24,000		
Depreciation	7,874	8,581	9,253
Other Funds	25,000		
Carry Forward	47,950	21,150	11,341
Div. % Ord.	Nil	Nil	Nil
(Annual General Meeting on 7-9-61 at 11-40 a.m.)			
Synopsis of balance sheet as on the last day of December.			
Liabilities.	1960 Rs.	1959 Rs.	1958 Rs.
Capital Paid-up	279,900	279,900	279,900
Reserve Fund	75,000	75,000	75,000
Other Funds	75,000	50,000	50,000
Loans Secured	31,753	89,129	128,627
Taxation Provn.	16,212	17,586	19,903
Debts	56,656	28,827	33,613
Carry Forward	47,950	18,735	11,341
Total	582,471	559,177	598,384

Assets.	1960 Rs.	1959 Rs.	1958 Rs.
G. Block	435,766	430,792	429,369
Depreciation	100,466	92,592	84,169
Block (net)	335,300	338,200	345,200
Stores	55,695	77,180	64,563
Stocks	130,397	80,735	124,919
Outstandings	270	5,746	4,176
Mis. Deposits and Advances	54,166	46,951	53,480
Investments	1,500	1,500	1,000
Cash	5,143	8,865	5,046
Total	582,471	559,177	598,384

Gohpur Tea Earns Less

The Gohpur Tea Company has earned a net profit of Rs 1.38 lakhs as against Rs 2.68 lakhs for the preceding year. A sum of Rs 65,642 (Rs 58,327) is provided for Depreciation; Rs 15,000 (Rs 96,000) for Taxation; Rs 19,500 (nil) and Rs 25,000 (nil) for Repairs and Renewals Reserve. The dividend is passed over against 10 per cent.

The crop outturn is lower at 220,227 kgs against 266,072 kgs, while the average price realised is higher at Rs 6.19 against Rs 5.75 per kg.

Mg. Agents:—Williamson Magor & Co., Ltd.			
Year ended Decr.	1960 Rs.	1959 Rs.	1958 Rs.
Outturn (kg.)	220,227	266,072	288,227
Av. Price per kg.	6.19	5.75	5.42

Quoted Shares

Preference Shares

CALCUTTA

NAME	Paid-up per Share	Quotation as on 25-8-61
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BANKS

Allahabad 6%	100	96.50
Behar 5%	50	16.00*

COAL

Asso. K'pura 4½%	100	50.50*
Bharat 5½%	100	34.00
Borrea 6½%	100	66.55*
Burrakur 7%	100	99.00
Burrakur 6%	10	7.65
Chitavalah 6%	100	80.00
Ghushick & Muslia 5%	100	100.00
Gourangdi 5%	100	40.00*
Karapura 5½%	100	55.00
Khas Kajora 5½%	10	6.95
N. Beerbhoom 7%	10	10.50
N. Churulia 5%	10	5.08
N. Huntodih 6%	100	45.00*
Ondal 6½%	100	64.10*
Parasae 5½%	100	44.50
United Colliery 5%	100	64.50*

COTTON

Basanti 6½%	100	6.94
Bengal-Nagpur 7%	100	75.00
Bharat Commerce 9%	100	100.00
Bowreah 7%	100	94.60
Bowreah 7%	100	71.00
Elgin 5%	100	100.00
Elgin 5%	10	6.97
Jagatjit 5%	100	80.08
Jiyaserao 5½%	100	86.50*
J. K. Cotton 6%	100	86.60*
J. K. Rayon 6½%	100	100.00
Kesoram 7%	100	94.00
Kesoram 5½%	100	79.15
Muir 6%	100	73.75
N. Victoria 3%	5	2.94
Orissa 5%	100	65.00
Shree Madhusudan 4½%	100	79.00
Shree Niwas 4%	100	48.80*
Shree Bhawani 8%	100	69.00
Swadeshi 6%	100	70.00

JUTE

Agarpara 7%	100	91.00
Alexandra 7%	100	88.00
Alliance 6%	100	94.50
Anglo-India 7%	100	92.00
Auckland 5½%	100	69.50
Auckland 4½%	100	56.00
Bally 7%	100	90.00*
Barnakore 5%	100	25.38
Belvedere 7%	100	81.00
Bengal 5½%	100	53.00
Birla 7½%	100	82.00*
Birla 5½%	100	83.14*
Budge-Budge 7%	100	86.50
Calcutta 6½%	100	50.50
Caledonian 7%	100	80.00
Cheviot 7%	100	90.43
Chitavalah 7%	100	89.00
Clive 6%	100	66.00
Clive 7%	100	73.50
Dalhousie 7%	100	86.00
Delta 5%	100	69.25
Empire 7%	100	74.30
Fort Gloster 7%	100	88.00
Fort Gloster 5%	100	66.00
Fort William 7%	100	92.00
Ganges Mfg. 8%	100	102.00
Gourapore 6%	100	81.50
Hastings 6%	100	82.00
Hooghly 7%	100	10.00
Howrah 'A' Pref.	100	86.45*
Howrah 7%	100	88.45*
Hukumchand 7%	100	91.00
Kamarhaty 6%	100	67.00
Kankarnarrah 6%	100	91.00
Kedarnath 6%	100	66.00
Kedarnath 7%	100	90.50
Kelvin 7%	100	92.00
Khardah 6%	100	79.50

MININGS

Kinnison 7%	100	90.00
Lansdowne 7%	100	91.00
Lawrence 5½%	100	72.50
Naihati 7%	100	98.00
Naihati 4½%	100	80.00
Neilmara 6%	100	78.00
N. Central 7%	100	81.80*
Northbrook 5½%	100	72.50
Rameshwara 6%	10	9.37
Reliance 7%	100	80.00
S. Ambica 7½%	100	82.50
Soorah 7%	100	73.50
Union 7%	100	77.35
Waverley 5%	50	40.50

CEMENT

Dalmia Bharat 6%	10	7.69
Jaipur Udyog 3%	100	37.00
Kalyanpur Lime 7%	100	80.00*
Kalyanpur Lime 6%	100	100.50*
K'dhubi Fire 5½%	100	58.20
Orissa Cement 4½%	100	35.06*

CHEMICALS

Alkali 5%	100	92.00
Bathgate 6%	100	19.00
Bengal Chem. 7½%	10	11.75*
Bengal Chem. 4½%	100	80.50*
Calcutta Chemical 6%	10	7.75
Frank Ross 4½%	100	5.75
Smith Stanistreet 10%	50	63.12

ELECTRICS

Calcutta 5%	£1	7.52
Dishergarh 5½%	100	69.00
Dishergarh 4½%	100	61.50

ENGINEERING

Arthur Butler 7%	10	14.00
Br. Building 6%	100	50.00
Br. Engineering 7%	100	100.00
Burn & Co. 7%	100	114.00
Burn & Co. 6%	100	101.00
India Iron 5%	100	90.00
India Machinery 7%	100	63.00
Ind. St. Wagon 7%	100	112.00
Jessop & Co. 5%	100	78.00
J. K. Steel 7%	100	100.00
Kumardhubi 5%	100	80.00
R. Cruddas 5½%	100	54.00*
Steel Products 5%	10	7.22
Texmaco 5½%	100	79.15
Texmaco 5½%	100	62.00
Texmaco 6½%	100	92.50

MISCELLANEOUS

Alum. Corp. 6%	100	96.00
Alum. Corp. 5%	100	71.00
Amal. Dev. 5%	100	37.00*
Asso. Hotel 7%	100	52.75
Bharat Midhi 6%	100	44.67
Birds Investment 5½%	100	57.00
Br. Biscuits 8%	10	8.24*
B. I. Corporation 8%	100	109.70
Cal. Cr. Corp. 6%	100	34.50
Cal. Cr. Corp. 5½%	100	23.50*
Calcutta Gas 5½%	100	52.14*
Calcutta Silk 5%	100	49.12*
Calcutta Trams 5%	£1	7.81
Duncan Bros. 4%	100	53.50
Dunlop 6%	100	110.00
Dunlop 6%	100	79.00
Eastern Inv. 5%	100	67.44
Gillanders 5%	100	57.00
Godfrey Phillips 5½%	100	56.50
Greaves Cotton 5%	100	32.86*
Greaves Cotton 6%	100	48.43*
Hindustan Alu-minium 6.3%	25	24.37
Hindustan Motors 6%	100	168.00

NAME
Paid-up per Share
Quotation as on 25-8-61

Hindustan National Glass 8%	100	93.00*
Indian Alum. 5%	100	69.00
Indian Cables 6%	10	34.00
Indian Plastics 5½%	100	40.50*
Indian Rubber 5%	100	59.75
James Wright 6%	50	19.75*
J. Henderson 5½%	100	57.00
K. Bullen 5½%	100	51.12
K. Bullen 4%	100	48.10
Kusum 5½%	100	64.00*
Macneil & Barry 5½%	100	51.57
Madhya Pradesh Ind. 6%	100	93.00*
Martin Burn 5%	100	85.00
McLeod & Co. 5%	100	47.78*
1st Pref.	100	57.00
2nd Pref.	100	85.50
National Rubber 6%	100	76.00
National Tannery 5%	10	2.35
National Tobacco 5%	100	70.00
National Tobacco 4½%	10	61.75
Nav. Bharat Vanija	100	75.00
Rallis 6%	100	67.00
Rohtas Indus 7%	100	115.00
Rohtas Indus 4½% B	100	66.25
Sen Raleigh 5%	100	155.00
Shaw Wallace 6%	100	66.50
Spencer 6½%	10	5.37
Spencer 8½% B	10	10.12
Standard Vacuum 6%	100	90.50
Union Tobacco 6%	400	15.50

OILS

I. B. Petrol 7%	100	83.00
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PAPER

Ballarpur 5%	100	112.00*
Bengal Paper 7%	50	46.50
Bengal Paper 7%	100	98.00
Bengal Paper 6%	100	59.43
Orient 5½%	100	83.00
Orient 5½%	100	63.75
Shree Gopal 8%	100	101.50
Shree Gopal 7½%	100	95.00
Star Paper 6%	100	85.90xr*
Star Paper 6½%	100	85.40xr
Star Paper 7%	100	82.80xr
Star Paper 7% Con.	100	69.63
Titagarh 8%	100	99.00
Titagarh 4½%	100	76.00

PRESSING

Bhagwati 7%	100	28.00*
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REAL PROPERTY

Humayan 6%	10	7.00
Regent Estate 4%	100	33.50

SAW MILLS

Bengal Timber 8%	100	7.50
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SHIPPING

B-A Steam 7%	60	43.87*
I.G. Navigation 6%	£10	77.00
India Steam 5%	100	76.00

SUGAR

Carew 6½%	100	90.00
Cawnpore 8%	100	120.00
Jaswant 5½%	100	65.00
Mohini 5%	100	70.00*
New India 7½%	100	137.72
Purtapore 10%	10	11.12
Rammugger 6%	100	83.00
Ryam 6%	10	8.40*
South Behar 9%	100	20.50*
S. Hanuman 5%	100	55.00*
S. K. Gyan 6%	100	63.30
S. K. Gyan 5%	100	54.25
Upper Ganges 5%	100	69.00

TEA

Amiuckie 7%	10	31.00
Bormah Jan 6%	100	56.00*
Brooke Bond 6%	100	63.50
Dhunseri 10%	10	2.12
Dimakudi 8%	10	3.10*
Kingsley Gola 6%	100	71.43*
Moheema 6%	10	5.85
Tezpore 8%	10	9.10*

*Nominal. †Ex-Dividend. ‡Cum-Dividend.

NAME
Paid-up per Share
Quotation as on 25-8-61

Guelle 6%	100	80.00
Lingia 6%	100	52.00
Okayti 7%	100	79.00*
Pussimbing 7%	100	97.00
Singtom 5%	10	4.87*

Ordinary Shares

CALCUTTA

NAME	Paid-up per Share	Quotation as on 25-8-61
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GOVERNMENT OF INDIA LOANS

(Non-Terminable Loans).

3% Govt. Paper	72.45
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(Terminable Loans).

3% Loan (1986)	72.85
2½% Loan (1961)	89.50
2½% Loan (1962)	89.05
2½% Loan (1976)	84.45
2½% Loan (1980)	89.76
3% Loan (1984)	88.85
3% Loan (1963-65)	88.88
3% Loan (1966-68)	96.33
3% Loan (1970-75)	91.13
3½% Loan (1962)	99.30
3½% Loan (1961)	99.95
3½% Loan (1963)	100.00
3½% Loan (1964)	99.00
3½% Loan (1965)	99.98
3½% Loan (1966)	100.00
3½% Loan (1967)	100.00
3½% Loan (1968)	99.82
3½% Loan (1969)	99.15
3½% Loan (1967)	100.40
3½% Loan (1968)	100.33
3½% Loan (1974)	99.65
4% Loan (1972)	100.35
4% Loan (1973)	100.25
4% Loan (1979)	100.00
4% Loan (1980)	99.95

BANKS

Allahabad	100	329.00
Allahabad	50	163.00
Bank of Bihar	100	51.00
Bank of Baroda	25	44.50
Bank of India	50	107.75
Hindust. Comm.	50	14.75
Hindust. Mercan.	50	16.50
Punjab National	10	24.00
United Bank	10	3.60
United Bank	10	5.00
United Comm.	50	90.50

RAILWAYS

Ahmedpur-Katwa	100	30.25
Ararh-Sasaram	100	30.00
Bankura-Damodar	100	30.00
Bardwan-Cuttwa	100	31.50
Chhapra-Silghat	100	30.10
Dehri-Rohas	10	21.25
Cuttwa-Islampur	100	30.60
Howrah-Amta	100	46.50
Howrah-Sheakhala	100	44.75
Katakhal Lalabazar	100	41.00
Shahdara (Delhi) Saharanpur	100	71.00

COAL

Amalgamated	10	23.75
Asso. Karapura	10	5.50
Asso. Laidkh	10	5.12
Bagdigi Kujama	10	6.50
Bengal	100	380.00
Bengal Bhatdee	10	3.48*
Bengal-Nagpur	10	20.19
Bhaigora	10	5.00
Bharat	10	3.40
Bhowre Kankanee	10	7.94
Bhumbararee	10	7.40
Bokaro & Ramgur	10	17.44
Borrea	10	23.69
Burrakur	10	18.25
Central India	10	12.94
Central Kurkend	10	7.00
Churulia	4	2.50
Dhemo Main	10	6.75
East Indian	£1	35.50
Equitable	10	30.12

NAME	Paid-up Share.	Quotation as on 25-8-61 Rs nP	NAME	Paid-up Share.	Quotation as on 25-8-61 Rs nP	NAME	Paid-up Share.	Quotation as on 25-8-61 Rs nP	NAME	Paid-up Share.	Quotation as on 25-8-61 Rs nP
PAPER MILLS											
Ballarpur	25	36.50	Brooke Bond	10	15.87	North-West Cachar	100	200.00	Coffee Lands 5%	100	71.08
Bengal Paper	25	89.56	Dejoo Valley	10	50.75	Pathemara	10	7.25	Cons. Coffee 6%	25	20.87
India Paper	10	17.37	Dessai and Purbat	100	155.00	Roopacherra	10	15.69	Coonor Tea 6%	100	83.14
Mysore Paper	10	29.87	Dhuner	10	19.87	Rungamattee	50	50.00	Coorg Tea 7 1/2%	10	4.14
Orient Paper	10	33.70	Dhruv	10	16.00	Sonai River	10	9.12*	Cottanad 7 1/2%	10	9.60*
Seshasayee	10	8.91	Dufflaghur	10	35.75	Tea Producing Co.	10	10.37*	Devon 7 1/2%	100	85.17
Shree Gopal	10	24.25	Dimakuri	10	27.25	Tilak	10	10.00*	Hellayburia 5%	100	68.58
Sirpur Paper	10	13.56	East India	10	32.62				Highland 6%	10	7.25
Star Paper	10	12.12x	Gillapukuri	10	20.12				Kadur Coffee 6 1/2%	10	6.50*
Straw Products	10	8.65	Gohpur	10	26.37				Karikode 6%	10	6.99
Titagur P.O.	2 1/2	3.79	Grob	10	16.94				Kil Kotagiri 7%	10	8.37
Titagur Ord.	10	34.25	Hapijan Purbat	10	9.94				Kurchemala 6 1/2%	10	5.88
U. I. Couper	100	50.00	Hograjuli	10	13.50				Malabar Agri. 6%	20	14.93
West Coast	100	174.00	Hoolungoorie	100	25.25				Manimala 5%	10	9.00
			Jayshree	100	185.00				Mer. Rubber 6%	10	7.10
			Joonkotte	10	17.31				Midlands 6%	10	7.30*
			Jutlibari	10	20.50				Miamallay 7 1/2%	25	24.25*
			Kyang Tea Seed	10	39.00				Mysore Amal. 6%	10	5.25
			Kingsley Goghat	100	7.56				Mysore Plan.	10	1.00
			Krishnabehari	10	157.00*				Neelamalai 5%	10	6.10
			Ledo	10	11.00				Nellampathy 6%	10	7.38
			Maud	10	17.00				Nemmeny 7%	10	8.86
			Methoni	10	14.00				Nilambur 6%	10	6.10
			Moheema	10	16.81*				Nilgiri Tea 6 1/2%	10	3.80
			Murphulani	100	11.50				Pullangode 6%	100	87.50
			Murphulani P.O.	10	445.00				Rajagiri 6%	10	7.57
			Naga Hills	10	24.50				Rajendra 6%	10	6.45
			Namburnadi	10	22.24				Rajendra 5 1/2%	10	6.94
			New Cinnatollah	10	18.75				Sangameswar 7%	10	8.48
			New Monkhooch	100	14.25				Talaray Tea 6%	10	9.75
			Rajgarh	10	120.00				Teakoy 6%	10	7.05
			Sapoli	10	19.80				Thamarapally 6 1/2%	10	6.80
			Seajuli	10	28.25				T. R. & T. Co. 6%	5	3.50
			Teloljan	10	20.87				Udayagiri 7%	10	8.95
			Tengpani	10	31.75				Vellimalai 7%	10	8.50
			Tezpori	10	34.75*				Waterfalls 6%	10	8.20
			Tongani	10	16.56*				Woodcote 6 1/2%	5	2.94
			Tycoon	10	6.44				Woodlands 6 1/2%	10	7.45
				10	35.12				Woodlands 6 1/2%	10	7.22

SHIPPING				Darjeeling		Gardons		NAME				Paid-Quotation		TEXTILES							
B. A. Steam	...	100	104.00	Bloomfield	...	10	4.08	Anglo-French 6%	...	10	7.90	up to	...	100	67.00	Bangalore Wool 6%	...	100	108.91		
Calcutta Landing	...	10	13.90	Chamong	...	10	9.81	Buckingham 7 1/2%	...	100	122.00	Share.	24-8-61	Rs nP	...	100	90.00	Cauvery Spg. 8.93%	...	100	85.00
Calcutta Steam	...	10	12.37	Darjeeling	...	100	142.00	Cambodia 7%	...	100	90.00				...	100	85.00	Coim. Kamala 6 1/2%	...	100	92.00
Freder. & Co.	...	10	10.06	Dilaram	...	100	108.00								...	100	85.00				
I. G. Navigation	...	£10	66.00	Ghelle	...	10	10.50								...	100	85.00				
India Steam	...	10	7.74	Lingia	...	10	16.00								...	100	85.00				
Port Shipping	...	10	10.50		...	10	11.97								...	100	85.00				

SUGAR			Margaret's Hope			10	15.56				Coim. Pioneer 5 1/2 %			100	78.50			
Bairampur	...	2 1/2	2.53	Mim	...	100	191.50				Hemalatha 5 %			...	100	61.40		
Balsund	...	8 1/2	11.25	Nagri Farm	...	10	26.00				Kothari Textile 6 %			...	10	8.80		
Bharat	...	10	16.50	Okaydi	...	100	600.00				Loyal 5 %			...	100	60.00		
Basti	...	100	105.50*	Pashok	...	10	26.00*				Palani Andavar 7 %			50	121.82			
Carew	...	10	14.75	Poobong	...	10	7.37				Rajalakshmi 6 1/2 %			...	50	44.50		
Cawnpore	...	10	13.06	Pusumbing	...	100	7.75				Thirupati 8.93 %			...	10	8.28		
Champana	...	10	17.25	Runglee Kunglath	...	100	385.06				Travancore Rayon 5 %			...	10	7.15		
Darbhanga	...	10	12.00**	Seeyok	...	100	10.00				Vasanta 6 1/2 %			...	100	97.00		
Deoria	...	10	8.71	Singell	...	100	37.25				Vasanta 6 %			...	100	94.02		
Dyer Meakin	...	5	34.25	Singtom	...	10	5.67				Venkatesa 6 %			...	50	47.27		
Genesh Sugar	...	10	19.22*	Soom	...	10	45.00				Vijayakumar 6 %			...	100	85.00		
Jaswant	...	10	5.25*	Sungma	...	10	13.44				Virudunagar 5 %			...	100	50.00		
	...	10	5.25*	Tunga Valley	...	10	15.31											
	...	10	5.25*	Tukva	...	10	7.50											

BANKS																			
Canara Bank 5 %	...	50	36.84	Canara Bank 4 1/2 %	...	50	47.47	Canara Bank 4 %	...	50	45.54	Canara I. and B. 6 %	...	100	85.54	Canara I. and B. 5 %	...	50	8.89
ELECTRICS																			
Berhampur 6 %	...	10	...	Kumbakonam 6 %	...	10	9.00*	Nagapatam 6 %	...	10	8.75*								

Nawabganj	...	180	60.00*	...	100	330.00	South Madras 5 1/2% 1st	...	10	8.10*	Amrutanjan 7 1/2%	...	100	125.00*	
New India	...	10	32.00	Banarhat	...	100	26.56	South Madras 5 1/2%	...	10	8.25*	Andhra Cement 6%	...	100	92.74
New Savan	...	10	5.69	Baradighi	...	10	22.00	Tin. Tuticorin 5 1/2%	...	10	8.24	Andhra Scientific 5%	...	10	7.04
Panjab	...	100	50.00*	Bhatkova	...	100	173.00	Vellore 6%	...	10	6.28*	Aspinwall 6%	...	10	7.62*
Purnabopore	...	10	11.65	Birpara	...	100	145.00	West coast 5 1/2%	...	10	6.15*	A. V. Thomas 6%	...	10	7.25
Rammugger Cane	...	10	30.44	...	...	100	238.50					A. V. Thomas 1 1/2%	...	10	5.00
Ratna	...	10	1.45*	Carrao	...	100	176.00					Brunton 6%	...	10	7.25
Raza Buland	...	10	11.25	Choonabhutti	...	100	136.00					Can. Scientific 6%	...	5	5.10*
Ryam	...	10	12.12	Ellenbarrie	...	100	18.25	Andhra 6 1/2%	...	100	100.00	Dalmia Cement 6%	...	10	7.78
Samastipur	...	10	10.44	Engo	...	100	19.62	Caluvery 6%	...	100	84.00	Enfield 7%	...	100	98.00*
Shree Ananda	...	10	10.50*	Ethelbari	...	10	210.00	Deccan 7%	...	5	5.03	India Cement 7 1/2%	...	100	79.50*
Sitalpur	...	10	6.44	Gairkhatta	...	100	133.50*	E.I.D. 9%	...	20sh	18.25	I. S. Rolling 5 1/2%	...	10	7.50*
South Bihar	...	10	3.00	Gopalpur	...	25	27.87	India 7 1/2%	...	100	83.63	Kasturi & Sons 6%	...	100	101.00
South Bihar (Dist.)	...	2	0.25*	Hantapara	...	100	7.37	Jeyapore 6%	...	100	89.00	Madras Aluminium	...	25	25.00
Sri Hanuman	...	10	15.75	Hasimara	...	10	28.12	Jeyapore 7%	...	100	92.39	Madras Cements 9 1/2%	...	100	100.00
S. K. Anoday	...	10	11.00	Hill Tea	...	10	16.12*	K.C.P. 5%	...	100	95.45	Madras Vanas. 5 1/2%	...	100	50.00
Shree Anandaram	...	10	7.12	Huddibari	...	10	18.00	K.C.P. 6 1/2%	...	100	94.00	Mandya N. Paper 7%	...	100	100.00
Tulsipur	...	5	5.12	Jaybirpara	...	10	19.75	Kirumpudi 5 1/2%	...	100	129.50	Markar 6%	...	50	52.33
Upper India 'A'	...	100	102.00*	Kadamhini	...	15	21.12	Travancore 5%	...	10	7.30	Medowall 6%	...	100	80.00*
Upper India 'B'	...	25	8.75*	Killicott	...	10	54.25					Mettur Chemical 6%	...	10	9.50*
Upper India 'C'	...	10	70.00	Malhati	...	10						Mys. Chem. Mfg. 6%	...	10	8.50
Upper India 'D'	...	10	15.50	Manabbarrie	...	10									

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NAME	Paid-up Share.	Quotation as on 25-8-61 Rs nP	NAME	Paid-up Share.	Quotation as on 25-8-61 Rs nP	NAME	Paid-up Share.	Quotation as on 25-8-61 Rs nP
TEA								
Amul	10	25.94	Pashok	10	7.37	Canara Bank 5%	50	36.84
Anand Asam	10	16.60*	Pashok	10	7.37	Canara Bank 4 1/2%	50	47.47
Ananda Bag	10	29.50	Pashok	10	7.37	Canara Bank 4%	50	45.54
Ban	10	21.22	Pashok	10	7.37	Canara I. and B. 5%	10	8.89
Ban Tea	6	8.50	Pashok	10	7.37			
Bate	10	26.08	Pashok	10	7.37			
Beth	5	19.06	Pashok	10	7.37			
Bishnupur	10	35.50	Pashok	10	7.37			
Bokro	10	26.44	Pashok	10	7.37			
Bornan	10	13.70	Pashok	10	7.37			
Bornan	10	19.94	Pashok	10	7.37			
Bornan	10	14.06	Pashok	10	7.37			

NAME	Paid-up Share.	Quotation as on 24-8-61 Rs nP	NAME	Paid-up Share.	Quotation as on 24-8-61 Rs nP	NAME	Paid-up Share.	Quotation as on 24-8-61 Rs nP	NAME	Paid-up Share.	Quotation as on 26-8-61 Rs nP
Trav. Chem. 6½%	10	9.10*	Manar ...	2	2.83	Tirupati ...	10	11.50	Central India 5% ...	100	397.50
T. Stanes 7%	100	82.65*	Manimala ...	10	8.75	Trav. Rayon ...	10	38.25	Century 6% ...	100	107.00
United Elec. 5%	10	10.20	Mercara ...	5	8.28	Trichinopoly ...	10	12.75	Elphinstone 7% ...	100	68.50
Vanguard Fire 5½%	6	4.73	Midland ...	10	11.80*	Vasanta ...	100	265.00	Hindustan 4½% ...	1000	628.00
W. I. Plywood 6%	100	92.00*	Mimalaly ...	25	38.25*	Venkatesa ...	50	185.00	Hindustan 4½% ...	250	175.00
			Mysore Amalgam ...	5	5.90	Vijayakumar ...	100	104.00	Indian Mfg. ...	1000	628.00
							100	97.00	Indian Mfg. ...	500	

Ordinary Shares

MADRAS

BANKS

NAME	Paid-up Share.	Quotation as on 25-8-61 Rs nP	NAME	Paid-up Share.	Quotation as on 25-8-61 Rs nP
Andhra	100	180.00	Andhra	85	85.50
Andhra	85	85.50	Canara Bank	50	89.00
Canara Bank	50	89.00	Canara Banking	50	80.50
Canara Banking	50	80.50	Canara I. & B. 'A'	100	180.00
Canara I. & B. 'A'	100	180.00	Canara I. & B. 'B'	10	18.00
Canara I. & B. 'B'	10	18.00	Canara I. & B. 'C'	1	1.80
Canara I. & B. 'C'	1	1.80	Indian Bank	100	176.00
Indian Bank	100	176.00	Indian Bank	80	150.00
Indian Bank	80	150.00	Indian Overseas	100	187.00
Indian Overseas	100	187.00	Pandyan	10	27.50
Pandyan	10	27.50	Punjab National	10	24.25
Punjab National	10	24.25			

ELECTRICS

NAME	Paid-up Share.	Quotation as on 25-8-61 Rs nP	NAME	Paid-up Share.	Quotation as on 25-8-61 Rs nP
Berhampore	10	13.37	Cochin	10	20.50
Cochin	10	20.50	Ellore	10	9.05
Ellore	10	9.05	Karakkai	10	11.62
Karakkai	10	11.62	Kumbakonam	10	10.50
Kumbakonam	10	10.50	Nagapattinam	10	13.25
Nagapattinam	10	13.25	Salem-Erode	10	10.12
Salem-Erode	10	10.12	South Madras	10	11.80
South Madras	10	11.80	Tin-Tuticorin	10	13.35
Tin-Tuticorin	10	13.35	Vellore	10	14.90
Vellore	10	14.90	West Coast	10	14.90

NAME	Paid-Quotation up per share.	as on 26-8-61 Rs pF	NAME	Paid-Quotation up per share.	as on 26-8-61 Rs pF	NAME	Paid-Quotation up per share.	as on 26-8-61 Rs pF	NAME	Paid-Quotation up per share.	as on 26-8-61 Rs pF
AUTOMOBILES, CYCLES & ACCESSORIES			Ordinary Shares (Non-Cleared)			Madhusudan A			DYES, CHEMICALS & PHARMACEUTICALS		
Wind Cycles 5% ...	100	65.00*	BOMBAY			Madhusudan B ...	20	14.00	Adarsh Chemicals ...	75	93.00
Hind Cycles 5% ...	100	75.00*	COTTON TEXTILES			Motor & Gen. Finance ...	10	40.00*	Alembic Chemical ...	100	228.00
Hind Cycles 5% ...	25	25.00*	ADONI			ELECTRICS			Amar Dye Chem. old ...	100	300.00
Hind Cycles 5% ...	100	78.50	BRADBURY			Amalgamated ...	10	10.36	Amar Dye Chem. new ...	100	392.50
Hindustan Motors 6% ...	100	192.00	COORLA			Anand ...	50	53.00	Anu Pharma ...	5	7.50*
Sen Raleigh 5% ...	100	145.00	DAVANGERE			Bassein ...	10	8.56*	Chemo. Pharma ...	25	26.25
Standard Motor 6% ...	100	103.00*	DHANGADHRA			Broach ...	50	51.00	Citric India ...	50	72.00
'A' ...	100	103.00*	GAEKWAR			Dharwar ...	50	54.00	Colour Chem. ...	100	342.50
'B' ...	100	103.00*	GOLD MOHUR			Nadiad ...	100	105.00	Dharamsi Chem. ...	50	272.50
SHIPPING			HINDUSTAN F.P.			Nasik Deolali ...	100	94.00	Dhrangadhra Chem. old ...	100	122.50
Great Eastern 5% ...	100	91.00	HINDUSTAN P.P.			Pooma ...	100	98.00	Dhrangadhra Chem. new ...	100	106.50
DYES, CHEMICALS & PHARMACEUTICALS			HUKUMCHAND			Surat ...	100	98.00	Indian Dyestuff ...	100	417.50
Alembic Chem. 6% ...	100	81.00	INDIAN MANIF.			CEMENT			Kemp ...	200	298.00
Alembic Chem. 5% ...	100	77.00	JAM. RANJIT			Ashoka ...	10	9.00	Poly Chem. ...	50	20.00
Alembic Chem. 6% ...	100	75.00	JAYAJEERAO			Bagalkot ...	10	7.88	Sirdar Carbonic Gas ...	100	421.25
Amar Dye 6% ...	100	101.00	KHANDSH			Dalmia ...	10	11.00	Tata Chemical (new) ...	10	17.52
Dhrangadhra 6% ...	100	79.00	KOTTHARI			India Cement ...	5	8.72	Ultramarine & Pigments ...	50	106.50
Indian Dyestuff 6% ...	100	108.50	LAKSHMI			Indian ...	10	25.00	Zandu Pharmaceutica ...	100	111.00
Poly Chem. 7% ...	50	44.00	MAFATIAL			Jalpur Udyog ...	10	10.98	SUGAR		
Tata Chemicals 5% ...	100	86.50	MAHENDRA			Sone Valley ...	5	4.60	Cauvery ...	100	123.00*
SUGAR			MAHENDRA (New)			PAPER & HARDBOARDS			Hindustan ...	100	330.00
Bhopal 5% ...	100	84.50	MODERN MILLS			Anil Hardboards ...	100	252.50	Kesar ...	50	222.00
Cauvery 6% ...	100	99.50*	NAVARI COTTON			Jayant Paper ...	75	84.50	Maharashtra ...	50	190.00
Hindustan 5% ...	100	90.00*	NEW CITY			Mandya National Paper ...	10	8.64	New Swadesh ...	100	328.00
Maharashtra 7% ...	250	240.00*	PHOENIX			Orient Paper ...	10	40.85	Oudh ...	100	191.00
Ravalgaon 5% ...	100	61.00	R. MOTILAL			Rohit Pulp & Paper ...	75	74.00	Ravalgaon Dtd. ...	50	64.00
South Behar 7 to 9% ...	100	20.00*	RUBY			Star Paper ...	10	13.52	Raza Buland ...	10	10.64
Walchand 10% ...	100	114.50	SASSOON SPINNING			Star Paper 'A' ...	10	12.40*	Kr. Gyanoday ...	10	14.75
PLANTATION			SHREE BHAWANI			Straw Products ...	10	12.32*	South Behar Dtd. ...	24	0.25*
Highland ...	10	7.24*	SHREE SHUBHALAXMI			West Coast Paper ...	100	171.00	Ugar ...	100	140.00*
Midland ...	10	7.20*	SHREE SHUBHALAXMI			W. India Plywoods ...	100	225.00*	Vishnu ...	100	235.00*
Nelliampathy 6% ...	10	7.25*	SHREE SHUBHALAXMI			STEEL, METALS & ALLOYS			PLANTATIONS		
Rajagiri 6% ...	10	6.48*	SHREE SHUBHALAXMI			Aluminium Corpn. ...	10	16.36	Blue Mountain ...	2	3.08*
Waterfall 6% ...	10	8.40*	SHREE SHUBHALAXMI			Chase Bright Steel ...	10	12.00	Highland ...	10	14.00*
ELECTRICAL GOODS			SHREE SHUBHALAXMI			Dalmia Iron ...	10	9.84	Halleyburia ...	10	13.80*
Bajaj Electricals 5% ...	100	71.50	SHREE SHUBHALAXMI			Ferro Alloys ...	100	138.00	Kalpetta ...	10	12.52*
Estrela Batteries 5% ...	50	32.00	SHREE SHUBHALAXMI			Hindustan Alum. (New) ...	10	13.08	Midland ...	10	11.60*
FOOD PRODUCTS & VEG. OILS			SHREE SHUBHALAXMI			Indian Bright Steel ...	5	4.44	Nelliampathy ...	2	2.50*
Folson 6% ...	100	76.00*	SHREE SHUBHALAXMI			Jalpur Metals ...	100	145.00	Rajagiri ...	10	18.40*
Sathe Biscuits 9% ...	100	94.30	SHREE SHUBHALAXMI			Khandelwal Ferro Alloys ...	50	72.00	Twylford ...	10	12.00*
Sundatta Foods 8 to 11% ...	50	50.10	SHREE SHUBHALAXMI			Mukund Iron ...	5	22.00	Waterfalls ...	2	2.96*
Tata Oil 4% ...	100	58.00	SHREE SHUBHALAXMI			Mukund Iron Dtd. ...	10	182.00	ELECTRICAL GOODS		
POTTERIES & TILES			SHREE SHUBHALAXMI			ENGINEERING			Bajaj Electricals ...	100	110.12
Bombay Pottery 6% ...	100	75.00*	SHREE SHUBHALAXMI			Asian Cables ...	100	108.00	Bajaj Electricals ...	75	80.00
Bombay Pottery 4% ...	100	62.50	SHREE SHUBHALAXMI			Brady Engg ...	80	83.00	Bharat Billee (new) ...	100	132.00
Digvijay Tiles 6% ...	100	85.00*	SHREE SHUBHALAXMI			Brunton Engg ...	10	4.00*	Estrela Batteries ...	50	72.50
Khodiyur Pottery 4% ...	100	100.00*	SHREE SHUBHALAXMI			C. India Machinery ...	10	10.00*	Standard Batteries ...	100	238.75
Parshuram Potteries 6% ...	25	28.00	SHREE SHUBHALAXMI			Greaves Cotton ...	100	185.00	FOOD PRODUCTS & VEG. OILS		
Parshuram Potteries 4% ...	25	17.00	SHREE SHUBHALAXMI			Hindustan Electric ...	100	104.50	Hindustan Lever ...	10	47.50
RUBBER GOODS & TYRES			SHREE SHUBHALAXMI			Hindustan Wires ...	5	10.00	Indian Vegetable ...	100	135.50
Associated Rubber 7% ...	100	100.00*	SHREE SHUBHALAXMI			Indian Tool ...	100	201.00	Sathe Biscuit ...	100	100.00*
National Rubber 6% ...	100	82.00	SHREE SHUBHALAXMI			Joy's Engineering ...	50	99.50	Sathe Biscuit ...	50	50.00*
Premier Tyres 6% ...	75	71.00*	SHREE SHUBHALAXMI			Kamani Engg ...	10	175.00	Sundatta Foods ...	50	50.00
MISCELLANEOUS			SHREE SHUBHALAXMI			Kirloskar Engg ...	25	45.00	W. India Vegetable ...	100	117.00
Aso. Stone 6% ...	100	100.00*	SHREE SHUBHALAXMI			Kirloskar Oil Engines ...	10	28.75	POTTERIES & TILES		
B. I. Corporation 6% ...	100	112.00	SHREE SHUBHALAXMI			Kirloskar Pneumatic ...	100	250.00	Bombay Potteries ...	100	180.00
Delhi Safe 6% ...	100	100.00*	SHREE SHUBHALAXMI			Lakshminarayan Engg. ...	5	3.50	Digvijay Tiles ...	100	84.00
East India Hotels 6% ...	100	100.00*	SHREE SHUBHALAXMI			Mahindra & Mahindra ...	10	18.88	Parshuram Pottery ...	25	67.00
Hindustan Const. 6% ...	100	66.00	SHREE SHUBHALAXMI			Man. Indust. Corpn. ...	100	125.00	RUBBER GOODS & TYRES		
Hingir Rampur 4% ...	50	32.00*	SHREE SHUBHALAXMI			McKenzie's ...	100	125.00	Associated Rubber ...	100	105.00
I. Hume Pipe 5% ...	100	87.50	SHREE SHUBHALAXMI			Mysore Kirloskar ...	100	172.50	Ceat Tyres ...	100	208.75
Madhusudan 4% ...	124	8.00	SHREE SHUBHALAXMI			National Electrical ...	50	76.00	General Tyres ...	5	6.36
Madhya Pradesh Ind. 6% ...	100	105.00*	SHREE SHUBHALAXMI			New Standard Engg. (New) ...	100	186.50	National Rubber ...	10	18.24
Motor & G. Fin. ...	25	36.00*	SHREE SHUBHALAXMI			Paper Mill Plant and Machinery ...	100	83.50	Premier Tyres ...	75	121.00
N. I. Fisheries 6% ...	100	101.00*	SHREE SHUBHALAXMI			Structural Engg. Old ...	100	175.00	SAFE DEPOSIT		
Premier Const. 1st ...	100	73.30	SHREE SHUBHALAXMI			T. Manecklal Manif. ...	100	472.50	Bombay Safe Deposit ...	200	405.00
Premier Const. 2nd ...	100	68.70	SHREE SHUBHALAXMI			Tractors (India) ...	10	39.00	Delhi Safe Deposit ...	10	10.00*
Premier Const. 3rd ...	10	4.88	SHREE SHUBHALAXMI			W. H. Brady ...	150	430.00	Delhi Safe Deposit ...	7	7.00*
Rohas Indus. 7 to 4% ...	100	110.00*	SHREE SHUBHALAXMI			Zenith Steel Pipe ...	5	5.88	Gujarat Safe Deposit ...	75	120.00*
Rohas Indus. 4% ...	100	58.00	SHREE SHUBHALAXMI			AUTOMOBILES, CYCLES & ACCESSORIES			MISCELLANEOUS		
Rohas Indus. 4% ...	100	88.30	SHREE SHUBHALAXMI			Automobile Products (new) ...	10	11.78	Associated Stone ...	10	21.52
Supreme Ind. ...	100	69.00	SHREE SHUBHALAXMI			Bajaj Auto ...	50	55.00	Bom. Burmah (P.P.) ...	50	214.00
INVESTMENT			SHREE SHUBHALAXMI			Bombay Cycle ...	20	27.00	Bom. Swadesh Stores ...	5	5.00
Dena Investment ...	25	12.24	SHREE SHUBHALAXMI			Hind Cycle ...	100	89.50	Bombay Uganda ...	80	58.00
Gujarat Investment ...	50	11.00	SHREE SHUBHALAXMI			Pearl Cycle ...	100	115.00	B. I. Corporation ...	5	7.24
Indus. & Prudential ...	100	84.30	SHREE SHUBHALAXMI			Sen Raleigh ...	10	24.24	C. P. Railway ...	100	47.00
Inv. Corporation ...	100	116.25	SHREE SHUBHALAXMI			Standard Motor ...	10	16.24*	Commerce (1935) ...	10	22.00*
SHIPPING			SHREE SHUBHALAXMI			United Motors ...	20	20.00	Dehri-Rohas Railway ...	10	23.24
Bharat Line ...	10	4.96	SHREE SHUBHALAXMI			SHIPPING			East India Hotel ...	10	10.00
Great Eastern New ...	5	6.00	SHREE SHUBHALAXMI			Bharat Line ...	10	4.96	Empire Dyeing ...	10	70.00
Malabar Steamship ...	10	9.00	SHREE SHUBHALAXMI			Great Eastern New ...	5	6.00	G. Claridge ...	100	205.00
SHIPPING			SHREE SHUBHALAXMI			Malabar Steamship ...	10	9.00	Har and Sabapathy ...	400	365.00
SHIPPING			SHREE SHUBHALAXMI			SHIPPING			Hindustan Housing ...	25	25.00
SHIPPING			SHREE SHUBHALAXMI			SHIPPING			Hingir Rampur ...	80	25.00
SHIPPING			SHREE SHUBHALAXMI			SHIPPING			Indian Hume Pipe ...	100	178.00
SHIPPING			SHREE SHUBHALAXMI			SHIPPING			Isaac Holdings ...	10	18.52*
SHIPPING			SHREE SHUBHALAXMI			SHIPPING			Killick Industries ...	100	97.00*

a day. The company has been licensed to make ball-point pens and refills for which it has secured technical collaboration of Axel C. Jensen Inc, U.S. Production of these pens and refills is expected to start within six months.

Guest, Keen, Williams

Guest, Keen, Williams Limited has proposed an expansion of its works at Bhandup, in Bombay, and to set up a new unit in the South with a view to stepping up its output of wood screws. The company has sought the Government's per-

mission to increase its annual single-shift installed capacity from 1.56 million gross to 2.25 million gross in two stages. In the first stage, the Bhandup Works will be expanded and, in the second, a new unit will be set up in the South.

Modi Sugar

The Modi Sugar Mills Limited has decided to acquire a sugar factory with a crushing capacity of 2,000 tons of sugarcane a day at Kichha, Nainital district. The construction of buildings is over and

machinery from abroad has been received.

Singareni Collieries

It is understood that the Andhra Government may agree to a proposal for the transfer of the management of the Singareni Collieries Limited to the Government of India to enable the collieries expand. Under the Third Plan, the company has been set a target of doubling its production from 3 million tons. The Government of India has conveyed to the Andhra Government that it will be able to invest Rs 20 crores, provided

the State transfers the management. The Centre and the State Governments hold shares in the ratio of four to six. The public hold about 5 per cent.

Osler Electric

The properties of Osler Electric Lamp Company, Bombay, have been sold by the Court to Messrs Phillips India Limited for Rs 51 lakhs.

Paper Plant

It is learnt that Messrs Birla Brothers and Mandya Paper Mills have applied for licence to set up a paper factory at Bodhan in Nizamabad district. The project, with an estimated 10-ton capacity, requires a capital of Rs 9 crores.

Merger of Mills

A scheme for the merger of the two mills—Vishnu Cotton and Lakshmi Cotton—is under the consideration of their respective board of directors. The scheme will be placed before the shareholders for their consent in due course.

STOCK EXCHANGES

Feeble Recovery

Watch-Dog Written:

AFTER the recent sharp decline in equity prices, stock markets have witnessed a slight all-round recovery although the turnover continues to be restricted. It looks as if the markets are still in an oversold position.

The Calcutta Stock Exchange took a slight turn for the better; but activity is slow due to lack of buying enquiries.

The Bombay Stock Exchange staged a moderate widespread rally due to heavy short-covering. Sentiment was influenced by the hope that the LIC might enter the market to make some purchases.

On the Madras Stock Exchange, turnover was meagre and prices drifted lower for several shares.

CALCUTTA

Friday Evening.

AFTER opening the week on a steady note, the local stock market suffered a sharp setback due to heavy selling pressure on reports of the failure of another member to meet his commitments. But, the subsequent recovery in prices was influenced by some covering purchases made by the bears on the fear that the LIC might enter the market to make some purchases in view of the attractive low level of prices prevailing now. Settlement considerations were also a contributory factor.

But, there was a general disposition to restrict commitments and book profits at bulges in view of the domestic and international uncertainties. Investors, too, became cautious due to the discouraging outlook for steel shares. Most of the operators, therefore, felt that unless the stock exchange authorities took simultaneous action, no isolated attempt would check the downward

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trend of prices in inter-market shares and the confidence in the market was not likely to return soon.

In the Gilt-edged section, there were only smaller changes in prices. The popularity of short-dated issues seemed to be over. Unlike hitherto when there were buyers of only short-dated loans in the market, there appeared some sellers of these latterly. 3 per cent 1986 Conversion Loan eased off at the close to Rs 72.65 from the opening level of Rs 72.85.

Bank shares remained unchanged with Punjab National quoting Rs 24 and United Commercial Rs 90.50.

After a long period of neglect, Jute shares came in for scattered enquiry on the hope that the fortunes of the industry might well take a turn for the better in view of the bright outlook for the new crop. Again, the move by the Reserve Bank to withdraw the curbs on bank advances jute and jute goods gave rise to a feeling that it would help the mills to hold larger stocks. Ganges were enquired up to Rs 11 from a low of Rs 10.62; Howrah up to Rs 20.75 from Rs 20.06; New Central up to Rs 17.19 from Rs 16.87 and Megna up to Rs 10.75 from Rs 10.62. Fort William were sought after up to Rs 28.50 from Rs 25.87 following the company's decision to raise capital by the issue of new shares in the ratio of one share for every share held. After nearly a month, Anglo-India met with business at Rs 170 to Rs 172.

Coal shares displayed a slightly steadier tendency in sympathy with the general trend of the market. Amalgamated changed hands up to Rs 23.12 from Rs 22.87; Burrakur up to Rs 18.31 from Rs 18; New Beerboom up to Rs 23.56 from Rs 22.94 and Western Bengal up to Rs 9.44 from Rs 8.94.

(Except for a few selected scrip which met with good demand at enhanced levels, trading in the Tea section remained generally dull and restricted on the fear that the price of the commodity might decline further due to the possibility of bigger supplies during the current year. Persistent rumours with regard to the issue of bonus shares caused Hashimara to spurt to Rs 32.62 from Rs 27.87 and Huidibari to Rs 33.62 from Rs 28.12. Jay Shree moved narrowly between Rs 17.19 and Rs 17.56 and Hantapara between Rs 120 and Rs 123.

Textile shares ruled comparatively steady although higher levels attracted intermittent profit-taking. Bowreah changed hands at Rs 29.81 to Rs 30.19; Elgins at Rs 18.69 to Rs 19.04; Kesoram at Rs 27.81 to Rs 28.50 and J. K. Rayon at Rs 17.75 to Rs 18.37.

The general belief, that the Reserve Bank was considering measures to help the industry which had to nurse large stocks, caused a steadier tendency in Sugar shares. Dyer Meakin met with business at Rs 34.12 to Rs 34.50; Ramnugger Cane at Rs 30.31 to Rs 30.44 and Carew at Rs 13.44 to Rs 13.56. SKG were rather sticky at Rs 11.00.

In the Engineering section, price movements were rather irregular due to alternate bouts of buying and selling. After opening steady at Rs

24.96, Indian Irons receded at one time to Rs 24.74 due to selling pressure. After recovering again to Rs 25.26, the scrip closed finally at Rs 25.00. In sympathy, TEXMACO moved down to Rs 16.05 from Rs 17 and Jessop to Rs 19.19 from Rs 19.25, to close better at Rs 16.20 and Rs 19.44 respectively. J. K. Steel were marked down to Rs 37.87 from Rs 38.44; Guest, Keen, Williams to Rs 37.56 from Rs 38.25 and Indian Standard Wagon to Rs 93 from Rs 96. Jay Engineering were, however, a steady feature at Rs 28.81.

After ruling initially weak, Miscellaneous issues displayed generally a firmer tendency due to the emergence of support. Following were the prices of a few selected shares:

	Week's Week's Week's		
	High	Low	Closing
Orient Paper	35.80	33.15	35.35
Shree Gopal	24.37	24.00	24.25
Rohtas	16.25	15.31	15.56
Dunlop Rubber	48.12	47.00	48.12
H. Motor	19.19	18.78	18.81
I. Cable	36.25	35.00	35.94
I. Aluminium	33.94	32.94	33.87
I. Copper	4.73	4.65	4.70
Sirpur Paper	13.94	13.50	13.94
Goodyear	38.00	37.50	38.00
Isaac Holden	19.50	18.81	19.31
Alkali Chem.	39.44	38.87	39.37
I. Steamship	7.31	7.12	7.31

COMMODITY PRICES

Slight Drop in May

Wholesale prices as measured by the official index (with the year ended March 1953=100) declined by 0.4 per cent to 125.3 during the month of May, 1961 as compared with 125.8 for April, 1961. The index was higher by 2.0 per cent when compared with 122.8 for May, 1960. During the month under review, the index for 'Food Articles' receded by 0.3 per cent to 117.2, 'Tobacco' by 7.6 per cent to 100.9, 'Industrial Raw Materials' by 0.1 per cent to 152.9 and 'Manufactures' by 0.4 per cent to 126.1. The index for 'Fuel, Power, Light and Lubricants', however, remained unchanged at its earlier months' revised level of 121.1.

FOOD ARTICLES

Higher prices of rice and bajra raised the sub-group index for 'Cereals' by 0.2 per cent to 99.5, although the prices of wheat, jowar, barley, maize and ragi exhibited declines. The index for 'Cereals' was, however, lower by 6.0 per cent when compared with that of a year ago. The sub-group index for 'Pulses' drifted lower by 0.3 per cent to 87.3 as a result of a fall in the prices of gram and masur, despite an increase in the prices of arhar, mung and urad. Increased prices of potatoes, oranges and bananas pushed up the index for 'Fruits and Vegetables' by 4.9 per cent to 122.0 notwithstanding a decline in the prices of onions and cashewnuts. A fall in the prices of milk brought down the sub-group index for 'Milk and Ghee' by 2.1 per cent to 113.9; there was, however, a slight rise in the prices of ghee. The sub-group

index for 'Edible oils' moved down by 1.0 per cent to 159.6 due to a fall in the prices of groundnut oil, mustard oil and coconut oil. An advance in the prices of fish and meat caused a rise of 1.8 per cent to 127.3 in the sub-group index for 'Fish, Eggs and Meat' despite a decline in the prices of eggs. The prices of gur rose further and the sub-group index for sugar and gur, advanced by 1.4 per cent to 120.1. Lower prices of tea, coffee, black pepper and turmeric were responsible for bringing down the sub-group index for 'Other Food Articles' by 2.2 per cent to 167.4, although there was a rise in the prices of chillies, cardamoms, betelnuts and salt.

TOBACCO

The index for 'Tobacco' registered a fall of 7.6 per cent to 100.9 due to a decline in the prices of raw tobacco.

FUEL, POWER, LIGHT AND LUBRICANTS

The prices of castor oil registered a fall; the index for this group, however, remained unchanged at its earlier month's revised level of 121.4.

INDUSTRIAL RAW MATERIALS

The sub-group index for 'Fibres' rose by 0.2 per cent to 165.1 as a result of an increase in the prices of raw jute and raw wool, notwithstanding a fall in the prices of raw hemp and raw silk. Lower prices of groundnuts, linseed, castorseed, ginseng and copra brought down the index for 'Oilseeds' by 0.4 per cent to 156.6; the prices of rapeseed, however, exhibited a rise. 'Minerals' stood at 95.4 as against 95.2 for the earlier month. The sub-group index for 'Other Industrial Raw Materials' reviewed.

Index Number of Wholesale Prices by Group and Sub-Group of Commodities (Base: Year ended March 1953=100)

Group and Sub-Group	May 1960.	April 1961.	May 1961.	% Increase (+) or Decrease (—) in May '61 as compared with April 1961	
				April 1961	May 1961
Food Articles ...	120.0	117.6	117.2	-0.3	-2.3
Cereals ...	105.8	99.3	99.5	+0.2	-6.0
Pulses ...	89.9	87.6	87.3	-0.3	-2.9
Fruits and Vegetables ...	122.0	116.3	122.0	+4.9	-7.6
Milk and Ghee ...	117.4	116.4	113.9	-2.1	-3.0
Edible Oils ...	138.0	161.2	159.6	-1.0	+15.7
Fish, Eggs and Meat ...	119.2	125.1	127.3	+1.8	+6.8
Sugar and Gur ...	138.3	118.5	120.1	+1.4	-13.2
Others ...	164.4	171.1	167.4	-2.2	+1.8
Liquor and Tobacco ...	107.3	112.0	104.1	-7.1	-3.0
Tobacco ...	105.7	109.2	100.9	-7.6	-4.5
Fuel, Power, Light and Lubricants ...	119.2	121.4†	121.4	...	+1.8
Industrial Raw Materials ...	140.1	153.0	152.0	-0.1	+9.1
Fibres ...	147.2	164.7	165.1	+0.2	+12.2
Oil seeds ...	139.9	157.2	156.6	-0.4	+11.9
Minerals ...	98.2	95.2	95.4	+0.2	-2.9
Others ...	129.5	126.6	126.5	-0.1	-2.3
Manufactures ...	119.9	126.9†	126.4	-0.4	+5.4
A. Intermediate Products ...	125.4	136.0	136.9	+0.7	+9.2
B. Finished Products ...	119.0	125.5†	124.7	-0.6	+4.8
Textiles ...	120.2	129.2†	127.8	-1.1	+6.3
Cotton ...	124.8	126.6	126.6	...	+1.4
Jute ...	117.2	142.2	137.1	-3.6	+17.0
Woolen ...	104.2	116.8†	119.1	+2.1	+14.3
Silk and Rayon ...	104.3	116.8	115.3	-1.3	+10.5
Metal Products ...	148.3	147.1†	147.1	...	-0.8
Chemicals ...	104.7	106.3†	107.5	+1.1	+2.7
Oil Cakes ...	133.7	143.6	142.3	-0.9	+6.4
Machinery and Transport Equipment ...	111.0	112.6	112.8	+0.2	+1.6
Others ...	124.6	118.9†	119.1	+0.2	+3.9
All Commodities ...	122.8	125.8	125.3	-0.4	+2.9

†=Revised.
*=Estimated.

INDIA STEAMSHIP COMPANY, LIMITED

NOTICE OF THE ANNUAL GENERAL MEETING TO THE SHAREHOLDERS.

Notice is hereby given that the Annual General Meeting of the Members of the India Steamship Co. Ltd., will be held at the Registered Office of the Company, "India Steamship House," 21, Old Court House Street, Calcutta, on Tuesday, the 26th September, 1961, at 3-30 p.m. in order to transact the following business:

- To receive the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 1961.
- To sanction payment of Dividend on Preference Shares as recommended by the Directors for the year ended 31st March, 1961.
- To appoint a Director in place of Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), who retires by rotation and is eligible for re-appointment and to consider and if thought fit to pass the following resolution of which a Special Notice as required by Sec. 281 of the Companies Act, 1956 has been received by the Company and the relative Explanatory Statement concerning which is annexed hereto as required by Sec. 173 of the Act.

Resolved that pursuant to the provisions of Section 281 of the Companies Act, 1956, Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), who has attained the age of 73 years and who retires by rotation be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit for the Directors prescribed under Section 280 of the said Act shall not apply to him.

- To consider, and if thought fit to pass the following resolution, in respect of Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), a Special Notice for which as required by Section 261 of the Companies Act, 1956, has been received by the Company and the relative Explanatory Statement concerning which is annexed hereto.

Resolved that pursuant to the provisions of Section 281 of the Companies Act, 1956, Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), a Director of the Company who is also a Director and Member of Messrs Lionel Edwards, (Private) Ltd., the Managing Agents of the Company and thereby an associate of the Managing Agents, be and is hereby re-appointed a Director of the Company.

- To appoint a Director in place of Sir B. P. Singh, Roy, K. C. I. E., who retires by rotation and is eligible for the re-appointment and to consider and if thought fit to pass the following resolution of which a Special Notice as required by Section 281 of the Companies Act, 1956, has been received by the Company and the relative Explanatory Statement concerning which is annexed hereto as required by Section 173 of the said Act.

Resolved that pursuant to the provisions of Section 281 of the Companies Act, 1956, Sir B. P. Singh Roy, K.C.I.E., who has attained the age of 67 years and who retires by rotation be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit for the Directors prescribed under Section 280 of the said Act shall not apply to him.

- To consider and if thought fit to pass the following resolution as Special Resolution in respect of Sir B. P. Singh Roy, K.C.I.E., a Special Notice for which as required by Section 261 of the Companies Act, 1956, has been received by the Company and the relative Explanatory Statement concerning which is annexed hereto.

Resolved that pursuant to the provisions of Section 281 of the Companies Act, 1956, Sir B. P. Singh Roy, K.C.I.E., a Director of the Company who is also the Managing Director and Member of Messrs Lionel Edwards, (Private) Ltd., the Managing Agents of the Company and thereby an associate of the Managing Agents be and is

hereby re-appointed a Director of the Company.

- To appoint a Director in place of the Rt. Hon'ble Lord Sinha of Raipur, who retires by rotation and is eligible for re-appointment and to consider and if thought fit to pass the following resolution of which a Special Notice as required by Section 281 of the Companies Act, 1956, has been received by the Company and the relative Explanatory Statement concerning which is annexed hereto as required by Section 173 of the said Act.

Resolved that pursuant to the provisions of Section 281 of the Companies Act, 1956, The Rt. Hon'ble Lord Sinha of Raipur who has attained the age of 74 years and who retires by rotation be and is hereby reappointed a Director of the Company and it is hereby specifically declared that the age limit for the Directors prescribed under Section 280 of the said Act shall not apply to him.

- To elect Mr. R. G. Abbhi, I.A.S., a Director of the Company, who retires by rotation and is eligible for re-election.
- To appoint Auditors for Head Office and Branch Office, Bombay, and fix their remuneration.

The Share Transfer Register of the Company will remain closed from Monday, the 11th September, 1961, to Tuesday, the 26th September, 1961, both days inclusive.

By Order of the Board,

A. Mukerji,
Secretary.

India Steamship Co., Ltd.

Calcutta.

The 10th August, 1961.

The dividend, if sanctioned, will be payable on and from 28th September 1961 to those Shareholders whose names stand on the Register of the Company on Monday, the 11th September, 1961.

N.B.—Member entitled to attend and vote is entitled to appoint a Proxy and the Proxy so appointed need not be a member of the Company.

Note:—The Explanatory Statement as required u/s 173 of the Companies Act, 1956, is annexed to the convening notice issued to the members of the Company.

2 September 1961

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INDEX NUMBERS OF SECURITY PRICES
(1952-53=100)

Week ended	20-8-60	12-8-61	19-8-61
Government and semi-Government securities—All-India			
TOTAL	101.2	101.1	101.2
Government of India	101.0	101.0	101.1
State Governments	102.7	102.3	102.3
Municipal, Port Trust, etc.	100.0	99.7	99.7

Debentures of Joint Stock Companies—All-India			
TOTAL	100.9	101.4	101.5
Preference shares—All-India			
TOTAL	97.0	97.6	97.5

Variable dividend industrial securities—All-India			
TOTAL	179.3	180.4	178.2
Agriculture and Allied Activities	176.5	168.2	166.0
Tea Plantation	170.4	163.2	162.3
Coffee Plantation	215.0	173.5	173.1
Rubber Plantations	161.4	170.8	171.0
Mining and Quarrying: Total	159.9	161.3	158.5
Coal	124.2	127.1	126.1
Other Mining	182.8	184.7	180.7
Processing and Manufacturing: Total	194.1	194.3	191.6
Processing & Mfg. (Food stuffs, Textiles, etc., Total*)	193.0	191.1	190.7
Chemicals	192.5	159.7	157.9
Colours, Tonics	160.7	172.7	171.8
Iron & Steel	97.9	86.0	85.0
Iron & Steel (Miscellaneous Ex. Total*)	1107.4	1160.3	1146.5
Iron & Steel	167.2	167.0	164.3
Transport Equipment	481.3	397.0	387.9
Machinery Other than Transport and Electrical	148.9	163.9	163.0
Basic Industrial Chemicals	120.1	210.2	207.3
Processing and Mfg. (Others): Total*	228.5	212.5	200.4
Chemicals	171.3	159.0	156.7
Paper	149.1	143.4	141.5
Other Industries: Total*	235.5	205.1	203.0
Electricity Generation and Supply	118.2	110.9	109.0
Trucking	88.5	80.7	85.4
Shipping and other Transport	123.4	120.9	117.2
Construction	109.8	96.8	98.6
Chemical Text	324.7	290.9	288.6
Plastics	170.7	203.0	203.1
Metals	190.6	230.2	230.1
Leathers	142.3	140.7	143.3
Investment Trusts	95.7	89.5	88.6

Variable dividend industrial securities—Regional			
Bombay	184.6	187.6	184.9
Calcutta	164.3	166.5	164.6
Madras	194.6	194.6	194.2
Delli	240.9	240.3	235.5

*Including "Miscellaneous."
*Including "Edible and Vegetable oils."

SHORT-TERM MONEY RATES
(Per cent per annum)

	19-8-60	11-8-61	18-8-61
Call Money—			
Bombay	3.51	3.95	3.16
Calcutta	3.77	3.95	3.07
Madras	3.19	3.10	3.01
Deposits at notice of 7 days—			
Bombay	3.00	3.00	3.00
Calcutta	3.00	3.00	3.00
Madras	3.23	↑	...
Fixed Deposits—			
3 Months	3.50	↑	...
6 Months	3.40	3.50	3.00
12 Months	3.44	↑	3.00
6 Months—			
Bombay	3.49	3.76	3.75
Calcutta	3.25	3.71	3.76
Madras	3.27	3.75	3.27

*No Transaction.

BULLION PRICES

Week Ended	24-8-60	19-8-61	15-8-61
GOLD—			
Spot—			
Highest	114 94	121 90	123 10
Lowest	113 39	121 55	122 60
Average	114 10	121 40	122 76
1st Settlement—			
Highest	114 35	123 50	123 55
Lowest	113 74	121 90	122 75
Average	113 46	122 55	123 98
SOVEREIGN—			
Average	86 87	94 00	94 15
SILVER—			
Spot—			
Highest	191 75	202 80	204 35
Lowest	190 01	201 65	203 55
Average	190 86	202 21	203 46
1st Settlement—			
Highest	191 75	203 40	204 55
Lowest	190 01	202 45	203 05
Average	190 85	202 98	203 75

GOVERNMENT OF INDIA TREASURY BILLS

Week ended	19-8-60	11-8-61	18-8-61
Amount offered	3,00	3,00	3,00
Amount tendered	3,00	3,00	3,00
Amount sold by tender	3,00	3,00	3,00
Of which against maturing Treasury Bills	...	...	...
Intermediate Treasury Bills sold	35	1 09	3 65
Total sales	3,35	3 09	4 65
Average rate of discount for auction sales	2.540	2.400	2.400
Sold in favour of Reserve Bank of India	22.89	64.88	2.86
Total amount outstanding	1,175.07	1,079.58	1,051.76

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
Belgium	For. to Rs. 100	1038	1039
France	...	10370	10370
Switzerland	...	10270	10280
Netherlands	...	10270	10280
W. Germany	...	10270	10280
Italy	...	10270	10280
Denmark	...	10270	10280
Norway	...	10270	10280
Sweden	...	10270	10280
Japan	...	10270	10280
U.S.A.	...	10270	10280
Canada	...	10270	10280

STERLING TRANSACTIONS OF THE
RESERVE BANK OF INDIA

Week Ended	19-8-60	11-8-61
Forward Contracts—		
Purchases	2 ('000)	130
Sales	2 ('000)	17
Net	2 ('000)	113
Spot Transactions—		
Purchases	2 ('000)	...
Sales	2 ('000)	...
Net	2 ('000)	...
Against forward contracts	2 ('000)	...
Purchases	2 ('000)	...
Sales	2 ('000)	...
Net	2 ('000)	...

PRICES AND YIELDS OF SELECTED
CENTRAL GOVERNMENT SECURITIES

	24-8-60	18-8-61	25-8-61
4% 1961	99 80	99 90	99 90
4% 1962	99 80	99 90	99 90
4% N.P.B. 1967	99 55	99 10	99 10
3% Dev. 1970-75	91 00	90 95	90 95
4% 1974	99 65	99 60	99 60
3% (Con.) 1986	73 77	73 43	73 68

*Meaning yield

INDEX NUMBERS OF WHOLESALE PRICE
BY GROUPS AND SUB-GROUPS
(Base: 1952-53=100)

Group and Sub-Group	12-8-61	11-8-61	15-8-61	18-8-61
Food Articles—				
Cereals	124.0	124.1	125.0	124.5
Pulses	107.1	104.9	106.4	109.4
Fruits & Vegetables	91.3	91.7	91.3	92.9
Milk & Cheese	116.7	115.8	115.2	115.1
Edible oils	117.4	116.9	116.6	116.8
Fish, Eggs & Meat	141.1	141.2	140.9	140.7
Sugar & Gum	126.3	125.1	125.6	125.0
Others	123.0	122.8	122.8	122.7
Liquor and Tobacco	100.1	100.1	99.8	100.7
Tobacco	90.6	90.6	90.6	107.5
Fuel, Power, Light & Lubricants	121.3	121.8	121.6	121.6
Industrial Raw Materials	144.1	150.5	150.4	151.0
Fibres	144.1	150.5	150.4	151.0
Others	144.1	150.5	150.4	151.0
Manufactures	123.7	123.7	123.7	123.7
Intelligence Products	123.7	123.7	123.7	123.7
Finished Products	123.7	123.7	123.7	123.7
Textiles	123.7	123.7	123.7	123.7
Cotton	123.7	123.7	123.7	123.7
Wool	123.7	123.7	123.7	123.7
Silk & Rayon	123.7	123.7	123.7	123.7
Metal Products	123.7	123.7	123.7	123.7
Chemicals	123.7	123.7	123.7	123.7
Others	123.7	123.7	123.7	123.7
Machinery & Transport Equipment	123.7	123.7	123.7	123.7
Others	123.7	123.7	123.7	123.7
All Commodities	123.7	123.7	123.7	123.7

*Estimated *Revised

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

	25-8-61	18-8-61	26-8-60
LIABILITIES:			
Capital Paid-up	16,57.07	12,23.92	27,98.51
Notes in Banking Dept.	1677.59.41	1899.86.16	1776.59.07
Notes in Circulation	1893.96.48	1912.10.08	1804.57.58
ASSETS:			
A Gold Coin & Bullion	117.76.03	117.76.03	117.76.03
(a) In India	...	...	...
(b) Outside India	...	...	...
Starting Securities	116.86.07	116.86.07	123.00.89
Total of A	234.62.10	234.62.10	240.76.92
(B) Rupee Coin	126.78.89	123.99.33	132.15.28
Rupee Securities	1533.55.49	1553.48.65	1481.65.88
Total	1893.96.48	1912.10.08	1804.57.58

BANKING DEPARTMENT:

	25-8-61	18-8-61	26-8-60
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	50,00.00	50,00.00	40,00.00
National Agricultural Credit (Stabilisation) Fund	6,00.00	6,00.00	5,00.00
Deposits:			
(a) Central Govt.	64,59.54	83,03.05	62,67.21
(b) Other Govt.	19,92.78	19,16.75	28,46.33
(c) Banks	103,95.73	103,95.73	115,74.03
(d) Others	189,19.80	189,19.80	100,98.07
Bills Payable	23,25.87	23,25.87	23,25.87
Other Liabilities	13,99.01	12,73.07	12,65.78
Total	521,92.19	520,79.31	473,60.39
ASSETS:			
Notes	16,57.07	12,23.92	27,98.51
Rupee Coin	1,19	1,23	3,47
Subsidiary Coin	8,51	3,38	5,41
Bills Discounted:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	13,03.30	18,44.81	17,64.00
Loans held abroad	26,60.95	29,53.31	23,51.71
Loans & adv. to Govt.	49,75.07	53,40.39	36,53.85
Other Loans & Adv.	115,71.14	116,86.87	110,99.47
Investments	284,81.37	276,87.39	245,35.18
Other Assets	16,58.69	16,59.41	11,59.69
Total	521,92.19	520,79.31	473,60.39

(1) The item "Other Loans and Advances" included Rs. 11,00,000 advanced to scheduled banks against unsecured bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA
(In 000's of Rupees)

	19-8-60	11-8-61	18-8-61
Demand Liabilities in India			
(a) Borrowings from banks other than the State Bank & a notified Bank (A)...	21,74.69	25,61.41	24,10.86
(b) Other demand liabilities	773,48.10	808,10.75	815,86.03
Time Liabilities in India			
(a) Borrowings from banks other than the State Bank & a notified Bank (A)...	22,12.09	19,79.73	18,56.87
(b) Other time liabilities	1192,88.25	1127,76.65	1127,88.60
Borrowings in India from the State Bank and/or a notified Bank			
(a) Demand Liabilities	7,70.91	5,45.33	7,13.53
(b) Time Liabilities	2,17.00	11,08.50	11,37.00
Borrowings in India from the R. B. I.			
Balance with the Reserve Bank of India	113,81.46	78,79.56	80,52.61
Balance with other banks in current account in India	15,61.41	15,64.55	16,32.12
Money at call and short notice in India	86,70.73	51,51.90	50,33.42
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	739,54.17	583,51.93	585,85.41
Advances in India	960,89.48	1092,40.93	1088,39.80
Interest Bills Purchased and Discounted in India	102,92.07	106,90.98	106,51.26
Foreign Bills Purchased and Discounted in India	47,20.17	42,54.23	43,40.10

*Figures are provisional since complete returns have not been received from Banks.
*Including borrowings from R.B.I. also.

STATE BANK OF INDIA

(In 000's of Rupees)

	Week Ended		
	25-8-61	18-8-61	26-8-60
LIABILITIES:			
Capital Paid-up ...	5,62.50	5,62.50	5,62.50
Reserve Funds ...	7,45.00	7,45.00	7,20.00
Deposits and other Accounts ...	525,17.98	524,99.16	608,98.16
Borrowings from other Banks, Agents, etc. ...	17.00	27.00	15.50
Bills Payable ...	9,41.20	8,58.88	9,03.17
Bills for Collection as per contra ...	2,53.14	2,59.96	2,44.30
Acceptances etc. for constituents as per contra ...	94.26	93.02	1,82.59
Other Liabilities Including Inter-office Adjustments. ...	13,94.88	13,68.37	13,07.63
Total ...	566,25.91	564,13.89	648,38.85
ASSETS:			
Cash in hand and with R. B. I. ...	27,47.41	22,62.17	20,10.59
Balances with other Banks ...	3,13.22	3,03.51	2,83.83
Money at call and short Notice ...	86.67	1,53.33	1,00.00
Government and other Trustee Securities... ..	252,28.08	241,28.08	387,27.36
Other Authorized Investments ...	9,36.63	9,37.11	9,87.08
Loans Advances cash credits & Over Drafts ...	225,37.92	231,70.76	187,56.61
Bills Discounted and Purchased ...	13,06.78	13,27.81	11,91.90
Bills for collection as per contra ...	2,53.14	2,59.96	2,44.30
Constituents' Liabilities, etc., as per contra. ...	94.26	93.02	1,82.59
Dead Stock ...	3,23.69	3,23.56	3,24.39
Other Assets ...	26,98.11	24,54.63	21,00.24
Total ...	566,25.91	564,13.89	648,38.85

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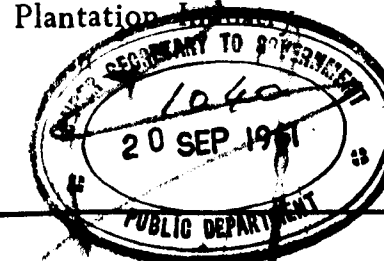
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HIGHLIGHT OF THE ISSUE

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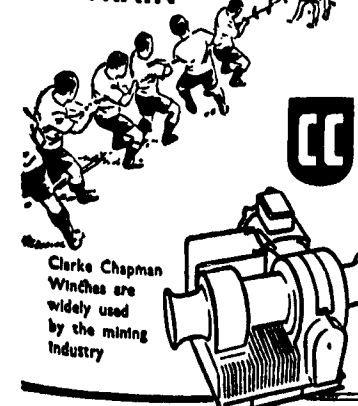
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Reserve Fund & Other Reserves ..	Rs. 4,15,79,722
Deposits as at 31-12-60 ..	Rs. 2,00,07,37,976

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Familiar Themes

THE meetings of the Export and Import Advisory Councils in New Delhi this week have been chiefly remarkable for some inconclusive variations on two themes relating to exports and imports. The first was the relative importance of maintenance and developmental imports. The second was the necessity for legislative fiat for compulsory exports. In both cases, the discussion had every appearance of escapes from sterner duties. None will assert that these duties are easy to discharge. In an economy so obviously moving in a narrow range of conflicting choices, there is little room for manoeuvre. Idle capacity irks us with a sense of waste but notable gaps in basic industrialisation urge us on towards creating new capacity. Compromises have to be improvised as we go along and domestic ingenuity and enterprise have to be pressed into service to reduce both types of imports.

As in the case of imports, there is no substitute for hard and particular thinking on exports. The Third Plan has set the target of export earnings at Rs 3,750 crores, a figure considered by some as quite inadequate to meet the foreign exchange gap that is likely to be created during the Plan period. Performance in the first seven months of this year has been better than in the corresponding period last year, the relative figures of foreign exchange earnings being Rs 374 crores and Rs 343 crores respectively. But against the expectations of an annual average of Rs 750 crores and in the light of poor performance of some of our traditional export items like textiles, this cannot be considered wholly satisfactory. And there are crucial uncertainties ahead: We are not including in these the possibility of a world war, for the simple reason that all calculations would be thrown into disarray in that event. But less catastrophic contingencies like Britain's joining the EEC have to be reckoned with.

The proceedings of the Export Advisory Council leave the impression of a tug-of-war over 'incentives' between the Government on the one hand and the representatives of business interest on the other, rather than of a concerted effort to push up the country's exports. The emphasis appears to be on export incentives rather than on exports. Since a number of incentive schemes have been in operation for some years, evaluation of the results achieved by these in stepping up exports is overdue. It is to be hoped that this question will engage the attention of the Cabinet-sub-committee that has been set up to review the progress of exports.

The Minister's reference to compulsory exports suggests that, in Government's view, incentives had reached the limit of their practical utility. Mr Reddy seems to feel that no incentives that Government could provide would be able to counteract the strong pull of a sheltered domestic market. Compulsory export implies that the responsibility for exporting the goods set apart for export by the manufacturers should be assigned to specific agencies. While we are often told of the larger role in prospect for the STC, its

record to date is not calculated to stimulate enthusiasm. On the other hand, while manufacturers may be compelled to earmark a proportion of their production for export, it is difficult to see how compulsion could call forth the initiative, enterprise and specialised talents necessary for success in selling goods, in highly competitive foreign markets. It will be necessary to place greater reliance on Export Houses that have the requisite experience, and to ensure the conditions in which they can play an effective role. The discrimination against Exporters (who are not themselves manufacturers) in the operation of incentive schemes, especially in respect of import entitlements, has been a drag on the export drive. The case for treating Exporters on the same basis as manufacturers has not so far received the favourable attention of the Government.

Import policy has a direct bearing on the level of exports that is possible to maintain, especially in view of changing pattern of the country's export trade. It may be noted with gratification that Indian manufacturers have entered into contracts with some neighbouring countries that have plans for industrial development for installation of complete industrial plants. But they experience difficulties in carrying out the contract as the full range of machinery required for the units is not manufactured in India. Government in such cases should, as suggested by the FICCI, allow the Indian manufacturers who have undertaken to instal complete plants in other countries to enter into collaboration or agreement with foreign machinery manufacturers to export those items of machinery which are not manufactured in India directly to the importing country, and the foreign exchange required for such transactions should be made available.

For successful export promotion it will be necessary to look beyond the narrow ranges of incentives that have been extended in the past. The basic condition for success is the creation of an exportable surplus at competitive prices. The Minister has referred to a proposal under consideration for tax rebate for export industries. It is to be hoped that this welcome, though belated, recognition of the extent to which tax enters into the cost of exports will be followed by early action. Sales tax, especially where it is multi-point, is another insidious element inflating the cost of exports. Drawback of tax, as in the case of excise duties, is not practicable in the case of sales tax especially when it is levied at numerous stages in the process of manufacture. Now that there is growing recognition of the importance of exports for the implementation of the Plan, State Governments should be willing to agree to the replacement of sales tax by Central excise duties over as wide a range of commodities as is practicable. Recalcitrant States must be disciplined into acquiescence. If Government is thinking in terms of compulsions in the context of export promotion, there is no reason why the Trade and Industry alone should be at the receiving end.

Future of Plantations

AT the 68th annual meeting of the United Planters Association of South India held at Coonoor this week, the problems faced by the plantation industry—especially of tea and coffee—came for detailed re-examination. The meeting drew particular attention to some of the important problems faced by the plantation industry in the light of the production and export programmes set for the industry in the Third Plan.

As an organised sector of agriculture, plantations have stood out as the only bright patch in the generally backward state of Indian agricultural economy. The value of the crops is on a comparative basis, far higher in relation to the acreage they occupy than of the other agricultural crops put together. But their preeminence rests mainly on their export orientation and they have afforded one of the important props of the foreign exchange earnings of the country. In both the First and Second Plans, plantation crops were passed over in the schemes of development with the exception of tea for which the Second Plan fixed a physical target of nearly 700 million lbs. In the Third Plan, however, the plantation crops and chiefly tea among them, figure as having significant contributions to make toward the success of the Plan. This has been rendered necessary by the compulsions of export promotion schemes envisaged in the Plan which could be fulfilled only with the help of the traditional items in which the plantation crops enjoy a pre-eminence. Alone among all the export items, tea accounts for the largest slice of the foreign exchange earnings of the country, while the other plantation crops such as coffee, pepper, cashew etc., also have a significant say in the total of foreign exchanges earned by the country.

It is on tea that the major burden of additional export earnings from the plantation crops has fallen. With this view, the Third Plan has fixed the production target at 900 million lbs and the exports target at \$10 million lbs. The practicability of these targets seems open to question having regard to the rate of growth of production in the past ten years and the performance and outlook in the export markets.

PRODUCTION OF TEA

(Figures in Thousand kgs)

	North India	South India	Total
1953	219,943	54,825	274,768
1954	232,951	58,300	291,251
1955	244,511	58,492	303,003
1956	244,997	57,578	302,575
1957	239,692	68,257	307,949
1958	252,114	71,531	323,645
1959	254,568	69,516	324,084
1960	242,039	77,226	319,265

Production has increased from about 600 million lbs to about 700 million lbs in the course of the last decade which works out to an average of about 10 million lbs per annum. The Third Plan envisages a rise in production of the order of 200 million lbs and further seeks to telescope it to a span of five years which gives an annual rate of growth of nearly 40 million lbs. While the Planning Commission wants this as the minimum the industry should aim at in the Third Plan, the latter has genuine misgivings about the adequacy of the means that could be pressed to achieve the targeted production. New plantings during the course of the Third Plan could be discounted as a source for additional production in view of the time needed for maturity and yield. The only alternative left with the industry is to concentrate on better yield from existing plants. It may be admitted that though the per acre yield of Indian tea

compares quite favourably with the yield obtained in other important countries, such as Ceylon, East Africa, and Indonesia, the scope for further increase has not been exhausted. The use of fertilisers in larger quantities may prove advantageous for raising yield and in view of the prospectively larger availability of fertilisers during the Third Plan, some credit may be taken for increasing production by this means. The availability of greater irrigation may also prove useful. Scope for increasing production may seem greater in the North since production over the past decade has gone up in this region only by about 4 per cent while in the South the growth in production has been of a spectacular order. Even after taking into account such possibilities for increasing production, the programme for increasing production to the extent of 900 million lbs seems subject to basic limitations arising from the policy of the Government toward the plantation industry and other factors connected with the economics of the industry.

Nearly 30 per cent of the tea bushes in the country are nearly 60 years old and in these bushes there is a limit to the rise in yield that could be stimulated with better culture. The fulfilment of the production target further presupposes adequacy in respect of other requisites such as equipments, manufacturing capacity, power, stores supplies etc. To handle a larger volume of production would entail expansion of manufacturing capacity and redesigning of factories with consequent need for more equipments and plants and these in turn make larger demands on capital funds. It has been one of major complaints of the tea industry that the structure of taxation applied to the industry has left it with barely enough funds or incentive to put forth the necessary efforts to effect improvements in production either by replacing old plants and modernising them or expanding manufacturing capacity. The industry has been subject to a greater variety of fiscal levies than any other agricultural product or industry. While the Centre levies income tax on the income of the plantation companies, export duty, and excise duty, the States levy agricultural income tax, land tax, and sales tax. The entry tax of West Bengal and the carriage tax of Assam were also levies peculiar to the tea industry. The impact of such penal taxation has been particularly severe on the plantations which raise their tea from old bushes and for which the price received barely covers the cost of production. The question of creating sources of funds to the industry to meet the medium term and long term requirements has also been consistently evaded by the authorities. Though as early 1956, a suggestion was mooted to create a fund out of the accumulated collection of the export cess on tea, the implementation of this proposal met with cold reception at the hands of Tea Board.

India's production during the 1960 suffered a sharp fall mainly due to steep decline in the production in the North India. From 320 million kgs. production dropped to 319 million kgs. in 1960. Consequent on this fall in production exports of tea were down by 19.2 million kgs. which resulted in the loss of foreign exchange

to the extent of Rs 5 crores as compared 1959. The fall in the export in 1960 coming on top of the fall of 1959 as compared with exports in 1958 naturally raises doubts about the feasibility of the export target set for tea in the Third Plan.

It may be pointed out that Indian tea has suffered a decline in all the important markets in the world such as the UK, the US, Australia, Irish Republic etc., while the ground it by it has been captured by tea produced in Ceylon, East Africa, and Indonesia. The on gain made by Indian tea is in some of the Middle Eastern countries and Egypt. The Ceylon tea which is subject to disadvantage similar to the Indian tea could outpace Indian tea in the continental and American markets will have to be carefully examined with a view to enabling Indian tea to hold its own against the challenge of Ceylon. However, the competition from other countries particularly from South and East Africa will be more severe. Consideration of price in view of the fact that South African tea is exported without export duty. There is also the looming challenge from China while there is serious move toward self-sufficiency in some of the producing countries in West Asia and the South America. The Food and Agricultural Organisation has on the basis of the present intentions and plans of some of these developing countries forecast a crisis in production likely to develop by the turn of 1965. It foresees that while production is being stimulated in many new countries, consumption in the large consuming countries will remain stagnant. It estimates that in the countries where tea is consumed in large quantities, population would rise by about 6 per cent by 1965, while consumption would go up less than the estimated increase in population. And with prospects for increasing consumption of tea being limited to developing countries where however, the growth of tea industry is being fostered with all assiduous care, tea industry the whole world over may be caught up in the grip of a severe crisis.

There is however immediate cause for concern in the intended move of the UK to join the Common Market a step that is likely to have some repercussions on exports of Indian tea into the UK. Though as compared with other Commonwealth countries, no serious disability may be entailed by the withdrawal of free entry to Indian tea, in respect of oil producers the result may be an equalisation of burdens and a strengthening of the competitive power of tea exported from the non-Commonwealth countries.

In the context of these developments a factors, the Third Plan targets for production and exports are likely to face insuperable difficulties in achievement. The question of production for internal consumption may pose a problem. Consumption in the country has shown a marked increase in recent years having gone up from 83 million kgs in 1953 to 109 million kgs in 1958-59 and further to 110 million kgs in 1959-60. With further increase in population and rise in purchasing power consequent on the implementation of development schemes in the Third Plan, consumption may further rise substantially. In this c

EXPORTS TO SELECTED COUNTRIES

	QUANTITY (In '000 kgs)		VALUE (In '000 Rupees)	
	1958	1959	1958	1959
United Kingdom	150,104	128,173	122,175	894,758
Irish Republic	7,191	7,463	6,241	42,337
USSR	11,466	12,405	10,248	82,998
Turkey	3,728	4,748	2,427	23,867
Egypt	11,576	11,700	14,375	53,810
Sudan	6,333	10,720	3,933	27,669
Canada	8,938	7,266	6,998	53,241
USA	11,564	10,733	8,598	65,797
Australia	3,306	2,877	2,431	16,488

instance of the rising trend of consumption failure of production to rise to the extent anticipated and provided for in the Third Plan may face the planners with a delicate problem of allocation of the internal production between internal consumption and export.

The position and prospects of coffee are no less embarrassing than that of tea, though in terms of total value of production and export earnings, coffee ranks far behind. The plantations have set considerable store for fresh shipments to foreign exchange earnings from export of coffee. While internal production has shown remarkable rise in recent years, exports have in the last year met with considerable resistance consequent on the over-extended position of the world coffee market. Present stocks at about 64 million bags are considered adequate to cover requirements for a year and half years and which preclude scope for any substantial rise in exports. The returns to the grower have been steadily declining since 1956 and over a period of nearly four years, the loss has amounted to as much as Rs 1,296 per ton. The difficulties of marketing coffee in the foreign markets have attracted drawn attention to the defects of the present marketing system for coffee. The system of closed tenders has been a deterrent to enterprising traders to venture in the trade which is concentrated in the hands of two or three traders. With a view to stimulating a sale of Indian coffee, the question of introducing open auctions has been mentioned in view of the delay entailed in the system of closed tenders, the change may seem desirable. The importance of producing quality coffee, more specifically the plantation variety, has been brought home by the difficulties in disposing of the Robusta variety which is in lesser demand as compared with the Arabica plantation variety. This calls for selective production with proper reference to the variety demand.

Commonwealth and the ECM

The ECM debate in Rajya Sabha, held on the eve of the Finance Minister's departure to attend the Commonwealth Finance Minister's Conference at Accra, has evoked an unexpectedly hearty measure of goodwill towards Britain in her difficult predicament, but added little to what is already known about the Government of India's attitude towards the British Government's move or its likely impact on India's export trade. The latter will be affected by a number of known factors. Though the most important among these are the terms on which Britain finds it possible to gain entry to the Common Market, the effects of the consequential decisions of the members of the Commonwealth have also to be taken into account in a final assessment. As regards the former we have only the following statement made by the British Prime Minister in his Television Broadcast of August 4: "Now there will, of course, be a long and probably rather detailed negotiations with ECM) and at the end of it we should be able to see more clearly what we have to gain or lose by joining." No doubt the Commonwealth Officials taking part in the preliminary talks in London to prepare the agenda for the forthcoming Ministerial level meeting, have been given a more precise indication of the terms which the British Delegation to the ECM propose to negotiate. A clearer indication of the attitudes of other members of the Commonwealth may be expected to emerge at the Accra Conference.

Great significance is attached to the venue of the Commonwealth Finance Ministers' Conference, for the attitude of the African members to the proposal of Association with the ECM, under Part IV of the Rome Treaty, is expected to occupy the centre of the stage. All the African countries are interested, but many have doubts regarding the political implications, which have been clearly enunciated by Ghana. On the other hand, it is by no means sure whether the Six would be willing to agree to their Association under Part IV as it stands. This arrangement was originally included in the Rome Treaty to bring into association with ECM overseas territories and dependencies of France, Belgium, Netherlands and Italy, on terms specially advantageous to the latter, which would enable them to safeguard their nascent industries while enjoying the benefit of free preferential entry for their exports to the Common Market. The propriety of continuing this arrangement after most of the territories concerned had attained the status of independent nations has been questioned within the Common Market, and the Community's African Association is being re-negotiated. The Indian stand has already been clearly enunciated. In the statement made by him in Parliament last month, the Finance Minister said: "It is our considered view that the less developed countries of the world should not rely on preferential treatment in industrialised countries as a basis for the development of their industries and exports. Such dependence can undermine the political independence of the countries concerned. What is necessary is that all industrialised countries should give access on specially favourable but non-discriminatory basis to their markets to products, whether they are raw materials like metallic ores and rubber or beverages like tea, coffee and cocoa or simple processed goods like tanned hides and skin, vegetable oils and grey textiles which the developing countries produce economically."

Another topic which may come up for discussion is the possibility of some form of association under Article 238 of the Rome Treaty, which would link the Commonwealth countries institutionally with the European Common Market, as suggested by Mr Lester Pearson, leader of the Opposition in Canada. This Article empowers the Community to "conclude with a third country, a Union of States or an International Organisation, agreements creating an association embodying reciprocal rights and obligations, joint action and special procedures." It is further provided that such agreement shall be concluded by the ECM Council acting by means of "a unanimous vote and after consulting the Assembly."

This proposal has aroused little interest in India for the simple reason that for a country like India whose trade with the Six, or even the Seven after Britain's entry, is less than half its total foreign trade, it will be no advantage to be associated in a grouping which erects a common tariff against the rest of the world. But the possibility that New Zealand, in view of its special difficulties, may seek association under Article 238 is not ruled out.

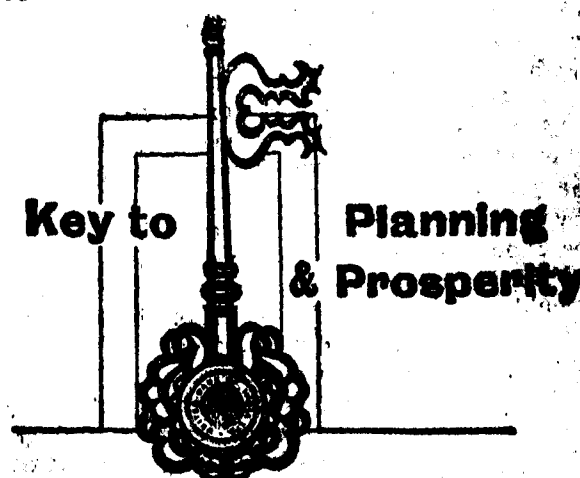
India's stand as defined by the Finance Minister in the statement referred to above is in consonance with the General Agreement on Trade and Tariffs to which this country, like the UK and members of ECM, is a party. The GATT is against new preferential arrangements; but has recognised that, in order not to disturb patterns of trade established through decades of preferential treatment, the preferential concessions in operation prior to the

coming into force of the GATT should be allowed to continue. The GATT has also accepted the principle that if preferences are reduced, countries which benefit from the reduction in preferences should offer tariff concessions. It was also stated that, while we would greatly regret the termination of the preferential arrangements between India and the UK, "we would acquiesce in it if we are compensated by a substantial liberalisation of import policies in the Common Market as a whole, provided suitable transitional arrangements are made so that the benefits of preferential treatment disappear only in slow, gradual stages."

As far as India's major exports are concerned, it seems likely that tea exports may be safeguarded under transitional arrangements; but exports of cotton textiles will have to find accommodation under the arrangements reached at the GATT Conference on Textiles held in Geneva on 10 July. Under the Short Term Arrangement, the participating countries have agreed to deal with immediate problems relating to cotton textiles through international action designed, at the same time:

- (1) to significantly increase access to markets where imports are at present subject to restriction;
- (2) to maintain orderly access to markets where restrictions are not at present maintained; and
- (3) to secure from exporting countries, where necessary, a measure of restraint in their export policy so as to avoid disruptive effects in import markets.

Under this arrangement, participating countries presently maintaining quantitative restrictions shall, as from January 1, 1962, significantly increase access to their markets by countries the imports from which are now restricted.



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World of Finance

STATE LOANS

Where has the Money Disappeared to?

WHERE has the money attracted by the State loans disappeared to? Cash subscriptions, that could be retained, were in the vicinity of Rs 80 crores; but no more than a shade under Rs 30 crores is traceable in the latest returns of the Reserve Bank. Firstly States' Deposits have risen by Rs 12 crores; secondly they have reduced their ways and means borrowings from the Reserve Bank by Rs 5 crores; and thirdly they have made some payment or repayment to the Centre, whose balances are higher by Rs 11 crores. But what has happened to the balance of something like Rs 50 crores?

As far as we can make out there is only one possible explanation. The States, replenished with the proceeds of the loans, had more money than they had immediate use for; and have in consequence purchased heavily of ad hoc Treasury Bills. If therefore the next return detailing outstandings of Treasury Bills should disclose an unusually sharp rise we shall have the confirmation of such an hypothesis. Incidentally, it is still possible that outstandings of Treasury Bills show no change; for the sale proceeds would be credited to the Centre, and the Centre would, with its cash balances satisfactory, have instituted reverse ad hocs for Rs 50 crores.

A variation could be: that the Centre in the relevant week has funded Rs 50 crores of Treasury Bills held by the Reserve Bank by creation of marketable securities; in that case outstandings of ad hocs would decline by Rs 50 crores; and at that stage the States would have invested Rs 50 crores in ad hocs; under this variation outstandings of ad hocs would again show no change.

A second variation is that the Centre has now, unknown to the public, carried through the third tranche of its borrowing programme for the year with a created issue sold in the first instance to the Reserve Bank; that the Centre then used the proceeds thereof to cancel ad hocs in an amount of Rs 50 crores before their maturity; and that finally the

States again bought Treasury Bills in such an amount, resulting in outstandings of Treasury Bills being unchanged.

All that can be said of the transactions is that they are mystifying; but if the first or second variation has been used a word of explanation to the public would surely have been in order.

RBI REPORT

Data on Tap Purchases

We have read it all—or almost all—before: that, we are afraid, is the inescapable assessment one must make of the Report of the Central Board of Directors of the Reserve Bank of India for the year to 30 June 1961. It is, indeed, only the shifts in emphases and the variations in the periods covered which serve to differentiate Trend and Progress of Banking, Report on Currency and Finance, Report of the CBD of the RBI and the Finance Minister's Budget speech, one from another. We wonder whether it should not be possible to avoid some at least of the duplication involved. Production trends, price trends, banking, public finance and the capital market are repetitively dealt with; it is true, some new facts are brought in from time to time, but surely we can well do without avoidable duplication. In our view the first 24 pages, which essentially constitute a review of economic conditions, could without loss have been pruned down to half a dozen; and we will not quarrel with the contents of the rest.

Almost the only fresh data contained in the first half of the Report relate to the open market operations of the RBI: "The increased pressure on bank resources during the year was met by substantial net sales of Government securities by Scheduled Banks." We are informed that the relevant figure was Rs 191 crores, whereas banks had effected net purchases of giltedged in the amounts of Rs 149 crores and Rs 155 crores in 1958-59 and 1957-58 respectively. This fact is qualified by the following statement:

"The decline in Scheduled Banks' investments in Government securities during the year is, however, overstated because of the transfers of PL 480 funds from the State

Bank, just as the rise in banks' investments in the previous three years was exaggerated by the accrual of these funds to the State Bank."

Banks of course disinvested; and the State Bank's sale of giltedged traceable to repayment of counterpart funds (in the year to 30 June 1961) is seen to be Rs 144 crores. Even this, however, is not the whole truth between 1 July 1960 and 30 June 1961 the State Bank sold Rs 158 crores of Government securities; and hence the magnitude of disinvestment by other Scheduled Banks is seen to be relatively small. Moreover, surely, a comparison could have been made with 1956-57, in which year also banks were compelled to disinvest substantially. In both 1956-57 and 1960-61, the expansion in Advances assumed record proportions, and in both years growth in Deposits, though for not exactly the same reasons, failed to keep pace. Hence the resort to borrowing from the Reserve Bank and hence also the sales of giltedged.

SLACK SEASON

Rude Interruption

The State loans have caused a rude interruption to the even progress of the 1961 slack season. Banks' Deposits are now lower than they were at the beginning of the current slack season; and the Other Loans and Advances of the Reserve Bank distinct (Rs 9.28 crores) higher.

Even so the return of the State Bank for the latest week places cash balances lower than they were at the start of the slack season and nearly one-third of the contraction. Advances, as at the week ended 1 September and calculating from the notional end of the last busy season, has been wiped out in the latest week.

The Scheduled Banks' return for the State loan week is of course not yet available; but it should confirm that tremendous impact has been felt by the banking system as a result of the State loans.

BANK RETURNS

Impact of State Loan Subscription

The spillover of month-early disbursement into the second week and the interruption of the 1961 slack season by the subscriptions the State loans have made their deep impact felt in the returns of the Reserve Bank of the State Bank for 8 September.

Beginning of the month disbursements responsible for a sharp rise of Rs 26.25 crores to Rs 1,898.86 crores in Active Note Circulation, as also for the outflow of Rupees (in the considerable amount of Rs 1.64 crores) Currency has been expanded against Rs Securities for Rs 15 crores by transfer of Investments in the Banking Department. With Foreign Securities unchanged at Rs 11 crores, the Reserve Bank's cash in the till has been drawn down by Rs 12.88 crores to Rs 8.93 crores.

Subscriptions to the State loans are reflected in the improvement of Rs 12.11 crores to Rs 31.95 crores in the balances of Governments. Too, the States have by ways and means borrowings from the Reserve Bank to the tune of Rs 5.20 crores, so they now stand at Rs 48.11 crores. Third would appear that the States have made

payment to the Centre, as the latter's balances have improved by Rs 10.99 crores to Rs 63.50 crores. The fall of Rs 14 crores to Rs 261.16 crores in Investments is due to transfer to the Issue Department. As another note in this section points out there is the distinct possibility of various transactions in respect of ad hoc Treasury Bills.

Heavy support from the banking system is suggested by the sharp fall of Rs 25.40 crores to Rs 75.85 crores in Reserve Balances, though part of this may be owing to the pressure arising from month-early disbursements. The drawing down of Deposits for subscription to State loans has compelled banks to seek assistance from the Reserve Bank, whose portfolio of Other Loans and Advances is sharply risen by Rs 17.97 crores to Rs 134.75 crores. That some banks (we have the State Bank in mind) may have discounted Treasury Bills, in order to purchase State loans, is indicated in the rise of about Rs 9 crores in the Reserve Bank's holdings of Treasury Bills purchased and discounted.

Balances Held Abroad, which have been falling quite sizeably from week to week, are lower only by Rs 0.86 crore to be placed at Rs 18.73 crores. Foreign Assets held by the Reserve Bank in both Departments now amount to Rs 135.59 crores.

That Scheduled Banks have borrowed from the State Bank as well is suggested by the rise, in the latter's return for 8 September, of Rs 8.73 crores to Rs 245.29 crores in the total of Advances though, again, part of the rise may be due to the demand from constituents in respect of month-early disbursements. The State Bank does not appear to have supported the States' new loans, since giltedged holdings are actually lower by Rs 2 crores at Rs 259.30 crores. But it is possible that the State Bank should have "paid" for its purchase of Rs 7 crores of State loans with Treasury Bills for Rs 9 crores, which have (or could have) been rediscounted with the Reserve Bank. Other public subscriptions have not caused much of a dent upon the State Bank's Deposits, which are lower only by Rs 2.81 crores at Rs 524.03 crores. As an end result, cash balances including money at call have moved down by Rs 3.79 crores to Rs 26.59 crores. It may be some weeks more before the State Bank resumes its tap (and slack season) purchase of giltedged from the Reserve Bank.

After some weeks a return (for 1 September) of Scheduled Banks fails to record an increase in Deposit resources. Net Demand Deposits, it is true, are higher by Rs 1.95 crores at Rs 821.87 crores, but this is more than offset by the decline of Rs 2.19 crores to Rs 1,135.55 crores in net Time Deposits. The aggregate of net Deposits consequently shows a drop of Rs 0.24 crore, and with State Bank reporting in the relevant week a rise of Rs 1.65 crores the inescapable conclusion is that the drawing on Deposits of other Scheduled Banks has been to that extent steeper. Borrowings both from the State Bank and the Reserve Bank have moved up, the indebtedness to the former institution rising from Rs 18.77 crores to Rs 19.97 crores and to the latter from Rs 1.27 crores to Rs 1.55 crores. Cash balances, including money at call, show a small drop of Rs 1.58 crores to Rs 208.10 crores, largely on account of the State Bank. The giltedged portfolio has again re-crossed the Rs 600 crore mark with a rise of Rs 9.54 crores to Rs 607.94 crores, and Rs 9 crores of the current week's increase are traceable to the State Bank. The contraction in the total of Advances is a moderate one of Rs 3.63 crores to Rs 1,227.88

crores; and Rs 1.99 crores of the fall are attributable to the State Bank.

The next week's return of Scheduled Banks should disclose considerable changes. Firstly a fair-sized drop in Deposits is to be anticipated; secondly cash balances, and balances with the Reserve Bank in particular, should have fallen steeply; thirdly borrowings from the State Bank and the Reserve Bank may in the aggregate have risen by Rs 25 crores; fourthly the giltedged portfolio should reflect banks' purchase of State loans, with the figure involved being in the neighbourhood of Rs 25 crores; and lastly the total of Advances will surely have risen by a considerable sum.

CHARTERED BANK Rights Issue

SUBJECT to the stockholders passing the resolution to raise the Authorised Capital and to London Stock Exchange granting not later than 6th October quotation for and permission to deal in newly issued shares, the Directors will offer to Stockholders on register on 21st September 1961 one one pound share for every five pound stock held at 40 shillings per share. It is proposed to post provisional allotment letters on 5th October calling payment of twenty shillings per share on 2nd November and the balance of twenty shillings per share on 30th November. The Directors have at present no intention of issuing balance of increased Capital. The Directors hope to recommend maintenance of 15 per cent per annum dividend on increased issued Capital beginning with recommendation of final dividend of 7-1/2 per cent actual in respect of year ending 31st December 1961.

Aid to Uncommitted Nations?

By Paul Einzig

There is more than a bare possibility that the Western countries will reconsider sooner or later their present attitude of indiscriminate economic assistance to uncommitted nations. Their resources are far from unlimited. Indeed the dollar scares of 1959-60 and the frequently recurrent sterling scares have been evidence that the United States and Britain have been granting external economic aid beyond their means. Moreover, Western opinion is becoming increasingly exasperated by the one-sided interpretation that some recipients of economic aid are inclined to give to their neutrality between those who want to help them and those who want them to share the fate of Tibet. The claim that "no strings must be attached to economic aid" has come to be regarded as axiomatic in undeveloped countries in urgent need of large-scale aid. In plain English they claim it as their inalienable right to bite the

hand that feeds them, before, during and after feeding, and that the feeding should continue on an increasing scale regardless of the bites. Moreover, since hostile taxation and other anti-capitalist measures effectively discourage assistance from private resources, they expect the over-burdened taxpayer of Western countries to provide all the aid, without any hope of being thanked for it.

Clearly there is a limit beyond which this attitude can be pursued without affecting the Western attitude towards economic aid. There is a growing feeling in the West in favour of confining external aid to those countries which are definitely on our side. To aid even them effectively would exhaust all the available resources, and in many quarters this is considered infinitely preferable to the present system of spreading the limited resources too wide. By trying to help everybody regardless of their attitude in the dispute between the Communist bloc and the free world, the Western countries are unable to help really effectively those on whose support they can rely in this conflict.

The argument that, unless the uncommitted nations are helped they will accept Communist help has been used so frequently that it has worn threadbare. There is indeed a growing feeling in the West that the more economic assistance uncommitted nations receive from Communist countries the better. Let the Soviet Union and its satellites use up their economic resources in external aid, in the same way as the Western countries have done. If they do so on a large scale it is bound to handicap their own progress. It is felt in the West that, once Russia will have invested hundreds of millions of pounds in underdeveloped countries, she is likely to be hated there almost as much as Western countries are hated, now, having invested there hundreds of millions. But Russia would never invest really large amounts without insisting on strings. An invasion of Soviet "technicians" would open the floodgates for subversive activities and the democratic system of the countries receiving Soviet aid would be in danger of being undermined. This would be, of course against the interest of the West. But the uncommitted countries—which would then soon find themselves committed on the side of the Communist group whether they like it or not—would be the first victims, and the West would derive at any rate some compensation from having been able to strengthen effectively the countries which are definitely on our side.

Neutrality is a matter of degree. Recent experience conveyed the distinct impression in the West that the neutrality of some of the "uncommitted" nations is biased so strongly in favour of the Soviet bloc and against the democratic bloc that they can hardly be considered to be still uncommitted.

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PROGRESS OF 1961 SLACK SEASON

Reserve Bank	28-4-61	Latest Week*	(In Rs Crores)
Active Note Circulation	1,982.43	1,898.86	- 83.57
Banks' Deposits	78.16	75.85	- 2.31
Other Loans & Advances	125.47	134.75	+ 9.28
Adv. Against Usance Bills	21.09	5.49	- 15.60
State Bank			
Deposits (see note)	549.70	524.02	- 25.68
Cash inc. Money at Call	27.87	26.59	- 1.28
Giltedged Investments	237.47	259.30	+ 21.83
Total of Advances	267.33	245.29	- 22.04
Other Scheduled Banks			
Net Deposits	1,367.04	1,430.59	+ 63.55
Cash inc. Money at Call	153.18	175.72	+ 22.54
Giltedged Investments	324.99	346.87	+ 21.88
Total of Advances	1,024.78	983.48	- 41.30

*Week ended 8 September for Reserve Bank and State Bank.

Week ended 1 September for Other Scheduled Banks.

Note: State Bank figures are distorted by Rs 24 crores loss in Deposits owing to repayment of counterpart funds.

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RESERVE BANK

Annual Report for 1960-61

THE Annual Report of the Central Board of Directors of the Reserve Bank of India submitted to the Central Government in terms of Section 53(2) of the Reserve Bank of India Act, published on 11 September contains, besides a review of the working of the Bank during the accounting year ended 30 June, 1961, a brief review of the developments in the Indian economy during the year.

According to the Report, the favourable developments in the Indian economy during the year ended June 1961 were a rise in aggregate investment, an encouraging advance in agricultural output and a record rate of increase in industrial production. The more sombre side of the picture included a sharp drop, for second year in succession, in the output of raw jute and a deterioration in the balance of payments, with exports inadequately responsive to growing needs. The combined effect of natural factors on the one hand and of rising investment and the maturing of previous investment on the other, was a marked growth of the economy, accompanied, however, by signs of strain with shortages in power, including coal, in steel and cement and in transport. The general price level rose further during the year though only by about a third as much as in the previous year. The expansion in bank credit to the private sector and to Government led to a further sharp increase in money supply during the year; while the expansion in bank credit to the private sector was larger than last year, that in the latter was smaller. The widespread boom in economic activity was also reflected in the ebullience of stock and capital markets during the greater part of the year.

In this context, according to the Report, the need for more effective action on the part of the Reserve Bank was clearly indicated, in particular to alleviate the growing pressure of monetary de-

mand on the economy and to restrain inflationary pressures. The moderate action to regulate credit initiated in March 1960 through impounding of additional reserves of banks, which was further reinforced in May 1960, did not have a significant effect on the volume of credit, which continued to remain high through the slack season, facilitated mainly by the relatively low cost of borrowing from the Reserve Bank. The resulting over-extended position of banks provided the need as well as the opportunity for the more drastic measures of general credit restraint which the Bank initiated in September 1960. It introduced a system of slab rates and quotas to regulate banks' access to Reserve Bank assistance and at the same time directed banks to raise their average lending rates by at least $\frac{1}{2}$ per cent. Later, however, with a view to easing the impact of seasonal stringency, the Bank withdrew in two stages the additional reserve requirements which had remained in force throughout the slack season. The selective credit controls continued to be flexibly operated in conjunction with the general credit measures and were either extended (as in the case of raw jute and jute goods) or relaxed (as in paddy and rice) or totally withdrawn (as in wheat and sugar).

As in the preceding years, the Bank continued to give close attention to the development of institutional credit for agriculture and industry as well as to consolidate and strengthen the banking structure. The liquidation of the Palai Central Bank focussed attention on the weak spots of the banking system. The banking law was amended during the year, among other things, to further expedite liquidation proceedings of banks, to assure small depositors of the safety of their funds by making them preferential creditors, to provide for the declaration of a moratorium to facilitate the process of reconstruction or

amalgamation of banks and to provide for compulsory amalgamation of banks with other banks including the State Bank of India or its subsidiaries. The Government of India has also decided to introduce a scheme of deposit insurance. Mention may also be made of two proposals formulated by the Reserve Bank, one for strengthening the capital funds of banks and the other for increasing the cash reserves and liquidity requirements of banks. In the sphere of industrial finance, legislation was passed to widen and diversify the assistance provided by the Industrial Finance Corporation, while the scheme of refinancing of the Refinance Corporation was liberalised both as regards its scope and terms and conditions of refinancing. The Government of India's Scheme for the guarantee of loans granted to small-scale industries, initiated last year, was extended to 30 additional districts and was also liberalised with a view to facilitating its working. As a result, there was a further marked expansion in the activities of these corporations and in the finance made available to industry during the year. As regards co-operative credit, the Bank continued to play a major role in expanding and co-ordinating the credit facilities available to the rural sector as well as in rendering financial assistance to the co-operative structure. During 1960-61, the outstanding amount of loans by the Reserve Bank to State co-operative banks for financing seasonal agricultural operations and marketing of crops rose from Rs 78 crores to Rs 100 crores and that of medium-term loans for agricultural purposes from Rs 6.7 crores to Rs 8.8 crores. In addition, the Bank continued to subscribe to the debentures floated by the central land mortgage banks. Further progress was also made during the year in implementing the Bank's scheme of handloom finance.

According to the Report, the achievement of the Second Plan remains impressive, despite the foreign exchange crisis early in its course, the vicissitudes of nature

and a steady rise in prices during the period. Agricultural output rose during the period by 16 per cent, industrial production by 40, per cent and national income (at constant prices) by 19.6 per cent. On the other side of the medal, exports were stagnant and the balance of payments deficit widened considerably. The pressure of aggregate demand in the economy was intensified and largely contributed to the rise of 30 per cent in the general price level. The Third Plan, which envisages an aggregate investment of Rs 10,400 crores and an increase in national income of about 30 per cent demands for its success, the Report says, a high degree of discipline in the fiscal and monetary fields to achieve a substantial increase in the rate of domestic savings. Further, notwithstanding the substantial foreign aid promised by friendly countries for the first two years of the Plan, it would be necessary to organise a massive step-up in efforts to promote exports to pay for at least the maintenance needs of the economy. For this purpose, appropriate incentives may be required and the cost-price structure will have to be kept under control, as the price of exports is the key to their competitiveness in a phase of increasingly intense competition in the world markets. The Report also emphasises the importance of the role of monetary policy in the task of maintaining stability and discipline during development. With continuing investment and rising output, the demand for bank credit in the Third Plan would rise continuously; so too, would the pressure on prices. The Reserve Bank's monetary policy, the Report states, would, therefore, have to continue to be a two-pronged one, viz. of ensuring an adequate flow of credit to meet the genuine requirements of agriculture, industry and trade and checking speculative excesses with their inflationary overtones. In other words, the two-directional objective of monetary policy is to maintain the momentum of development and at the same time to avoid the pace of development from outstripping the capacity of the economy to sustain it. In this context, there is need further to strengthen the institutional machinery of agricultural credit and finance for industrial rehabilitation, expansion and development, which the Bank has promoted, as well as to consolidate and strengthen the banking system through geographical and functional expansion of its scope, for undertaking the larger tasks that lie ahead.

During the year under review, the Bank's income amounted to Rs 52.1 crores and expenditure Rs 9.6 crores, the net profit available for payment to the Central Government in terms of Section 47 of the Reserve Bank of India Act being Rs 42.5 crores as compared to Rs 40 crores in 1959-60.

Notes

SUGAR

Commonwealth Opportunities and—

One topic which might with advantage be raised at the Commonwealth Finance Ministers' Conference at Accra, though so far very little has been said about it in this country, is the question of revision of the Commonwealth Sugar Agreement, following the termination of South African participation at the end of December 1961. India was not in the picture as an exporter when the agreement for supply of sugar at negotiated prices was made in 1951 between the British Government and sugar exporting members of the Commonwealth. Presently, these prices are substantially above world prices. South Africa had a quota of 217,000 tons under this agreement. With the termination of South African participation, Commonwealth countries can legitimately ask that this quota be distributed among members of the Commonwealth exporting sugar. But the Government of India so far has not shown any interest in following up this export opportunity for our sugar

surplus. (However, on the eve of his departure to Geneva, Mr A. M. Thomas, Deputy Minister for Food, told our correspondent in an interview that possibilities of India joining the Commonwealth Sugar Agreement are being explored.)

The imminence of the International Sugar Council meeting which is expected to fix an export quota for India may be an inhibiting factor. Moreover, it is understood that the British Government has assured South Africa of its readiness to conclude an agreement for import of sugar outside the Commonwealth Sugar Agreement on practically the same terms and also agreed to support South Africa if the latter applies for quota under the International Sugar Agreement to the full extent of its entitlement under the Commonwealth agreement. Perhaps it is a consequence of the British Government's application to enter the European Community that they should regard the maintenance of the Commonwealth as depending on ties less tangible than trade relationships.

World Opportunities

An Indian Delegation led by Mr A. M. Thomas, Deputy Minister for Food is taking part this week in the UN Sugar Conference at Geneva. This is not the first time, that India is attending the UN Sugar Conference, though India joined the International Sugar Agreement only recently. Indian delegations had attended the conferences held in 1953, 1956 and 1958. India had also been recognised as a Sugar Exporter and allotted a quota of 150 thousand tons. We had exported 150 thousand tons in 1958. In 1958 the quantity exported was 50,000 tons. This year we have exported over 100,000 tons to world markets, in addition to 1,87,000 tons to the US market. We shall also be exporting the balance of the quota of 30,000 tons mainly to Malaya.

We are applying for an export quota as member of the International Sugar Agreement for the first time this year. Because of the large surplus of crystal sugar in the country, the Indian Delegation will endeavour to get the quota substantially enhanced. The basic quota fixed by the International Sugar Agreement is exclusive of US import quotas. But it is a condition that any country exporting to the US should be a

member of the International Sugar Agreement.

The International Sugar Agreement reached in 1958, to which India was not a party, has still two years more to run. But it is reviewed and adjusted every three years to meet changing conditions. Following the announcement of the US import quota, India has applied for an export quota under the Agreement. India can legitimately ask for a quota which will enable the country to export its sugar surplus, currently estimated at half a million tons. This quantity, as Mr S. K. Patil has rightly emphasised, represents just half per cent of our total sugar output including unrefined sugar. The size of the quota which is finally agreed to will indicate how far it will be advantageous for this country to seek to export sugar to countries other than the US.

COAL

Difficulties of Steel Makers

Mr Swaran Singh's Lok Sabha statement on coal supply to the steel plants more or less confirms the apprehensions recently voiced by the Chairmen of the two private sector steel companies. Both Mr Biren Mookerjee and Mr J. R. D. Tata have pointed out that the working of the steel plants are greatly hampered by the high ash content and irregular supply of coal made available to the steel factories. The result is that the installed capacity is not expected to be utilized fully for another two years or so.

Mr Swaran Singh also does not deny that difficulties are faced by the steel companies but emphasises the fact the problems of supply of coal and limestone are common to all steel plants both in the private and public sectors. He seems to think that such difficulties are inevitable in the present context of the rapid growth of steel making capacity. The country is fortunate in possessing plentiful supply of iron ore but with regard to other raw materials such as limestone and coking coal the position is not quite satisfactory. In the past the private sector steel plants had the entire supply of raw materials at their command as it were but now that more steel plants have come into being demand for the raw materials has considerably increased. The supply of limestone is likely to remain unsatisfactory because new deposits are yet to be proven. Considering the pressure on transport facilities, the steel companies cannot complain too loudly. Mr Swaran Singh has drawn attention to the fact that about 5 million tons of raw materials have to be brought to the factories for them to produce 1 million tons of steel. This is not a small job and the railways are doing their best to cope with the situation. Already the railways

steel plants 15 per cent of the entire goods carried by them and it is expected that the share of the steel plants will increase to 30 per cent in the course of the next five years. Even so, according to Mr Swaran Singh every thing possible is being done to ensure that the steel plants are not handicapped for want of raw materials including coal. A high level committee is being set up to watch over the supply of coal to the steel plants. While the committee can possibly have no control over the quality of coal it can at least ensure that supply is regular. As Mr Biren Mookerjee has pointed out the assurance that a certain quantity of coal will be received at stated intervals will go a long way toward adjusting production schedule. There are handicaps such as the allocation of unsuitable wagons to the steel plants which can easily be removed by a co-ordinating body. All this may improve matters considerably but it would appear that the main problem of the steel plants, that is the high ash content of coal, will still remain. The remedy is more coal washeries and it seems the steel plants have to wait to attain reasonable efficiency till the needed number of washeries are established in the course of the next few years.

COTTON TEXTILE

Poor Export Performance

That all is not well with our cotton textile exports is not a revelation that has come yesterday. Our cotton textiles are not as popular in foreign markets as they

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were some time ago for perhaps two main reasons. The first consideration that weighs with a buyer of cotton textiles is price. In this regard our goods are at a disadvantage as other competitors are able to dump their goods in overseas markets at much cheaper price than we are able to offer our cotton textiles. The second deterrent seems to be our failure to cater to the exact needs of the foreign consumer. Considerable headway has been made in recent years in regard to the latter but the first of the handicaps is still very much there. It is idle to expect the foreign buyer to support our cotton textiles when he is able to get his requirements according to his taste and at prices much lower than what we can offer.

If we want to promote the export of our cotton textiles, an essential prerequisite seems to be that we make our goods intended for export according to the taste and need of the various foreign markets in which we want to sell them and price them competitively.

This is the crux of the problem and in solving this, the responsibility does not solely rest with the Government as is often supposed. It is true, Government has much to do in this matter as the ability or inability of the indigenous industry to compete successfully with other manufacturers in overseas markets stems primarily from Government policies governing the industry. It was time the authorities sat up and took note of the deterioration in exports. The position has been lucidly explained by Mr Neville N. Wadia, Chairman of the Cotton Textile Export Promotion Council, the other day at the seventh annual general meeting of the council. The performance on the export front so far in the current year is very disappointing. In the first five months, exports are 48 million yards behind 1960. There is stiff resistance to our goods in overseas markets and on the top of this there is the question of the UK joining the European Common Market. This is a matter for con-

cern for us because the UK is taking one-third of our exports. While efforts should have to be made to offset the effect of this development which is perhaps inevitable, the success of our cotton textile exports depends ultimately on our own efforts. Government has to find out what facilities it can possibly give to the industry to enable it to stand on an equal footing with other competitors in world markets. It is gratifying to note that Government has realised that modernisation of mills is an important step in the direction of maximising exports and that foreign exchange will be made available for this purpose even in the present context of an acute shortage of it.

TEA EXPORTS Decline in 1960

The decline in India's tea exports, which is spotlighted by the Tea Board in its review for 1960, is a matter for grave concern all

over the country, particularly at a time when the country's foreign exchange reserves are distressingly at a low level. Exports of tea from India declined from 229.5 million kgs in 1958 to 214.3 million kgs in 1959 to 195.1 million kgs in 1960. The main factors that are responsible for this downtrend are the fierce competition in the international markets, decline in domestic production and the increased internal consumption. The overall production in 1960 was shorter than in 1959 by 5.6 million kgs whereas the domestic consumption rose from 109 million kgs in 1958-59 to 115 million kgs in 1959-60. To arrest this upward trend in internal consumption, Mr A. S. Bam, the Chairman of the Tea Board, has announced the other day that all the propaganda units of the tea industry in India will be withdrawn. Probably the Chairman was guided by the reduced output in 1960 to resort to such a drastic step. But the latest reports from the tea growing centres provide ample indications of a record crop during the current year. If we can rely on these reports the supply position is likely to create an actual glut in the country. Viewed in this context the decision of the Tea Board does not seem as a palliative, on the contrary, it will only worsen the position.

However, in fairness, it has to be stated that the eagerness of the Chairman to stimulate our exports is laudable. Obviously Mr Bam has overlooked the simple fact that mere reduction in internal offtake will not, by itself, solve the problem. Two well-known deterrents to our exports are the uncompetitive nature of Indian tea and the inadequate propaganda carried out in the consuming centres abroad. The inroads made by other exporting countries in the international markets were to a great extent facilitated by the competitive prices of their tea and the facilities extended by their Governments. For instance, the East African tea is exempt from export duty and the Indonesian tea enjoys export subsidy. The position in India is entirely different. Indian tea is subjected to several taxes like export duty, excise duty and sales tax which will only inflate the prices and make it all the more uncompetitive. Considering all these factors the need of the hour appears to be the reduction of load on the industry and adoption of other suitable steps which will strengthen the competitive position of Indian tea in the international markets.

MANGANESE In Deeper Difficulties

Addressing the second quarterly general meeting of the Nag-Vidarbha Chamber of Commerce,

Nagpur last week, Mr D. C. Sutari underlined the paramount importance of governmental action with a view to assisting the manganese industry in Maharashtra which is "getting deeper in difficulties". Exports of manganese ore from the country has slipped down from 1,715,000 tons in 1957 to 1,162,000 tons in 1960 which alone will cast a depressing spell on the industry. Apart from this the industry in Maharashtra has cause for serious concern, for production there has gone down in comparison with Orissa and Mysore.

Mr Sutari observed that the present predicament of the industry in Maharashtra, is partly due to the unsympathetic treatment meted out by the authorities both at the Centre and the State level. The suggestion to allow some railway freight concession has fallen on deaf ears. The special concession granted by the Ministry of Commerce and Industry by way of 5 per cent foreign exchange for the import of machinery for actual users will practically be of no avail to the majority of the mine-owners since nearly 95 per cent of them are not exporters. Even the Municipal Corporation of Nagpur has adopted an indifferent attitude. For example the question of octroi duty and refund regulations raised by the representatives of the trade is left untouched by the Corporation. Unless these difficulties are removed the position of the industry will only weaken further.

Side by side with such measures, concerted efforts are also required for the promotion of exports. The decline in exports during the past few years is the result of numerous factors like rise in world production, development of new mining areas in the proximity of consuming countries and the emergence of Russia as a leading exporter of manganese ore. The actual demand for this ore in the country forms only about 40 per cent of total production. Taking into account of this factor alone the need for increasing our exports becomes all the more imperative.

LIC An Odious Comparison

In 1960, the Life Insurance Corporation of India achieved a larger income from the investments, and this is largely responsible for the dividend of 11 per cent paid on the capital of Rs 5 crores invested by the Central Government. It has been pointed out that the Government had agreed to make good the deficit arising from the failure of some nationalised companies to meet their obligations in full. A question that may be asked now is whether a dividend can be paid out of the available surplus before the bonus to the

policy-holders has been paid. This is a legal point which may require to be tested by a Court action, because any dividend paid to the Government can come only from the valuation surplus on which the policy-holders have a superior claim.

It is surprising that the Chairman who has referred to the two valuations conducted in 1957 and 1959 has permitted the Government to claim and receive 5 per cent and also conceded the claim of the Government to receive a dividend of 13 per cent for 1958 and 1959. Nothing has been said about the dividend for 1960 or to the sum available in the profit and loss account, although a great deal has been said about administrative efficiency. A comparison with old-established companies like Oriental or New India in the past would be out of place, because the LIC today has a monopoly and operates on an expanded scale. Nevertheless, a comparison with a leading British Company like Prudential in the matter of earnings

or business is sobering. Those who are aware that the 4 sh. shares of Prudential are quoting around £18, will argue that the 13 per cent dividend paid by LIC is not a financial triumph. Of course, there is no market for the LIC share capital and some satisfaction may be derived from the fact that among nationalised enterprises, the LIC is doing much better than many others—the shipyard, for example. The yield on the life funds may be applied as a yardstick by any careful investor who can now assume that a minimum return of 4½ per cent is just and proper and anything lower (as in the case of growth stock) should be compensated by capital appreciation.

ANDHRA PRADESH New Endeavours

The asbestos found in Andhra Pradesh is the base for an expanding industry. The deposits in Rayalaseema and Telengana are

exploited. Some grades are exported but a use must be found for preparing the mineral near the mines. This will require power supply but domestic demand is going up, according to the Director of Mines. As the sole producer of barytes, with an estimated output of 6,500 tons a year, Andhra Pradesh is meeting the requirements of the paper, paint and rubber industries in India. The oil industry requires barytes but no export trade has been established. Two mills to crush barytes may be set up at Cuddapah soon. The establishment of a paint factory requires capital: so also barium chemical manufacture to replace present imports.

Far more important in the view of many is the establishment of iron and steel perhaps in Warangal near enough to the coal fields. There are State-owned deposits to permit the establishment of a low shaft furnace at Kothagudem. The public sector in Andhra Pradesh will include pig iron production because limestone coal etc.

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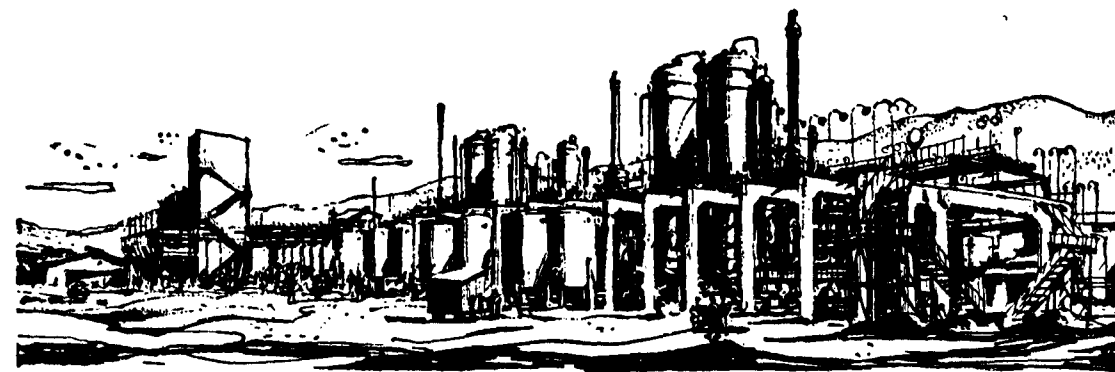


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an be got easily and the claim or a small industry to use iron ore in surplus has been backed by private enterprise. At a meeting with Mr K. C. Reddy in July the A. F. Federation of Industry and Commerce pleaded for a small steel plant and a big re-rolling mill. The ambitions and plans of Madras have influenced the demand for a steel plant though the State Government's outlay of Rs 305 crores on the Third Plan must be increased to meet the investment requirements. The claim that non-cooking coal is enough to start iron and steel production in Andhra Pradesh has been made again and it is fairly certain that the State means to get the most out of its minerals, because of the takeover of the Singareni collieries by the Central Government on the score of loans and advances made after the capital was reorganised last year to raise the paid-up capital to Rs 4 crores.

PROFITS TAX

A Fiscal Novelty

An article in the ECONOMIC JOURNAL (the latest issue) is of special interest to India as Mr M. Fg. Scott has written about absorbing the rise in prices by means of a special profits tax. While he has conceded that rises in wages influence prices and expensive imports affect the costs of production, he has also argued that price stability can be ensured by a new graduated tax related to the increase in prices. This seems a painless cure for inflation, though Mr Scott is quite modest in putting forward his plea for a supplementary profits tax as distinct from income tax and super-tax. Price stabilisation involves a wage-freeze to which Mr Lloyd is committed today; but it is a remedy apt to provoke industrial strife. But Mr Scott recognises that prices are detailed by the leaders of industry, the big firms which have virtual monopoly at present. It is assumed that in order to avoid public criticism, big ones will not raise prices to the consumer and expose themselves to inquiry.

The argument over steel prices in the USA, with workers asking for a price increase against the plea of the consuming industries just emerging from a recession, will probably induce the USA to think of a fiscal remedy for inflation. The payroll tax in the UK may not have the effect of cutting costs or retarding increases in prices. The excises, sales tax and customs duties raised by order may also raise prices and if the volume of consumption falls, prices might go up faster than expected, and to a greater degree. The problem is much the same in India because excises and sales tax contributed to the rise in prices.

The ingenious proposal for increasing tax in relation to prices

charged, not profits earned, may savour of mediaevalism with its bias for the just price, but economic regulation in future must think of the consumer as well as the producer. The former also pays taxes, mostly indirect, and the new variation on indirect taxation will have the merit of saving for the Government promptly a part of the undue or windfall profits and promote retail price maintenance by the most efficient firms in any business. The intrusion of price control can be limited, while in the case of export commodities the prices offered by foreign buyers may come to determine prices for the domestic market. In any case, Mr Scott has produced something of a fiscal novelty, a tax not on person or property, but on the movement in prices so as to check the depreciation of money.

CHARTERED BANK

Rights Issue Quite Logical

There may be no direct connection between the Reserve Bank's proposals to strengthen banking and the Chartered Bank's proposal to raise its capital by 20 per cent to £6.6 million. But the rise in deposits after the acquisition of the Eastern Bank's capital may render the new issue of shares quite logical and easy too. The clearing banks in the UK have increased their paid-up capital and the exchange banks may be inclined to supplement mergers by raising the present capital to show that they can cope with regulations as well as competition. By increasing its capital, the Chartered Bank in its second century will please its shareholders. And the Allahabad Bank too may be induced to follow the example by raising extra capital here to make it clear that foreign connections imply also the capacity to meet all demands.

The Chartered Bank's example will be followed doubtless by the Hongkong Group and the National Grindlays so as to show that the Exchange Banks have the means to retain and extend their business even if the 27½ per cent rule were to apply to them in regard to liquid assets. The Indianisation or recruitment of staff undertaken earlier this year contained a hint that the Chartered Bank means to improve its position because it has an Indian subsidiary which has come down to the South also last year.

The promise of keen competition for business may compel the larger joint-stock Indian Banks to look soon beyond the large cities and the direction that branch banking lately may be different from that of the past in which the Jam Sahib had to offer the Central Bank of India special inducements to open a branch of the bank in

Jamnagar. The rule of non-discrimination, applied since the Central banking enquiry decided against protection for Indian banks against British rivals, may still help the exchange banks because their long experience may build up new connections. And if trade in S. E. Asia is based on a common market as projected by Malayan leaders, the Exchange banks stand to gain, more so as the Indian banks with branches abroad may find it harder to compete in the future. It is easy to predict that the Chartered Bank has more opportunities in Japan though Australia may be out of its reach.

CLOAK AND DAGGER

Many Inventions

Another diplomatic discovery by Russian agents about the Cento's intention to divide Afghanistan and give away a part to Iran and another to Pakistan may provoke ready ridicule abroad. The capacity of Iran to regain a lost empire is doubtful. But the rupture of relations between Karachi and Kabul provides an occasion for Moscow for many inventions. And the reference to the schemes of Pakistan or Iran is an indication of what Russia wants, a weak Afghanistan which is a buffer State living off foreign aid, both Russian and American. The Russian achievement in the partition of Germany or earlier in Poland does not stand in the way of raising an alarm, perhaps because some Pathans in the tribal area may actually prefer to join Pakistan if Afghanistan were divided.

The Paktoonistan demand implies the creation of a N.W. Frontier State that will merge in West Pakistan eagerly. And Kabul has no means to stop it because the dynasty is new and the Afghans have a chance of getting more US aid if there were to be a division. The withdrawal of Britain has not really altered the position for the better, as Afghanistan has to lean on Russia and there are no minerals to help a land-locked country which like Nepal must rely on neighbours to help out. Of course, history indicates that Lahore could rule Kabul easily and keep guard on the Oxus but Afghan tribalism is an obstacle to expanding nationalism on either side and the buffer status is largely a result of the clash of Russian imperialism on the British expansionism in the last century. Dependence on Russia for cloth, sugar etc has made Kabul a client of the Soviet Union and to warn off the USA may be the major object of a discovery which can be related readily to current events. It will not be surprising if the Afghan government decides to stop taking American aid, because of Cento and Pakistan's alliance with the USA. That is presumably the object of the Russian warning

against aggression. This may well lead to the end of the monarchy in Kabul and it may pass into history like the Khanates in Central Asia which have become Russian colonies in Asia, confronting a resurgent Chinese imperialism in Sinkiang and Tibet.

AUTOS

Uncertain Future of Independents

The motor industry in England, examined earnestly by PEP after the war, has undergone a great change in recent months and the future of the industry in the light of falling exports is discussed anxiously after the indication that Leyland Motors is carrying out a drastic economy campaign in Standard-Triumph and the future of the latter company is causing concern to the workers as well as shareholders. The 5 sh. shares of Standard Motors are now easily distinguished from the 5 sh. shares of British Motor Corporation which in view of its expansion plans may be said to have an assured future. The current preference for bigger companies and fewer models may be soon reflected in mergers within the industry although subsidiaries of American companies like Ford Motors or Vauxhall motors will not lend themselves easily to reorganisation.

It is now clear that like shipping or shipbuilding motor manufacture is exposed to more intense competition from Europe and the future of small independent companies like Rover will be soon viewed with anxiety. From the Standard Motor Company's point of view, the earlier bid to acquire control made by the late Mr Ferguson would have proved advantageous and it is evident that acquisition of Triumphs did not help the company to regain the prosperity it hoped for. Whether overseas associations or assembly plants would be affected by the concentration of control desired by Leyland Motors, is a minor matter as compared with the Company's probable withdrawal from the light car field. But Leyland motors, hitherto identified with commercial vehicles, is credited with an intention to enter the field of passenger car manufacture.

CYPRUS

Lemons and History for Sale

Cyprus, the isle of unrest has since 1959 sought stability and even tried to bring the Turkish minority round to approval of its independence. In the Commonwealth, and also among the neutrals that assembled recently at Belgrade, Cyprus is planning for a transformation. Last month,

16 September 1961

Parliament was told by the President-Archbishop Makarios about the need for a five-year plan costing £62 million for rapid development of the island's resources. The shortage of water must be reduced by irrigation and subsistence farming must be improved by co-operatives. The lemon farms of Cyprus are famous and there is a trade in fruit as well as wine. But Cyprus has history to sell just like Greece and if packet-boats call at ports, a rush of tourists can be expected. The minerals are exported, but much more can be done if more capital enters. Greek experience may indicate that fugitive funds may return to Cyprus but the opportunities for local investment must be created.

Welfare and development grants from the UK are unlikely and Greece may have little money to spare. Cyprus is turning eagerly to the World Bank for loans and the IDA may advance funds for roads and railways, especially, as the mining companies maintain only tramways for haulage of ore. The scheme of land reform to pull the peasants up from their pathetic contentment may need no justification at present. The ideal is a freehold even for small holders and the Archbishop thinks of co-operation also as a tool for improving agriculture. The Guardian reporting the Cyprus five year plan last month made no mention of the economic consequences of the troubles of 1955-59. But the Archbishop looks for a rush of capital in order to overcome the trade deficit. In 1959 the imports exceeded substantially the exports as the last report of the Colonial office about the island's administration made it clear. The revenue came largely from customs duties but Cyprus levied estate duty in addition to incometax on all having over £300 per annum. The excises on matches, tobacco and liquor proved that Cyprus had copied the UK fully before thinking of a plan. The island's public debt was small (about £13.38 million) and that may inspire a hope that Makarios will get the funds from his plan.

The Neutrals can offer only advice. None of them can make a contribution to Cyprus' welfare and development. The Government has to keep half a million people on the island particularly when many are eager to get off to Greece or Egypt. That is a type of population problem for which the only solution is economic growth. Cyprus is hopeful since the World Bank may help its mining or other projects on the score of Europe's rising need for asbestos, chrome ore, copper and pyrites. The list of improvements desired cannot be met by the British in charge of Cyprus' defence and the Balkan countries can offer little money so as the island does not qualify as a communist area because it is ruled by

a Church dignitary who has been raised to temporal power by popular vote.

US AND THE ECM Protectionist Protests

The European Common Market may help US overseas trade or investment but the US farmer will find demand for surplus grain shrinking, if tariffs are put up against non-European countries. The US Government's protest to the ECM has been confirmed by Mr Orville Freeman's view and talks in Brussels are promised. If surplus grain from France or Italy supports agricultural production in West Germany, there will be no need to buy wheat from the Middle West, especially if tariff concessions are made to Canada at the instance of Britain. And Germany's investment in Brazil or Argentina will ensure supplies of cotton or grains like maize.

The old hog-corn formula of the USA would become useless and the Government will have a bigger holding in commodities and will have to rely on the P.L. 480 programme, which is not so good when yields per acre are rising as in the case of cotton. The USA wants a liberal trade policy but a customs union in Europe relying on imports from Africa, spells danger to the USA especially when Argentine meat or linseed will be pressed on the European Common Market for sale. The revival of European nationalism and the creditor status of the USA compromise long term export prospects and Latin America cannot buy the commodities because the means to pay for US imports is doubtful. The Randall Commission did not think of it and reciprocal trade treaties will not ensure a steady offtake of grain by the Low Countries or by Britain which will probably put commonwealth demands for advantages first.

The US obviously wants free trade in foodstuffs but France wants to protect potato-growers and others in order to remove present discontents. This is clearly a situation which will probably lead to bargaining over tariffs. The USA must accept German or Swiss goods in order to keep up exports of foodstuffs, let in Danish dairy products or French cheese. But there is a strong protectionist element at home even now and the USA will have to lower her tariffs to help one section against dairy farmers who like to keep out margarine and butter too. The Common Market tariffs will be low but not so far as the US farmer is concerned, and the Farmer Lobby in USA will be alarmed by differential tariffs based on ECM preference. The adjustments would spell danger to French farming resting on a tradition of

production like German agriculture. Indeed, the sudden retreat to free trade in Europe means danger to protection in the USA and the large free trade area in the USA, if it is an example to Western Europe, has a double-edged effect, for it means that the US agriculture surplus would be larger and hard to dispose of.

US Price Stability Vital

US Government officials have made repeatedly clear their belief that the current upsurge in economic activity can proceed with inflation. Indeed, this has been the case so far; the price level has remained stable, particularly when one considers the rapid pace of the current economic rebound and the rise in demand for goods and services.

Yet, it is recognized that as the economy continues to expand, and production and demand continue to rise, the possibility of an incipient inflation could become an influence to reckon with. Hence, the Kennedy administrations oft-repeated admonitions against the kind of price and wage increases that could feed the fires of inflation at home and injure US industry's competitive position abroad.

This was a theme to which President Kennedy returned in the course of his recent news conference, when he strongly urged the nation's steel makers to avoid price increases this fall. He is

hopeful, he said, that the companies will decide they can absorb wage rises, scheduled for October 1, under existing labour-management contracts, without price boosts.

The President was basing his statement on information supplied by his economic advisers, who believe it is possible for the steel companies to pay the higher wages and still enjoy good earnings. The idea is that the normal gains in productivity, or output per man-hour, plus the greater efficiency possible at the rising levels of production will more than offset the impending increases in wages rates.

The extent of public interest in this subject is seen in the stated opposition of a number of influential Congressmen, led by Senators Gore of Tennessee and Douglas of Illinois, to any steel price increases. And in a recent speech at the University of Wisconsin, Chairman Walter Heller of President Kennedy's Council of Economic Advisers expressed the hope that price lines will be held and wage negotiations will be kept within the bounds of productivity increases.

This latter reference is particularly applicable right now to the automobile industry, where collective bargaining is in progress on new labour-management contracts. It was no accident, then, that President Kennedy also expressed the hope at his news conference that new agreements in this industry would not provide for increases in the cost of automobiles to the consumer.

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16 September 1961

Clive Street Gossip

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

IT would perhaps be cynical to suggest that Mr P. A. Gopalakrishnan has thought up the scheme of "mass insurance", because he will not be there to implement it. The scheme has certainly its points, not the least attractive of which is its novelty. But the brief account he gave in his address to the Bombay Insurance Institute leaves many essential questions unanswered. The idea is put thus by the LIC Chairman: "Instead of issuing individual policies with different rates of premium, depending upon the age at entry and the duration of the policy, mass policies should be issued to industrial and commercial establishments, army personnel and workers in Government departments insuring them with a standard amount". There is to be no medical examination and no proof of age. The idea is that on the death or retirement of an employee, the establishment will certify the fact, and the LIC will pay it the agreed amount of the policy. The attractions of the idea listed by Mr Gopalakrishnan are many: certainly the way he described them would make many mouths water: "There will be no payment of first year's or renewal commission, no administrative work dealing with field officers and agents and no payment of medical fees. For millions of policies, the number of premium notices and receipts to be issued will be only a few thousand. The renewal expenses ratio for this mass business will be reduced to one or two per cent and premium rates can be reduced to astonishingly low levels."

Obviously, the idea opens up interesting possibilities. Though it is somewhat novel in the form in which the LIC Chairman presents it, it was not entirely unknown before. Many business houses have similar schemes for some of their senior staff. Again, in pension and gratuity arrangements for employees, an insurance company is often brought into the picture and by means of a three-cornered contract, pension-cum-death benefit arrangements are worked out in return for agreed premia paid by the company. Often it is a condition of employment that an employee should join such pension-cum-life insurance scheme. Indeed, the Income-tax Act treats the annual premium paid by an employer on

such policies as a perquisite in the nature of salary and taxes it in the hands of the individual employee. Under the mass insurance scheme envisaged by the LIC Chairman, it is not clear whether the premium will be paid by the individual employee or by the employer. If it is to be another "amenity" to be provided by the employers, they are not likely to be very enthusiastic over it. Already there is in operation a kind of compulsory provident fund to which the employer is obliged to contribute. This mass-insurance may be considered by the employer an additional burden on him, though, of course, it will all come off his income-tax. If, on the other hand, the premium is to be paid by the employees themselves, then, invidiousness of various sorts may arise. For instance, as recognised by the LIC Chairman himself, a person on the verge of retirement will pay far less by way of premia than a person who is brought in on the scheme at a much younger age. Mr Gopalakrishnan tried to justify it on the general principle underlying life insurance, by which "every policy holder, whatever his longevity, pays for the mortality of other policy-holders". Acquiescence in such philanthropy is now ready only because it is invisible and often unsuspected. What the eye does not see, the mind does not grieve about. But in a case where a young policyholder knows whom he is subsidising, he may consider it a species of extortion. The LIC Chairman is undoubtedly right in anticipating an enormous increase in the quantum of LIC's business if the scheme he has suggested is adopted. But, even here, it is possible to exaggerate the scope of the scheme in a country in which the vast majority of the people are self-employed or employed by people without the resources for working out the kind of scheme outlined. The area to which this kind of scheme can be extended is also comparatively small. To the rural areas which were supposed to be virgin soil to be explored by the LIC, this scheme is entirely inapplicable. Last but not least, the vast army of agents and other salesmen of insurance is not likely to welcome a prospect in which they will be put out of "commission" in both senses of the word.

"Should any of the States in the present-day conditions resume nuclear-weapons tests, it is not difficult to imagine the consequences of the act. Other States possessing the same weapons would be forced to take the same road. An impulse would be given to resume nuclear-arms testing... under any conditions, and unlimited by anything... Should any side violate the obligation to which it has committed itself, the instigators of such violation will cover themselves with shame and they will be condemned by the peoples of the world." Were this a quiz session and you are asked to guess the author of the passage quoted, you would perhaps attribute it to somebody in the outer fringes of the CND movement. Actually it is Mr Nikita Khrushchev before the Supreme Soviet in January 1960. If Mr Khrushchev bothers at all to remember what he said in January, he will find it an embarrassing memory. Or maybe he may not. In the passage quoted the shame attaches to "the instigators of such violations", and Mr Khrushchev can always point, at least to his own satisfaction, to others as the instigators! Americans, no longer under an obligation to desist from tests of their own, are inclined to consider the Russian action a propaganda gift to the West. The fact that the announcement of the decision to resume tests came on the eve of the Belgrade Conference of Neutrals is taken as indicative of Mr Khrushchev's indifference to neutral opinion. There is even a tendency to consider Mr Khrushchev's action as a sign of the Russian leader's nerves snapping under the strain of the cold war. This last may be a piece of wishful thinking, but there is no doubt that the motives behind the decision to resume tests, and the timing of such tests are still obscure.

Whatever the motive, the ending of the two-year moratorium of testing has come as a profound shock to the uncommitted peoples of the world. It is worth recalling that Russia reaped the propaganda advantages of being the first to renounce the tests two years ago. In resuming these tests now, whatever the reasons for such reumption, Mr Khrushchev owes an explanation. To a world that is helplessly watching the pollution of the atmosphere and the perfection of deadly weapons, the hypocrisy of the professions of peace and goodwill towards mankind is simply disgusting. It is no longer possible for Russians to exploit cynically the high-minded protests of persons like Bertrand Russell against nuclear weapons. Indeed Bertrand Russell's imprisonment this week for organising protests against nuclear weapons

assumes added poignancy in the light of the Russian tests.

In the passing away of Lord Pethick-Lawrence, India has lost a warm friend and a life-long well-wisher. Only a fortnight or so ago, I read about his taking part in a function in honour of Rabindranath Tagore held in London. Lord Pethick-Lawrence was one of those who get churned into politics by high purpose and whose moral idealism redeemed it from being the rat-race it essentially is. The radical streak in the British middle class is a well-documented phenomenon: men burdened with the sins of their complacently exploitative confreres have in their time done much vicarious atoning. It is a matter of history that this streak in Lord Pethick-Lawrence took the form of pledging his physical, financial and moral resources to the suffragette movement, on behalf of which, he went to gaol. And in what is perhaps an early western example of the use of a Gandhian weapon that has since become blunted with indiscriminate use, he went on hunger-strike in gaol. After this, it was perhaps predictable that he should have become a pacifist during the war and should have drifted into the Labour Party, on whose behalf he achieved an unique distinction: he defeated Sir Winston Churchill in an election. Contrary to the popular image of him, he was a financial expert: at Trinity College, Cambridge, he won the Adam Smith Prize and among his published books, there are many on economics. In the Labour Government formed in 1929, he was appointed Financial Secretary to the Treasury. But with all that, the popular image of a kindly, warm-hearted and humane man is probably the essential truth about him. In any event, it is an image that he would have preferred to be remembered by.

I knew him well, and as he told me last Thursday he knew father before I was born. He was his sparkling self and of course he did not miss the weekly verandah (misnomer, surely, these days?) It's held in the air-conditioned bar party at the Calcutta Club. As usual the chairs around his table multiplied and were fully occupied. As an aside to me he spoke of the time when father had ordered a small whisky. The bearer promptly brought the libation—but with a splash of soda. "Take this away," said father, "I did not ask for soda." A long and successful career at the Imperial Bank; a sustained period during which he was sportsman par excellence, representing India in the Davis Cup; and a circle of friends that was vast and bewildering in the cross-sections and strata of society that it covered. Yes, a host of people will miss Bobby De, and I am one of them.

EAVESDROPPER.

NEWS IN BRIEF

The Reserve Bank of India has requested all persons holding accounts abroad except those maintained in the currencies of Burma, Ceylon and Pakistan to furnish full particulars of such accounts to the bank by 12 November 1961. It was made clear that it was not the intention of the bank to freeze the balances in the accounts. But in the very difficult foreign exchange situation the country is facing they had to be taken into account when fresh releases of foreign exchange were asked for the current holders.

The Lok Sabha passed the Bill providing for the insurance of Bank Deposits upto Rs 1,500. A Corporation would be set up as a subsidiary of the Reserve Bank for this purpose with a paid up capital of rupees one crore and would insure all deposits in commercial banks including the State Bank of India and its subsidiaries. Deposits of the

Union and State Governments and of foreign Governments will not be covered.

The displaced Indian banks in Pakistan have been exempted from the operation of the Evacuee Property Law of Pakistan. This step, which renders 59 Indian banks as non-evacuee concerns, has been taken in accordance with the agreement reached between the Rehabilitation Ministers of India and Pakistan at their meeting in Calcutta on 6 July 1961. These banks have now the option either to operate in Pakistan, if allowed to do so by the Government of that country, or repatriate their surplus assets. The mode of repatriating the surplus assets of the banks, which either do not wish to function in Pakistan or are not permitted by the Pakistan Government to operate in that country, has yet to be decided.

The Constitutional Bench of the Supreme Court of India has upheld the validity of the operative provisions of the Forward Contracts (regulation) Act 1952 in a judgement delivered by Justice Ayyangar on 12 September.

India will be producing Rs 500 crores worth of machines every year by 1965. Machines to make machines will account for Rs 45 crores of this figure.

A new direct air service between India and Philippine Island will be opened by BOAC in November. Comet 4 jetliners will leave Calcutta on Wednesday and Saturday nights, arriving in Manila, capital of the Philippines the following morning, after a flight of nine and a half hours. Return services will leave on Thursdays and Saturdays. The service is subject to the Government's approval.

PERSONAL

Mr A. M. Thomas, Union Deputy Food Minister, left for Cairo on his way to Geneva to lead the Indian delegation at the International Sugar Congress. He was accompanied by Mr K. P. Jain Chief Director of Sugar, Union Ministry for Food and Agriculture. The other two delegates Mr D. D Puri and Mr S. S. Kanoria are to join them in Geneva.

Mr K. B. Lal, Special Secretary Ministry of Finance, is leaving for Bangkok on 16 September to preside over the special meeting of the Group of the ECAFE, which has been set up to promote commerce and trade of the South East Asian region.

Mr Khemchand Rewachand Fatechand Khilani, at present Joint Secretary in the Ministry of Commerce and Industry, has been appointed Commissioner for the Government in British East Africa with jurisdiction extending to the Federation of Rhodesia and Nyasaland and concurrently as Consul General in Ruandi Urundi.

a period that some economists have characterised as a "price ideal." The consumer price index—which is not really a cost of living measurement but is the closest thing to it—has risen only fractionally so far this year, and is less than one per cent above the level of a year ago. As of mid-1961, the index stood at 127.6 per cent of the 1947-49 average, compared with 127.4 at the beginning of the year and 126.5 in mid-1960.

Of course, the index has now reached the point where any time it shows any kind of a rise, no matter how small, it nonetheless means a new high. This tends to result in the kind of publicity that may overtake the extent of the increase and its consequences.

On the basis of present trends, many experts expect that 1961 as a whole will see a consumer price rise of little more than one per cent, if that much. A rise of this magnitude is slight enough, and certainly qualifies as reasonable

price stability, especially when it occurs against the background of a vigorous economic expansion.

This obviously has great significance for the American people and their pocketbooks. For with incomes moving steadily upward, and at a much faster pace than prices, it means that Americans are taking important steps up the living-standards ladder.

It hardly needs to be emphasized that the American people would like to see these trends continue—and so would the Kennedy administration. Just what additional moves the administration could or would make to head off price or wage increases it deems unjustified or inflationary is an open question at the moment.

One thing is evident, however. The President now has made this a matter of clear public concern, and openly has thrown his, and his administration's influence behind the maintenance of price stability as a national objective.

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Olympus

Export and Import Policy

THE proceedings of the Import Advisory Council, which met in New Delhi last Monday, were enlivened by a discussion of the question of 'maintenance vs development' imports. The ball was set rolling by Mr C. H. Campbell of the Associated Chambers of Commerce with the suggestion that imports of raw materials, components and spares must constitute a primary and essential charge on the country's foreign exchange resources. He was ably seconded by Dr P. S. Lokanathan, who made out a lucid and logical case for accordng priority to maintenance imports, in order to ensure maximum utilisation of existing capacity. Dr Lokanathan's speech made a profound impression on the Council, to judge by the powerful efforts that were made to reserve a place for development imports in the overall pattern.

Dr Lokanathan argued that import policy should be geared to export promotion and in this context made the interesting suggestion, later endorsed by the Minister for Commerce and Industry, that the two bodies, the Import Advisory Council and the Export Promotion Advisory Council, should be merged or at least should hold joint meetings. The tight foreign exchange situation in the context of unutilised capacity, which he estimated at fifty per cent, dictated a new order of priorities. The country should accept its implications and be prepared for the sacrifices it involved.

Dr Lokanathan's thesis was countered by the Minister for Industry who preferred a pragmatic approach to the problems of imports and development. It was not possible, he said, to draw a line of demarcation between maintenance and development imports. He demonstrated with overwhelming detail that what could now be classified as development was actually intended to meet the maintenance needs of existing industries. The points made by Mr Manubhai Shah are certainly valid in the perspective of the Five Year Plans. But we cannot be sure that they are equally relevant to the immediate problem of the policy for next six months which after all was what the Council was supposed to consider. The suggestion made by Mr G. D. Bansal that a balance should be struck between maintenance and development imports appears to provide a cosy and comfortable answer, until it is realised that we are here dealing, not with a case of static equilibrium in which the forces are perfectly balanced, but a dynamic condition

in which the point of equilibrium is continuously shifting. The overriding consideration, at present is the fact to which Mr K. C. Reddy, Minister for Commerce and Industry, drew attention in his inaugural address, namely, that even after drawal from IMF, foreign exchange reserves have declined to the low level of Rs 136 crores.

Considered from another standpoint, the entire debate, despite its stimulating highlights, appears to be unreal, especially when viewed against current practice in the utilisation of available foreign exchange. As things are, almost the entire free foreign exchange resources available, that is, 'export earnings plus the small amounts of 'untied' British and German loans, fall short of the amounts required to pay for maintenance imports. Government, it has been repeatedly stated, is striving to persuade aid-giving countries to give as much of their assistance as possible in the form of 'untied' loans so that they could be utilised to pay for maintenance imports. No part of the free foreign exchange is devoted to what may be narrowly defined as development imports. New projects in the public sector are almost entirely financed by loans tied to these particular projects or, in the case of private sector undertakings by foreign equity participation. There may be marginal cases where small quantities of foreign exchange are made available for import of balancing equipment or machinery for essential expansion. But this does not alter the basic pattern, under which almost all the free foreign exchange available is actually used to pay for maintenance imports.

If, in despite of this policy, there still exists considerable unused capacity, and imports of raw materials, components and spares cannot be liberalised to the extent necessary to utilise existing capacity to the full, the reason is shortage of total free resources available and not any diversion for development. Any liberalisation will depend less on a change in the attitude of donor countries to the question of aid and their readiness to accept the position that it is not helpful to make a distinction between maintenance and development. In view of these facts, it is difficult to understand the relevance of the debate or for whose benefit the leading participants engaged in 'a demonstration of shadow-boxing.

If the Import Council discussions were dominated by this debate, the bogey of compulsory exports cast its shadow over the Export Promotion Advisory Council which met the next day. But it is heartening to note that the Business Leaders

were prepared to look the bogey in the face. Both the Vice-President of the Federation of Indian Chambers of Commerce and Industry who initiated the discussion, and the President of the Mill Owners' Federation conceded the need for some measure of compulsion, direct or indirect, to ensure the required volume of exports. At the same time it was suggested that the purpose could be achieved on a formally voluntary basis through the organisations of the exporting industries. Mr S. P. Jain pointed out that it was difficult to enforce a uniform formula for all categories of exports. A blanket provision of compulsory exports may be self-defeating, for it may result in reducing competitive capacity.

Mr B. P. Singh Roy who had doubts about compulsion, dealt mainly with the problems of tea and jute. While he yielded to none in his concern for safeguarding the interests of jute growers and recognised the importance of a floor price for jute, he urged the need for careful consideration in fixing it at a proper level. He hoped that it would not be fixed in a hurry in an atmosphere surcharged by political considerations. He made the specific point that the price should not be fixed on the eve of the election. Otherwise the jute industry will face the same sort of difficulties as the cotton textile industry whose exports, as Mr N. N. Wadia had pointed out earlier, are handicapped by the high price of raw materials.

Outstanding contributions to the discussions were made by Mr Bharat Ram and Mr K. K. Birla, who represent the rising generation of industrialists. The former referred to the report of the Committee on Quality Control whose recommendations have been accepted by Government. While describing the report as a 'useful document', he urged care in implementing its recommendations. Compulsory quality control, he said, should not be allowed to act as a brake on exports, through the inevitable red tape. He also disagreed with the Committee's recommendation to ban goods sent for export on consignment basis. From his experience of his recent visit to Germany, he felt that exports would increase if goods are sent on consignment basis. He also questioned the utility of fixing standards for an article like artistic brassware whose appeal consisted in the fact that it did not conform to any definite standard.

Mr V. Ramakrishna made the original and interesting suggestion that export of iron and steel could be developed if the monopoly of the public sector is lifted and small scale steel plants are set up in the private sector. But in view of the prevailing shortage of protective foods, his discovery of export prospects for bananas is not likely to be received with unmixed enthusiasm.

The high level conference on coal that was held at the capital to discuss the various problems regarding the supply and production of coal in the country had ended without any

hopes of an early improvement in the supply of coal to industries through speedier movement from the collieries. Sardar Swaran Singh, Union Minister for Steel, Mines and Fuel, who presided over the conference, apprised the members of the measures that Government had taken to effect improvement in the coal movement. He also quoted figures to show that the Railways had, since the transport bottleneck started, made available additional railway wagons for movement of coal in Bengal-Bihar region, and for States above Moghul-sarai. In the Bengal-Bihar region 5,200 wagons a day moved now against 4,465 a day last year. In the congested area above Moghul-sarai, also the supply of wagons was higher at 2,100 against 1,900 last year. However, it was admitted that the improvement in coal movement had not been as satisfactory as was expected and it was disclosed that consequent on the continuing shortage of transport capacity for movement of coal, coal production had to be reduced by three to four lakh tons. But imports of either coal or coke have been ruled out under any circumstances.

Sardar Swaran Singh also outlined a system of priorities for movement according to which Railways, steel plants and power plants, in that order would get priority in respect of their requirements. The Minister made out a strong case for top priority for the requirements of the Railways in view of the need for enabling the Railways to move traffic arising in other sectors and industries.

The view of the representatives of the industry was that while requirements of industries for wagon supplies was 10 to 15 per cent higher than the quota sanctioned by the Coal Controller, the actual supply was shorter by another fifteen per cent. They put forward a suggestion that instead of the industries being asked to curtail their requirements to suit the capacity, the Railways could be advised to work out an annual target movement during the Third Plan.

Though subjected to sharp criticism from all quarters, the representative of the Railways put up as best a defence as possible of the Railways' performance. One important point made by the representative of the Railways was the need for coal dumps which is not very well received in industrial circles. The Railway spokesman made it clear that without the introduction of coal dumps, the Railways would find it impossible to cope with the needs of coal during the Third Plan. It will thus be seen that matters are very much where they were before.

The US Government has concluded an agreement with the Government of India for a loan of Rs 45 crores to the Chambal, Nagarjunasagar, Kosi, Bhadra and Tungabhadra river valley projects. This amount will come out of the sums earmarked as loans to the Government of India from the sale proceeds of agricultural commodities supplied to India under the US Public Law 480. The loan is repayable in rupees.

Markets

JUTE Revival of Overseas Interest

Steady conditions prevailed in the jute and gunny markets during the past week ended Wednesday. While raw jute prices were generally unchanged, fluctuations were rather wide in the goods section. With arrivals showing improvement daily, holders in the raw jute market were eager for business. Prices in the goods section moved up steadily on indications of fresh overseas business and on account of the decline in August-end stocks of the goods with mills. Total stocks at 64,100 tonnes were 7,100 tonnes less than at the end of the previous month. The decline is distributed more or less evenly in both the main categories; hessian stocks at 20,000 tonnes were 3,400 tonnes lower while sacking stocks at 34,500 tonnes were 3,600 tonnes. Other varieties of goods at 9,600 tonnes were also lower by 100 tonnes. Production during the month has recorded an improvement over the previous month. Output in August amounted to 78,300 tonnes as compared with 64,400 tonnes during the previous month. Production of hessian has increased from 22,500 tonnes to 28,600 tonnes with that of sacking showing an improvement from 30,100 tonnes to 34,900 tonnes. Production of other goods has also improved

from 11,800 tonnes to 14,800 tonnes.

It will be evident from the above two sets of figures that demand for jute goods during August had been on a satisfactory level. Despatches of gunnies should have been near about 85,000 tonnes as compared with the actual in July of 69,000 tonnes. The fact that stocks have declined despite a rise in production is an indication that foreign buyers are beginning to take interest in the Indian market. Thanks to the present reasonable level of raw jute prices, mills are finding it advantageous to do simultaneous business. During the week there have been reports of fresh business from Argentina and indications of revival of interest from the US. It is not unlikely that substantial orders may emanate from Cuba where there is an increased demand for gunny due to higher agricultural production. There is reason to believe that foreign consumers may be entering the primary market sooner rather than later for the simple reason that there is little chance of any further substantial decline in prices of raw jute what with the insistent demand for fixing a minimum price for raw jute. This matter came up again for discussion in the West Bengal State Legislative Assembly last week. A non-official resolution passed by the House suggested that steps should be taken to make it compulsory for the jute mills to create a buffer stock under

the supervision of the jute Commissioner so that production in the mills could go on unhampered. Dr B. C. Roy, Chief Minister, in the course of his speech averred that if the jute industry was to be stabilised the growers of raw jute should be assisted. In his view prices of raw jute should be fixed long before the cultivation period. He further pointed out that it was in the interest of mills to ensure that raw jute prices do not fall to uneconomic levels. However, for the time being at least there is not much talk about floor prices. This is probably because raw jute prices have recovered considerably since the idea was mooted.

In the meantime further discussions regarding the stability of raw jute, the creation of a buffer stock and kindred matters have taken place between the representatives of the Indian Jute Mills Association and the Government of India.

It is generally believed that in view of the plentiful supply of raw jute and with a view to prevent a glut of raw jute in the market mills will be asked to increase their hours of working from the present 42½ per week to 48 hours. It is this apprehension that has been responsible for the slight recession in jute goods prices noticeable toward the close of the week.

PRODUCTION OF JUTE GOODS: AUGUST 1961

	(000 Metric Tons/Tons)		
	Aug. 1961.	July 1961.	Aug. 1960.
Hessian	28.6 (28.1)	22.5 (22.2)	35.7 (35.1)
Sacking	34.9 (34.3)	30.1 (29.6)	49.0 (48.3)
Others	14.8 (14.6)	11.8 (11.6)	10.9 (10.8)
Grand Total	78.3 (77.0)	64.4 (63.4)	95.6 (94.2)
Hours worked	187.0	136.0	208.0

*Based on 42½ hours per week and does not take into account the hours lost by mills which worked lesser number of hours.

TEA Exports

NORTH INDIA, with a crop increase of 40 million pounds, has recorded a 30-million pound increase in exports since the new season began. Despite a 12-million pound gain in crop, Ceylon has increased shipments by only about 1½ million pounds. Eire is now buying more from Ceylon and Ceylon's exports to Iraq have moved up. According to trade sources in Cochin, tea exports from Cochin fell to 5.59 million pounds in July 1961 from 6.49 million pounds in the corresponding month of last year. This reduced the total tea exports from South India, in the four months ended July 1961, to 26.53 million pounds from 27.13 million pounds in the corresponding period of last year.

However, exports of Indian tea to several Asian countries fell sharply in 1960-61. Exports to Bahrain fell in value from Rs 27 lakhs to Rs 27 lakhs; to Kuwait from Rs 55 lakhs to Rs 46 lakhs; to Saudi Arabia from Rs 23 lakhs to Rs 23 lakhs and to Trucial Oman from 56 lakhs to Rs 53 lakhs. Exports to Afghanistan, however, rose value from Rs 58 lakhs to Rs 87 lakhs to Iran from Rs 2.85 crores to Rs 3 crores and to Iraq from Rs 88 lakhs to Rs 1.14 crores.

Meanwhile, in the Export Sale in Calcutta this week, offerings were 70,414 packages. After a hesitant start, there was a good general demand at lower rates with buyers paying particular attention to the well-made teas of orthodox manufacture. Plain Broken were well accepted; but where stalk was present they were up to 15 nP per kilo less. Fannings declined by some 15 nP although more general support was forthcoming at these lower rates. Better orthodox descriptions in with more demand than in recent weeks although prices again decline.

CTC teas were an irregular feature but met with more enquiry and clear medium and good liquoring sort were sometimes considerably dearer. More fibrous teas, however, once again met with a heavy discount. Whole Leaf grades were again weak feature; but there was more support for any teas free from stall Tippy teas and Darjeelings met with a little more enquiry at easier rates. Following rates were quoted:—Clear Plain Pekoe Rs 4.20 to Rs 4.50; Plain BP Rs 4.10 to Rs 4.30; Plain Fannings Rs 3.95 to Rs 4.10. Medium Assam CTC BP Rs 4.30 to Rs 5.20. Medium Assam CTC Fannings Rs 4.81 to Rs 5.20; Best Assam CTC BP Rs 5.30 to Rs 5.70 and Best Assam CTC Fannings Rs 5.40 to Rs 6.10.

In the Internal Sale, offerings were 26,325 packages of Dusts. There was a fair demand at easier rates. Enquiry for CTC types was selective and prices were much lower, particularly towards the close. The few bright liquoring teas, however, met with better support. The fibrous CTCs were virtually neglected. Plain orthodox dusts were absorbed at a drop of 20 nP to 30 nP, while the Assam varieties proved difficult of sale. There were heavy withdrawals, particularly towards the close. Following rates were quoted: Plain Orthodox Dust Rs 4.00 to Rs 4.25; Medium Assam Dust Rs 4.30 to Rs 4.70; Legg-cut Dust Rs 4.30 to Rs 5.00; Medium Assam CTC Dust Rs 5.50 to Rs 5.80 and Good Assam Dust Rs 6.30 to Rs 6.50. Also, 227 packages of leaf grades were offered for internal consumption.

Tea stocks in Calcutta warehouses increased to 526,861 chests at the end of August 1961 from 395,032 chests at the close of the previous month. Stocks in public warehouses rose sharply from 204,145 chests at the end of July 1961 to 268,272 chests at the close of last month as did those in private warehouses from 190,887 chests to 258,589 chests. At the end of August last year, stocks amounted to 516,393 chests with 303,230 chests in public warehouses and 213,163 chests in private warehouses.

In London auction, offerings were 70,000 packages. North Indian teas

net with a good demand with bright colouring liquoring Assams attracting the strongest competition and the best of these tended dearer. Useful medium descriptions moved in seller's favour; but stalky and thin liquoring kinds were irregular and easier. The South Indian growths submitted met with a fair demand, but at lower rates with bids generally 1d to 3d per pound below the previous levels. Some of the better liquoring African sorts met with good competition and were sold well; but demand for the best of the African offerings was somewhat limited and there were a number of withdrawals. Ceylon teas came in for rather less competition.

The London averages for the first eight months of this year show some significant trends. North Indian teas, sold through London, gained more than 150,000 chests in volume and 1.42d in value per pound over the corresponding period of last year. Reversing the relationship with Ceylon prices, North India's this year was higher by slightly more than 1d

per pound. Mincing Lane auctioned less South Indian tea this year, but obtained a slightly better price.

COTTON Brisk Activities in Cotton Market

Active conditions prevailed in the cotton markets in Bombay during the last week. The March contract reached the highest level of the season. Apprehension of considerable damage to the crop in Punjab, Vidarbha and Berar, and fresh speculative demand helped the market to forge ahead. Adverse weather forecasts continued to give boost to buying activities. After opening around the previous closing the March contract looked up further in buying by Calcutta operators. However, on Tuesday last the contract

was quoted lower at Rs 603.25. But the undertone was firm throughout the week under review.

The spot market also depicted steadier conditions. The selective enquiries developed presumably deriving inspiration from the announcement of the release of cotton quota to the mills. The turnover, however, was restricted as the Forward Market Commission has not yet permitted dealings in the delivery contracts. Among the indigenous growths new crops like Laxmi and Kalayan met with some mill interest.

In the foreign section, African cotton was in the limelight. The revival of interests in this growth resulted in the purchase of a sizeable quantum during the week. The brisk demand in the African cotton was due mainly to their low prices, and Egyptian growths also attracted attention on a moderate scale. Spinner interest was also noticeable for ready lots of Egyptian, Sudan, African and American cotton.

The export section remained featureless throughout. According to latest indications the Government of India is believed to have rejected the trade's suggestion to release a Deshi. The Government arrived at quota of 25,000 bales of for Bengal such a decision without specifying any reasons.

During the season which just ended our exports totalled about 0.3 million bales of cotton and the foreign exchange earned was around Rs 12 crores. The total quantum exported comprised 0.19 million bales of Bengal Deshi, 50,000 bales of stapling 23/32" and below, 30,000 bales of stapling 24/32" and 30,000 bales of yellow pickings Assam and Comilla.

The Textile Commissioner announced the Government's decision to permit mills to purchase Indian cotton during the season to the extent of 50 per cent of their aggregate consumption of both imported and indigenous growths during the previous season. The

mills are allowed the option to cover their requirements either from the new crop or from the earlier season's crop. No separate quotas will be given to the mills. But they are required to submit to the office of the Textile Commissioner statements of the commencement of every month specifying the quantum of Indian cotton purchased by them in previous month against this quota.

This quota will not be available to mills who failed to fulfill their obligations to import American "B" cotton allocated to them during the previous season ended 31 August 1961. Those mills are, on the contrary, required to approach the Textile Commissioner through the Indian Cotton Mills Federation for obtaining the requisite permission to purchase indigenous cotton. Under these circumstances purchases against unutilised quota issued during the last season will be permitted.

Consumption of cotton by the Indian mill from 1 September 1960 to 30 June 1961 increased by 173,598

bales to be placed at 4,408,652 bales.

Description	1959-60	1960-61
Indian	3,735,819	3,457,375
Pakistan	15,989	16,687
American	123,221	562,196
Egyptian	115,261	99,207
Sudan	107,790	100,635
East African	122,954	142,786
Others	13,840	29,766
Total	4,235,054	4,408,652

Imports of foreign cotton into India from 1 September 1960 to 28 August 1961 totalled 988,951 bales as against 952,499 bales of the corresponding period in 1959-60.

Description	1959-60	1960-61
American	394,522	634,603
Sudan	129,277	83,069
Egyptian	204,938	85,444
East African	171,930	143,586
Pakistan	32,941	2,624
Others	18,891	39,625
Total	952,499	988,951

Exports of cotton from the country during the same period aggregated 287,527 bales in comparison with 195,277 bales of the same period in the previous season.

Countries	1959-60	1960-61
UK	1,810	6,765
Continent	11,212	23,524
Hongkong	6,808	19,382
Japan	166,956	227,672
USA	7,238	9,788
Other Countries	1,258	396
Total	195,277	287,527

Fall in Tin Prices

The most marked feature of the London commodity markets, during the week, has certainly been the abrupt ending to the rapid soaring of the price of Tin. Early in the week, the £1,000 level seemed to be acting as a psychological ceiling and inducing a widespread profit-taking. But, the sudden setback to £935

per ton in the middle of the week, was attributed to the announcement that the US General Services Administration had decided that 50,000 tons of strategic stockpile of tin were surplus to requirements. While the prices on the London Metal Exchange crashed, Singapore, too, faltered in sympathy.

The direct implications of the US announcement are still obscure, although certainly none of the tin can be sold until six months at least have passed and Congressional approval obtained. Moreover, the US is legally bound on selling to try to avoid disrupting the market. In its own interest, it will try not to take an excessive loss on metal, much of which was bought at the high prices ruling in recent months.

In spite of the easiness in price and the offer by the United States, tin sources from New York still predict that the price may go even higher. They say that these offerings, along with sales by other governments, will have only a temporary effect on the world prices of the metal. They add that "these offerings may put a damper on the rising price for a little while. But, in the long run, we anticipate the price will continue upward."

The International Tin Council is presently unable to do anything to stop the spiraling price, since speculators have taken over the market. Tin sources, therefore, predict that some sharp revisions in the floor and ceiling prices will be made when the Council meets in mid-September.

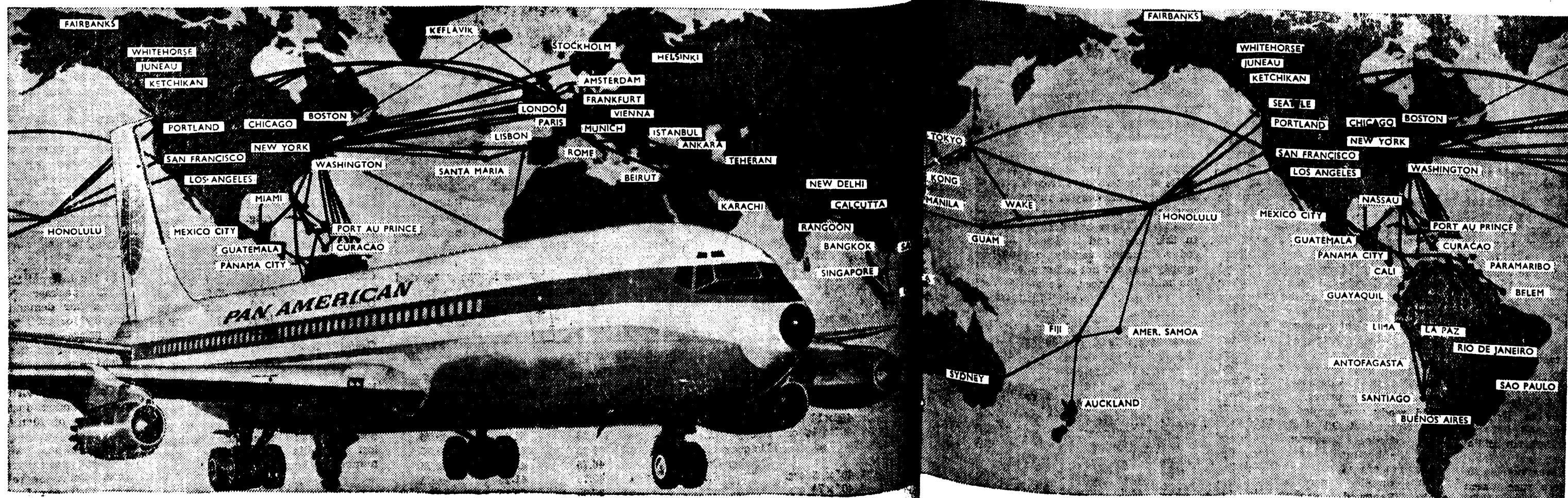
In India, too, prices have suffered a setback in sympathy with the international trends. In the Bombay market, the September contract in tin was marked down to Rs 175.50 per 10 kgs from Rs 180, while the ready price has lost Rs 3 per 10 kgs.

Prices in India are stated to have been rigged up by the excessive speculative bull manipulations. Some of the powerful operators in the Calcutta, Bombay and Madras markets are reported to have cornered all the available supplies. This had caused a boom in tin prices in the country. It is, however, felt in market circles that the present stocks in the country can last for eight months. The impending imports are also expected to improve the supply position.

PEPPER

Thanks to the slight improvement in the conditions on the export front, Pepper prices have shown a slight recovery from the recent low levels. In the Cochin market, the rate for the ready position is quoted at Rs 415 as against Rs 405 per quintal.

The change in sentiment has been mainly caused by the improved prospects for exports. The Indonesian trade delegation, which toured US recently, was reported to have sold a fairly big quantity of black pepper at a lower price. But selling from Indonesia is now reported to have subsided. The US buyers are reported to have limited stocks. With the result, ready



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Moreover, demand from the Continent has revived. Pakistan has bought some quantity, while East Germany is reported to have purchased 200 tonnes. All these developments seem to have installed some confidence in the domestic market.

CARDAMOM

Cardamom prices have moved up gradually during the past fortnight. Prices of white superior quality have gone up from Rs 15.75 to Rs 17.50 per kilo. Owing to heavy rains this season, the crop in Mangalore green variety has been damaged. According to the trade estimate, the crop in this area may be less by about 25 per cent.

Floating stocks in Bombay are estimated at 1,500 bundles of Alleppey green variety. The daily average arrivals are placed at 200 packages. The supply position may not remain comfortable in the coming weeks, as the crop is expected to be delayed owing to floods and rains in most of the producing areas.

GUR

Conditions in the Hapur Gur market remained generally quiet with prices displaying a slightly easier tendency.

In the Bombay Market, sentiment appeared to have been influenced by the weakness in Chittoor, Vellore and Nizambad. Demand had been at a low ebb, while buying from Konkarn area had dried up owing to incessant rains. Floating stocks at three lakh burlaps were considered to be considered heavy.

The market at Kolhapur was also ruling quiet. Prices were quoted between Rs 35 and Rs 60, according to quality.

FOODGRAINS

Steady conditions were witnessed in the Hapur Foodgrains market due to poor arrivals. After early fall to Rs 14.25 a maund due to the sale of imported wheat, the average quality improved to Rs 15.25 as daily arrivals were poor. The Rice section was quiet on reports of a good crop. Gram, however, rose on firmer advices from the Punjab. In the Pulses section, Peas were steady due to good support from Calcutta.

Trade circles are hopeful about the crop prospects in grains and pulses in the new season. According to some sources, the total crop may exceed 80,000,000 tons in the new season. The last season's crop was 79,300,000 tons—4,300,000 tons more than the previous year. Favourable weather this season in most of the producing areas and the good progress in sowing have brightened the prospects of a bumper crop. It is now generally felt that there is no need to depend on imports. On the contrary, some even express the hope that it will be possible to export pulses, which enjoy a ready market in overseas countries. With buffer stocks, to be created out of the imports from USA, the supply position in wheat is expected to remain comfortable in the new season.

TOBACCO

The US Department of Agriculture has estimated the world Tobacco production at 6,184 million pounds for 1961—slightly above the 6,168 million pounds in 1960. Major increase in production this year are in the United States, Greece, Japan and Iran. Principal decreases are in Italy, Canada, Turkey and France.

Production in Asia for harvest during the last half of 1961 is a little above 1960. The output of most countries is about the same. In Japan, however, it may rise 21 million pounds above 1960.

The Soviet Union is reported to have purchased 1.9 million pounds of low grade Indian tobacco of the 1961 crop. It is understood that this purchase has been made from the Guntur stock at prices ranging from 20 nP to 62 nP per pound. The bulk purchase by Russia is likely to give some relief to the tobacco market in Guntur. However, in view of the large stocks accumulated there, the new purchase may well pass un-noticed so far as its impact on prices are concerned.

The final estimate of Indian production of tobacco is placed at 281,000 tons for 1959-60. The comparable figure for 1960-61 is not yet available; but the sowing area, which was 934,000 acres in 1959-60, has shrunk to 881,000 acres according to the second estimate for 1960-61.

BANGALORE SILK

During the week under review, the prices of all qualities of raw silk remained at the same level as in the previous week. The prices for filature raw silk of 20/22 Dr. continued to be quoted between Rs 84.89 and Rs 87.04 per kgm. and those for cottage basin raw silk between Rs 72.75 and Rs 77.16 per kgm. The prices for charka raw silk were quoted between Rs 52.91 and Rs 71.65 per kgm. The supply of raw silk was reported to be fairly satisfactory and the demand was moderate.

The rates for reeling cocoons showed slight rise by 25 nP to 35 nP per kgm. They were quoted between Rs 3.45 to 4.50 in Mugur area, between Rs 4.00 to Rs 4.60 in Channapatna area and between Rs 5.00 to 5.25 per kgm. in Sidhaghatta area.

An upward trend was noticed in the rates of Mysore race seed cocoons when quoted between Rs 4.25 to Rs 5.20 per thousand while a decline of Rs 6.00 to Rs 10.00 was noticed in the case of foreign race seed cocoons which were quoted between Rs 6.00 and Rs 15.00 per thousand.

GOLD & SILVER

Prices on the Bombay Bullion Exchange showed a further decline during the week. Silver was particularly weak due to increased arrivals and a lack of buying interest. Though a leading bank which had sold silver a few days back was reported to have withdrawn from the market, fears that it might come again to sell the metal at improved prices curbed enthusiasm to buy even at lower levels. Arrivals

amounted to 32 bars as against an offtake of only 8 bars. Silver ready (below .996) changed hands at Rs 203.25 to Rs 204.55.

Price movements in the Gold section were barely steady. Arrivals amounted to 6,000 tolas as against an offtake of only 4,000 tolas. Ready rates moved narrowly around Rs 124.60. Sovereign ruled, however, very steady at Rs 95.75.

SHELLAC

According to the final estimate released by the Indian Lac Cess Committee, the Baisakhi lac crop for the current year is estimated at 550,000 maunds as against 1.1 million maunds in the previous year. It may be mentioned that the normal yield, based for the 10 years preceding 1960, is 736,000 maunds. The decline in the crop is shared by all the States.

The Jethwi (Kusmi) crop is estimated lower at 31,000 maunds against 32,500 maunds in the previous year.

Meanwhile, conditions in the Calcutta shellac market continued to rule quiet in the absence of foreign enquiry. Pure TN quality is quoted around Rs 125 per package. Shipments, during the current month till 7th, were 12,839 packages comprising 3,949 packages of shellac; 8,375 packages of seedlac; 50 packages of buttonlac and 465 packages of other varieties.

OILS & OILSEEDS

In the Bombay market, the overall trend in Oilseeds remained weak. The bumper crop expectation in groundnut, the falling prices of edible oil and the disheartening performance on the export front in castor oil—all these factors sapped the morale of the market.

Groundnut, its oil and oilcakes lost much ground owing to full liquidation. Apart from the reports that Russia had rejected offers of cakes, encouraging reports of the crop were pouring in from all over the country. The bright prospects and the falling prices attracted groundnut from growers, stockists and co-operatives all over the country who had withheld the supplies in anticipation of higher prices. Groundnut Bold ready was quoted at Rs 45.75 and Groundnut Oil at Rs 19.70.

The decline in groundnut prices had a sobering influence on the stock holders of castorseed and the visible supplies increased considerably. Renewed weakness in the market was mainly attributed to nervous unloading, induced by a fresh turn for the worse in the outlook for the export of castor oil. While reports regarding the possible release of castor oil from the US stockpile had tended to create uneasiness, the details, which had got into circulation during the past few days, served to demoralise the market further. Castor ready was quoted at Rs 33.50 and Castor Oil, commercial quality, at Rs 13.50.

Sentiment in the Linseed section remained affected in sympathy with other oilseeds. Linseeds ready was quoted at Rs 39 and Linseed oil at Rs 16.50.

Throughout last week the groundnut and oil market in Madras continued to exhibit an easier under-

tone. Calcutta interests stepped in to buy at lower levels. They negotiated a number of deals. This was late last week. Prices of oil, both spot and valda had gone up, but not much.

Last week Calcutta interests preferred to get groundnut oil stock from Calcutta itself at lower rates. Only bazar people were found lifting small quantities of groundnut oil from the local stocks. But the price of groundnut kernel still is not proportionate to that of oil. There is steadiness of kernel supplies to local and upcountry markets. Whereas the Madras City stock position daily continues to be about 25 tons, that of South Arcot markets continues at the daily rate of 300 tons. Pollachi arrival of red groundnut kernels continues to be the same. But price of this quality had not gone down.

Summer crop at Tindivanam, Villipuram and other centres attracted attention. There was not much business done in groundnut kernels both last week and this.

There was not much to say also against forward business. Even here the steep decline continued to be the feature, but for a temporary break last weekend.

The price of groundnut oil September 6 was at Rs 190.50 per 100 kgs. From that day it began to decline to Rs 189.80. By week-end it came down to Rs 187.40. Only at this time came the Calcutta interests to buy at lower levels. They withdrew after a small purchase and the price went up by about Rs 3.40 per 100 kgs.

As for kernels the price of coramandel variety per 80 kgs continued at Rs 82 for two days from Thursday last. It declined by a rupee by the week-end. Then it was quoted at Rs 81.50. There has been no change in this rate and it closed at that today. Peanut variety or medium quality also did not suffer much from the midweek prices. From Rs 79.50 per 80 kgs, the prices declined by a couple of rupees. There was only a rupee increase again today at the close at Rs 78.00 per 80 kgs.

Arrivals of kernels in southern markets were fair this week. In Pollachi area also good supplies were available. The local merchants absorbed all the quantities. At Salem too new crops had begun to arrive though small, around 1000 bags per day.

There was firmness in price of gingelly seed and oil due to good demand in the producing areas of Tuni, Rajahmundry. Northern side people have begun buying gingelly seed thinking that price is lowest. There was slight improvement in oil price too due to this.

In the Southern centers the price of groundnut oil was at a lower level. In Bezvada the price per candy of 500 lbs remained at Rs 465. In Vriddhachalam it was priced at Rs 430. In Pollachi the price was consistent at Rs 440. In Villipuram the price is still lower at Rs 420 per candy.

The price of kernel continued unaffected in these places during the last week. In Villipuram area it was at Rs 80 per 80 kgs. In Salem it was at Rs 82.

16 September 1961

The Bombay Gas Company Limited

Increased Production Despite Adverse Factors

Need for an Adequate Rise in Price of Gas

Mr B. L. Jalan on Problems Facing Company

The following are the Extracts from Chairman's Address of Shri B. L. Jalan at the Annual General Meeting of The Bombay Gas Company, Limited held on the 15th September, 1961.

Gentlemen,

In a recent address in Calcutta, I had traced the three distinctive stages of economic growth which the country will have passed through in a relatively very short span of three decades. As I said then, what we should aim at is a kind of "incentives-based regulated economy". Much of the progress which we have achieved would not have been possible but for such incentives. At the same time, it is true that a lot more could be achieved if we relied more on incentives rather than on restrictive regulations. To satisfy the growth-hunger of our economy, as perhaps of all developing economies, we will have to devise an ingenious system of incentives without permitting the growth of a lop-sided economic system. The objective of orderly and balanced development should not interfere with the larger objective of acceleration of the growth rate.

INCENTIVES-BASED REGULATED ECONOMY

The incentives take many forms: positive and negative; direct and indirect; financial and non-financial; and tangible and notional. Sometimes negative incentives in the form of removal of deterrents to industrial production such as shortages of feed stocks, fuel, power and transport facilities may be as effective in the promotion of industrialisation as direct, positive and financial incentives.

During the last few months disquieting news flashes regarding such shortages have appeared. Steel production which is so vital to the country's industrialisation and general progress was hampered by non-availability of coal which again was due to transport bottlenecks. In fact, transport difficulties and production and distribution of coal have become the subject of an ominous controversy in the official and non-official quarters. We are aware of the power failure in Calcutta and Delhi. These failures only aggravated the chronic power shortage in the country. Many industrial proposals in several States could not be promoted owing to non-

availability of power or cheap power.

My object in pointing out the specific instances is merely to establish that there is a great scope for the State to provide increasingly and to strengthen the basic sinews of industry and thus accelerate the pace of industrial and economic growth in the country. While it is true that the national income in the country increased by 42 per cent during the first decade of planning, we are conscious of the great leeway which we have to make in order to catch up with the economic standards of more advanced countries. Owing to the population growth at a rate of over 2 per cent per annum, the per capita income during the first two Plan Periods could increase by only 18 per cent. We are still ranked among the lowest group, our per capita income being Rs. 302 in 1959-60 against Rs. 1,426 in Japan, Rs. 4,863 in the U.K. and Rs. 11,118 in the U.S.A.

An attempt has been made recently to rectify our tax law by passing a new Income Tax Act. While there is, no doubt, a lot of scope for differences of opinion on the changes which this new Bill has or has not brought about, one thing is patent: it has not gone far enough in simplifying or rationalising our tax system. The adherence to a system of multiple taxes such as Expenditure Tax and Wealth Tax has been guided by doctrinaire approach rather than by pragmatic approach to economic problems. While these taxes have not been given up, the highest rate of individual income tax continues to be as high as 84 per cent while Prof. Kaldor, on whose suggestions the so-called integrated tax system was adopted, desired the rate to be reduced to 45 per cent only.

As regards a liberal credit system, we may refer to the proposal being discussed at present among the banking circles to reduce the advance-deposit ratio. In support of the proposal it is mentioned that the ratio is higher as compared to those prevailing in advanced countries such as the U.K. and the U.S.A. One would easily see the futility of comparing such ratios with those of advanced countries if the basic objective of accelerated rate of growth is kept steadily in view. First, our ratio is lower as com-

pared to rapidly developing countries such as Japan where it is as high as 100%. Secondly, the banking habit in countries like the U.K. and the U.S.A. is so widespread that even a lower ratio would meet the requirements. Thirdly, our deposit-advance ratio has not been growing appreciably in the past. While it was 64.42 per cent at the end of 1951 and rose to 71.63 per cent at the end of 1956, it was as low as 52.79 per cent at the end of 1959. If in March, 1961 it was 72.12 per cent, it fluctuated between 56 per cent and 72 per cent during the preceding 12 months, depending on seasonal requirements of the money market. Moreover, the insecurity to which the bank depositor is exposed will be well taken care of by Deposit Insurance which is very rightly being sponsored and by a more vigilant policy followed by the Reserve Bank.

GAS PRICE: A CASE OF DISINCENTIVE

When we think of incentives, the case of our Company for raising the price of gas sold by it comes to my mind in bold relief. If one were to mention a glaring case of disincentives by restrictive regulations, one could easily cite the example of our own Company. While there is a clear and strong case for providing incentives for further expansion of the Company by allowing a reasonable price so as to enable it to create its own resources for expansion, it has been denied even a basically economic price which would cover its mounting costs and yield a minimum fair return to the investors. While the general level of prices has increased five-fold since the beginning of the Second War, the gas price chargeable by your Company has been rigidly held at a level lower than that of 1926. I am not aware of any such instance in any other industry. The rates and prices charged by public utilities, such as railways, road transport services and air lines run by the Government have been increased from time to time.

The increasing costs of raw materials—coal and diesel oil, and the continuous upward trend in salaries wages and dearness allowance, have resulted in a precipitate fall in net revenues. Since the close of accounts, the cost of diesel oil has increased by Rs. 24.01 per kilo-

litre. The increase in the excise duty on coal from Re. 1 to Rs. 4 on account of the Coal Mines Amendment Act, will cost your Company a further sum of Rs. 3 lacs annually.

NO SURPLUS LEFT

The cumulative increase of costs without a corresponding rise in the sale price of gas has resulted in yielding negligible, if any, profits from the main operations of the Company, namely, production and distribution of gas. Leaving out the income from investments and providing for taxation, the net profit from the main operations of the Company comes to the meagre amount of Rs. 20,694, which means practically no profit.

The prices of basic commodities like steel have been increased from time to time, on the recommendation of the Tariff Commission, in view of the increased costs. The Government of India have similarly granted repeated increases in prices in the case of many other basic and important industries such as cement, caustic soda, paper, coal and the like. The Hydrel Companies in Bombay regularly levy in their bills "Fuel Adjustment Charge" on account of increases in the cost of fuel. Likewise, in the case of the Calcutta Electric Supply Corporation, the coal surcharge on the rates for electricity is raised automatically by the Corporation so as to cover increases in the pithead price of coal and/or in freight. There have also been increases in prices levied by several utility concerns, such as electricity, water, telephones, railways, posts and telegraphs, air-lines and the like. The Tariff Commission is presently engaged in an inquiry relating to the price of cement, pursuant to a representation made by the cement industry to the Government of India that the price of cement fixed in 1958 was uneconomic today. You can view this factor in juxtaposition with the authorised price of town gas payable to your Company which is lower today than the 1926 level. The price of coal has gone up from Rs. 26.53 per ton delivered at factory in 1926 as against Rs. 52.36 per ton in 1960. This represents a 97 per cent increase. Similarly, the wage bill during the same period increased by about 60 per cent per thousand cubic feet of gas sold.

We may also compare the cost of coal to and price of gas charged by the Oriental Gas Co. Ltd. in Calcutta, which is a directly comparable case. While the Calcutta Company gets its coal at a delivered price of approximately Rs.35 per ton (against the price paid by your Company at Rs. 52.36 per ton) and charges an effective gas price of Rs. 5.25 nP. per thousand cubic feet (against the price allowed to your Company of Rs 3.94 nP per thousand cubic feet).

It has to be impressed on the Government that an industry subjected to price regulation should be enabled to provide substantial funds for rehabilitation, modernisation and expansion from internal sources, and that the return on investment in such an industry should have some relationship with the return in other industries, so that it might be in a position to compete effectively for new funds in the capital market.

INCREASING PRODUCTION AND EFFICIENCY

In spite of all sorts of adverse factors affecting the growth of the Company, I am proud to inform you, gentlemen, that your Company has kept up the tradition of increased production from year to year, to meet the increasing demand of the existing customers.

At this juncture, it would not be out of place to mention that your Directors do not wish to rest content by meeting only the increased needs of existing customers with increased production, but have a keen desire to expand its present capacity by installing additional plant and equipment so as to meet the greater requirements of those who do not enjoy the benefit of this cheap and highly convenient fuel. The greatest factor inhibiting this growth, as you know, is the uneconomic selling price of gas. We cannot, you will appreciate, approach investors to invest more funds in an industry which does not permit an adequate and fair return, more particularly in view of the many competing and growing demands on the Limited financial resources available in the country.

SUMMING UP

I may now sum up the case of the Company for an adequate rise in the price of gas:

1. The Company continues to get the price lower than that prevalent in 1926;
2. The prices of all components of cost have risen phenomenally;
3. The gas price received by the Company is about the lowest town gas price in the world;
4. While the Company pays 50% more for coal delivered ex-factory as compared to the Oriental Gas Co. Ltd., Calcutta, it is allowed a price which is

25% lower than that being charged by the Calcutta;

5. The price received by the Company is only a fraction of the price of bottled gas, which is only a bye-product, now being sold in the town by large companies;
6. The Company has, in spite of the meagre or no profit earned, maintained perfect service by supplying quality gas to its consumers;
7. Since 1946, the Company has increased the production of gas by over 60 per cent;
8. The Company has been denied the benefit of an escalator clause which is allowed to electricity and public utility Companies in Bombay, Calcutta and elsewhere;
9. The Company has been denied also the necessary margin in price for creating internal revenue for financing an expansion programme, which is a feature of price-fixation by the Tariff Commission in other industries such as steel and which is invariably an important factor in industrial expansion in all the fast-advancing countries of the world;
10. The Company has practically ceased to earn any profit from its operations of gas production and distribution;
11. By denying compensatory allowance for meeting the rising costs, in spite of continued good services and expansion in production, efficiency has been penalised and the investors denied a fair return on the capital invested;
12. Without an adequate return on capital, investors are not interested for further investments to expand the capacity of the Company to keep pace with the over increasing demand and to replace the use of costlier gases by some 33,000 Bombay consumers, which is about double the number of the existing consumers of your Company.

We have again moved the Government of Maharashtra for allowing us a reasonable and adequate rise in the price of gas in order to cover increases in the manufacturing costs, and also to enable us to launch a programme of expansion in gas connections. As you are aware, rapid industrialisation is the sheet anchor of the present economic policy and programmes of Government. We have every hope that the Government will make a realistic reappraisal of the Company's case this time, and allow the Company to

make an adequate increase in the price of gas.

COAL SUPPLIES

The Company has recently been experiencing considerable difficulties in securing full or regular supplies of coal; the total wagon allotment during the first six months of this year was only 2118 wagons as against a quota of 2520 wagons.

The coal supply position showed further and marked deterioration from July this year. The total loadings in July were only 308 wagons (as against the quota of 420 wagons); but as most of these were loaded in the second half of the month, the actual deliveries during July were only 227 wagons. The shortage of coal was so acute that the fuel gas supply to the consumers had to be drastically reduced during the period from the 23rd to the 30th July.

In spite of continuous representations from the Company to all competent State and Central Government authorities, the supply position during August deteriorated alarmingly. The Company was compelled to cut down gas supplies to the extent of 15 to 20% to all its consumers except for Public Lighting with effect from the 22nd August. The inconvenience caused by such a cut to important consumers like hospitals and maternity homes and to major industries like the Government Mint, can be easily imagined. The shortage of coal results in reduced coke production, which also causes widespread inconvenience to those using coke for domestic purposes.

A study of the causes of the present sharp fall in the coal supplies reveals:

1. that there is a downgrading of the priority of supplies to this public utility concern by the Coal Controller;
2. that alternate supplies from other collieries programmed for the Company during the third week of August, were diverted to other shipments, thereby causing a further delay in loading for the Company; and
3. that the Company's allotted and programmed supplies from the Colliery scheduled to load in box wagons, were diverted to the Railways and Steel Plants at the last moment.

An examination of the question as to how far the present difficulties with regard to coal supplies can be solved by the movement of coal by the rail-cum-sea route from Calcutta to Bombay would show:

1. that sea transport is open to a variety of risks and delays due to variety of risks and delays due to labour troubles, port detentions and weather conditions;
2. that movement by sea with the completion of necessary formalities may take about 8 to 12 weeks and is of no help in improving the present position; and
3. that the landed cost of coal at the Gas Works by the rail-cum-sea route may involve an additional financial burden of about Rs. 10 to Rs. 15 per ton, over and above the subsidy offered by the Government.

Moreover, the proposed mode of transport being in an experimental stage, it is not appropriate that the fuel supplies to a public utility concern, playing a vital part in the civic and industrial life of Bombay, should be exposed to the risks and uncertainties of an altogether new experiment.

Your directors feel that when the selling price of the major product of this Company, town gas, has been frozen at an uneconomic level by the State Government, the imposition of any additional burden on the Company at this stage, would further aggravate the critical financial position with which it is faced.

This does not purport to be the proceedings of the Annual General Meeting.

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Quoted Shares

Preference Shares

CALCUTTA

NAME	Paid-up per Share.	Quotation as on 9-9-61 Rs nP
BANKS		
Allahabad 6% ...	100	96.50
Behar 5% ...	50	16.00*
COAL		
Asso. K'pura 4½% ...	100	50.50*
Bharat 5½% ...	100	34.00
Borra 6½% ...	100	86.55*
Burrakur 7% ...	100	101.00
Burrakur 6% ...	10	7.65
Chaitale 6% ...	100	80.00
Ghuseck & Muslia 5% ...	100	100.00
Gourangdi 5% ...	100	40.00*
Karampura 5½% ...	100	49.64†
Khas Kajora 5½% ...	10	6.95
N. Beerbhoom 7% ...	10	10.50
N. Churulia 5% ...	10	5.08
N. Huntodih 6% ...	100	45.00*
Onal 6½% ...	100	64.10*
Parasara 5½% ...	100	44.50
United Colliery 5% ...	100	64.50*
COTTON		
Basanti 6½% ...	100	6.94
Bengal-Nagpur 7% ...	100	75.00
Bharat Commerce 9% ...	100	100.00
Bowreah 8% ...	100	94.60
Bowreah 7% ...	100	71.00
Elgin 8% ...	100	100.00
Elkin 5% ...	10	6.97
Jagatjit 5% ...	100	80.08
Jiyajeeerao 5½% ...	100	88.50*
J. K. Cotton 6% ...	100	86.80*
J. K. Rayon 6½% ...	100	100.00
Kesoram 7% ...	100	94.00
Kesoram 5½% ...	100	79.15
Muir 6% ...	100	101.00
N. Victoria 3% ...	5	2.94
Orissa 5% ...	100	65.00
Shree Madhusudan 4½% ...	100	79.00
Shree Niwas 4% ...	100	48.80*
Shree Bhawan 8% ...	100	69.00
Swadeshi 6% ...	100	70.00
JUTE		
Agarpara 7% ...	100	91.00
Alexandra 7% ...	100	88.00
Albance 8% ...	100	64.50
Anglo-India 7% ...	100	93.00
Auckland 5½% ...	100	69.50
Auckland 4½% ...	100	56.00
Bally 7% ...	100	93.00
Barnagore 5% ...	25	38.00
Belvedere 7% ...	100	81.00
Bengal 5½% ...	100	53.00
Biria 7½% ...	100	82.00
Biria 5½% ...	100	63.14
Budge-Budge 7% ...	100	66.50
Caledonia 6½% ...	100	60.00
Caledonian 7% ...	100	60.43
Cheviot 7% ...	100	69.00
Chitavalah 7% ...	100	69.00
Clive 6% ...	100	74.00
Clive 7% ...	100	66.00
Dalhousie 7% ...	100	85.50
Delta 5% ...	100	69.25
Empire 7% ...	100	74.36
Fort Gloster 7% ...	100	68.00
Fort Gloster 5% ...	100	66.00
Fort William 7% ...	100	92.00
Ganges Mfg. 8% ...	100	102.00
Hastings 6% ...	100	80.50
Hastings 8% ...	100	82.00
Hastings 5% ...	100	9.56
Howrah 'A' Pref. ...	100	88.45†
Howrah 7% ...	100	88.45†
Kukumchand 7% ...	100	90.50
Kumarhaty 6% ...	100	67.00
Kushnarrah 6% ...	100	91.00
Kushnarrah 5% ...	100	68.00
Kushnarrah 7% ...	100	90.50
Kushnarrah 8% ...	100	92.00
Kushnarrah 9% ...	100	92.00
Kushnarrah 10% ...	100	92.00
Kushnarrah 11% ...	100	92.00
Kushnarrah 12% ...	100	92.00
Kushnarrah 13% ...	100	92.00
Kushnarrah 14% ...	100	92.00
Kushnarrah 15% ...	100	92.00
Kushnarrah 16% ...	100	92.00
Kushnarrah 17% ...	100	92.00
Kushnarrah 18% ...	100	92.00
Kushnarrah 19% ...	100	92.00
Kushnarrah 20% ...	100	92.00

NAME	Paid-up per Share.	Quotation as on 9-9-61 Rs nP
KINNISON 7% ...	100	90.00
Lansdowne 7% ...	100	91.00
Lawrence 7% ...	100	72.00
Lawrence 5½% ...	100	70.50
Nahati 7% ...	100	98.00
Nahati 4½% ...	100	88.00*
National 7% ...	100	81.80*
Nellmaria 6% ...	100	78.00
N. Central 7% ...	100	91.50
Northbrook 5½% ...	100	72.50
Rameshwara 6% ...	10	9.37
Reliance 7% ...	100	80.00
S. Ambica 7½% ...	100	92.50
Soorah 7% ...	100	93.50
Union 7% ...	100	77.35
Waverley 5% ...	50	40.50
MININGS		
Asso. Mining 5% ...	50	27.50
Chas. Mica 5½% ...	100	48.00
Metal Corp. 5% ...	100	99.00
CEMENT		
Dalmia Bharat 6% ...	10	7.69
Jaipur Udyog 3% ...	100	37.00
Kalyanpur Lime 7% ...	100	80.00*
Kalyanpur Lime 6% ...	100	100.50*
K'dhubi Fire 5½% ...	100	58.20
Orissa Cement 4½% ...	100	35.06*
CHEMICALS		
Alkali 5% ...	100	92.00
Bathgate 6% ...	100	19.00
Bath Chem. 7½% ...	10	11.75†
Bengal Chem. 4½% ...	100	68.50†
Bengal Chem. 6% ...	10	7.75
Frank Ross 4½% ...	100	5.75
Smith Stanstreet 10% ...	50	63.12
ELECTRICS		
Calcutta 5% ...	21	7.52
Dishergarh 5% ...	100	69.00
Dishergarh 4½% ...	100	61.50
ENGINEERING		
Arthur Butler 7% ...	10	14.00
Br. Building 6% ...	100	50.00
Br. Engineering 7% ...	100	100.00
Burn & Co. 7% ...	100	114.00
Burn & Co. 6% ...	100	101.00
Indian Iron 5% ...	100	90.00
India Machinery 7% ...	100	63.00
Ind. St. Wagon 7% ...	100	112.00
Jessop & Co. 5% ...	100	78.00
J. K. Steel 7% ...	100	100.00
Kumardhubi 5% ...	100	73.95†
R. Cruddas 5½% ...	100	54.00*
Steel Products 5% ...	10	7.75
Texmaco 5½% ...	100	79.15
Texmaco 6½% ...	100	62.00
Texmaco 6% ...	100	92.50
MISCELLANEOUS		
Alum. Corp. 6% ...	100	96.00
Alum. Corp. 5% ...	100	71.00
Amal. Dev. 5% ...	100	37.00*
Asso. Hotel 7% ...	100	52.75
Bharat Nidhi 6% ...	100	44.67
Birds Investment 5½% ...	100	57.00
Br. Biscuits 8% ...	10	8.24†
B. I. Corporation 8% ...	100	109.50
Cal. Cr. Corp. 6% ...	100	34.50*
Cal. Cr. Corp. 5½% ...	100	23.50*
Calcutta Gas 5½% ...	100	52.14*
Calcutta Silk 5% ...	100	49.12*
Calcutta Trams 5% ...	21	7.84
Dunlop Bros. 4% ...	100	53.50
Dunlop 6% ...	100	109.00
Dunlop 5% ...	100	78.75
Eastern Inv. 5% ...	100	67.44
Gillanders 5% ...	100	58.00
Godfrey Phillip 5½% ...	100	56.50
Greaves Cotton 5% ...	100	32.88*
Greaves Cotton 6% ...	100	44.43*
Hindustan Alum. minium 6.5% ...	25	24.37
Hindustan Motors 4% ...	100	168.00

NAME	Paid-up per Share.	Quotation as on 9-9-61 Rs nP
Hindustan National		
Glass 8% ...	100	93.00*
Indian Alum. 5% ...	100	69.00
Indian Cables 6% ...	10	34.00
Indian Plastics 5½% ...	100	40.50*
Indian Rubber 5% ...	100	60.50
James Wright 6% ...	50	19.75*
J. Henderson 5½% ...	100	57.00
K. Bullen 5½% ...	100	51.12
K. Bullen 4% ...	100	48.10
Kusum 5½% ...	100	64.00*
Macneill & Barry 5½% ...	100	51.57
Madhya Pradesh Ind.		
6% ...	100	93.00*
Martin Burn 5% ...	100	85.50
McLeod & Co. 5%		
1st Pref. ...	100	47.78†
McLeod & Co. 5%		
2nd Pref. ...	100	58.50
Metal Box 6% ...	100	84.00
National Rubber 6% ...	100	76.00
National Tannery 5% ...	10	2.35
National Tobacco 5% ...	100	69.00
National Tobacco 4½% ...	10	61.75
Nav. Bharat Vanijya ...	100	75.00
Rallis 6% ...	100	67.60
Rohtas Indus 7% ...	100	115.00
Rohtas Indus. 4½% B ...	100	56.00
Sen Raleigh 5% ...	100	155.00
Shaw Wallace 6% ...	100	66.50
Spencer 6½% ...	10	5.37
Spencer 8½% B ...	10	10.12
Standard Vacuum 6% ...	100	90.50
Union Tobacco 5% ...	100	15.50

NAME	Paid-Quotation up per Share.	as on 9-9-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 9-9-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 9-9-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 9-9-61 Rs nP
COAL											
Amalgamated	10	22.50	Auckland	100	144.00	Agra	100	139.00	Calcutta Silk	10	7.12
Asso. Karanpura	10	5.50	Bally	100	208.00	Aligarh	10	8.80	Calcutta Trams	10	11.44
Asso. Laikdih	10	5.25	Bamagore	100	127.00	Bareilly	5	10.90	Cambay Invest. Corp.	100	95.00
Bagdigi Kujama	10	6.50	Belvedere	100	150.00	Benares	10	11.77	Cherra Chhatak	5	5.30
Bengal	100	360.00	Bengal	10	10.50	Bhagalpur	10	6.56	Clive Row Inv.	10	7.00
Bengal Bhatdee	10	3.48	Bharat	25	6.12	Calcutta	10	14.94	Darjeeling Rope	10	7.25
Bengal-Nagpur	10	20.19	Birla	100	24.75	Cuttack	10	7.52	Duncan Bros.	100	150.00
Bhagora	10	5.00	Budge-Budge	100	103.50	Dharwar	50	41.80	Dunlop Rubber	10	49.69
Bharat	10	3.25	Calcutta	100	10.50	Dishergarh	100	95.00	East Anglia Plastics	5	13.56
Bhowr Kankanee	10	7.94	Caledonian	100	142.00	Jubbulpore	10	11.25	Eastern Invest.	100	140.00
Bhuanbararee	10	7.40	Champion	100	114.00	Jhansi	10	5.92	Elcc. Const.	10	13.06
Bokaro & Ramgur	10	17.44	Chamviot	100	14.50	Mirzapore	9	6.62	French Motor	20	38.50
Boree	10	23.69	Chitavalasah	100	10.25	Muttra	10	11.37	Ganges Rope	100	216.50
Burrakur	10	18.19	Clive	100	9.00	Muzaffarpore	10	11.06	General Tyres	5	6.00
Central India	10	11.68	Dalhousie	100	97.50	Patna	10	11.00	Gillanders	10	14.00
Central Kurkend	10	7.00	Delta	100	143.00	Shahjahanpur	10	6.81	Godfrey Phillips	10	21.75
Churulia	4	2.50	Empire	100	14.37	Sijua Jheriah	10	9.37	G. E. Hotel	250	233.00
Dhemo Main	10	6.75	Fort Gloster	100	279.00	United Provinces	100	122.00	Greaves Cotton	100	175.00
East Indian	£1	35.50	Fort William	10	27.12	Upper Jumna	10	14.65	Gwalior Rayon	10	49.00
Equitable	10	30.12	Ganges Mfg.	10	11.25				Hindus Alum.	10	13.25
Ghusick & Muslia	10	14.00	Gondalpara	100	35.00				Hindusthan Develop.	10	7.06
Gourangi	10	8.50	Gourepore	100	372.00				Hindusthan Gas	7	16.31
Guzdar Kajora	10	2.75	Hastings	100	119.00				Hindusthan Ice	5	1.05
Hurruladih	10	14.37	Howrah	10	14.94				Hindusthan Lever	10	47.75
Jainty Central	24	0.44	Howrah	74	19.50				Hindus Motors	10	18.81
Jogta	10	1.75	Indur	124	14.62				Hind. Nat. Glass	10	8.33
Karanpura	100	165.00	Kamarhaty	100	122.00				Hindusthan Pilkington	5	10.87
Katras Jheriah	10	48.37	Kamarhaty (B)	100	127.00				Hindusthan Wire	10	5.37
Khas Kajora	10	18.70	Kankannarrah	100	62.50				Hoare Miller	10	6.50
Kuadi	10	8.75	Kankannarrah (B)	100	68.50				Impl. Tobacco	10	12.12
Lakurka	10	14.00	Kedarnath	10	6.62				Indian Alum.	10	34.12
Mahabir	10	11.00	Kelvin	100	150.00				Indian Cable	10	36.25
Mundulpore	10	2.62	Khardah	10	17.12				Indian Oxygen	10	9.56
Nazira	10	6.87	Kinnison	100	160.00				Indian Plastic	50	51.00
New Beerbhoom	10	23.25	Landsdowne	100	91.00				Indian Rayon	10	16.44
New Churulia	10	5.25	Lawrence	100	158.00				Indian Rubber	10	30.37
New Huntodih	01	5.06	Mahabir	100	85.00				Indian Wood	10	18.75
New Marbhoom	10	13.69	Megna	100	10.56				Ivan Holdens	2	1.22
North-West (F.P.)	10	20.09	Naihati	100	64.00				James Jones	5	2.75
North-West (P.P.)	74	17.87	Naskarpara	10	8.94				James Wright	1	0.43
Oriental	10	8.70	National	10	18.06				J. Henderson	100	68.25
Parasea	10	14.40	Nellimarla	10	9.62				Jewwani	10	9.25
Pench Valley	10	18.00	New Central	10	17.25				John Paterson	10	2.25
Pure Sitalpore	10	20.06	North Brook	10	25.50				Kallimpong Rope	10	1.50
Raneegunge	10	9.87	Nuddea	50	45.00				Kettiewell Bullen	100	128.00
Rewa	10	30.00	Presidency	5	4.31				Khandelwal Ferro	50	86.00
Samia	10	8.50	Rameshwara	10	8.00				Alloys	100	65.50
Searsola	26	0.78	Reliance	10	5.06				Kishore Trading	10	10.00
Sempore	10	8.19	S. Luchminarayan	10	7.00				Kusum Products	10	10.00
Sendra	10	3.25	S. Luchminarayan	5	5.25				Macfarlane	5	8.19
Shree Mahakali	10	8.50	Soorah	100	20.12				Macfarlane Defd.	1	1.75
South Karanpura	10	14.00	Union	100	160.00				Madhya Pradesh Ind	10	10.50
Standard	10	11.25	Waverley	1	3.97				Martin-Burn	10	28.00
Union	10	12.00							Mahindra and	10	19.19
United Collieries	10	9.31							Marwar Trading	100	149.50
Western Bengal	10	14.09							McLeod & Co.	100	213.00
West Ghusick	10	7.00							Metal Box	10	54.12
West Jamuria	10	5.31							Moradabad Water	10	5.24
West Laikdih	10	5.31							N. I. Cables	10	36.50
COTTON											
Basanti	10	8.07	Assam Silimanite	10	10.12	Bengal	10	44.62	National Pipes and	10	27.94
Bengal Fine Spg.	10	6.25	Asso. Mining	10	9.27	Delhi	10	14.00	Tubes	10	20.75
Bengal Laxmi	10	26.50	Asso. Mining Defd.	5	4.90	Highly	10	19.75	Nat. Rubber Mfg.	10	12.37
Bengal-Nagpur	10	4.31	Bisra Stone Lime	10	45.75	United	10	32.50	Nat. Tannery	10	7.00
Bharat Commerce	40	27.00	Burma Mines	34sh	0.53				Nat. Tobacco	10	16.87
Birla Cotton	10	20.00	Chrestian Mica	10	11.00				Nav. Bharat Vanija	10	7.50
Bowreah	10	33.12	Chrestian Mica Defd.	5	6.69				New I. Invest.	75	44.50
Cawnpore Textile	5	8.06	Indian Copper	3sh	4.73				Pearl Invest.	10	7.00
Century Spinning	100	587.00	Kangra Valley	100	89.00				Phillips Carbon	74	18.62
Dunbar	10	29.12	Karanpura Devel.	10	16.62				Phillips India	10	33.00
Elgin	10	18.87	Metal Corporation	10	10.12				Publicity Society	4	21.00
Jagatjit Cotton	10	22.50	Orissa Minerals	10	46.00				Rallis	100	144.00
Jayshree Textile	10	16.19	Sutna Stone Lime	10	18.25				Raymond Woollen	100	123.50
Jiyayerao Cotton	10	11.95							R. B. Rodda & Co.	10	3.40
J. K. Cotton	100	70.00							Rohtas	10	15.50
J. K. Rayon	10	18.25							Sahu Properties	5	2.45
Kesoram	10	29.25							Sen Raleigh	10	24.75
Maharaja Shree	100	161.00							Spence's Hotel	10	23.12
Umaid	100	101.00							Spencer & Co.	2	1.56
Muir	100	1.52							Star Co.	100	80.50
Orissa Textiles	10	9.40							Star Trading	25	80.00
Rampooria	10	10.94							Sirilk	10	8.69
Rampooria Defd.	1	2.50							Union Carbide	100	76.00
Shree Madhusudan	10	14.50							Union Tobacco	10	49.25
Shree Niwas	100	265.00							Union Tobacco Defd.	5	2.00
Shree Bhawani	10	8.37							Usha Martin Black	5	6.62
Sutlej Cotton	10	95.00							Walfords	1	3.06
Swadeshi Cotton	10	11.00							Walfords (P.O.)	1	2.19
Sw. Deshi (P.O.)	10	9.16							W. Stockholder	1sh	1.60
Victoria Cotton	10	17.75									
JUTE											
Alexandra	10	9.37									
Alliance	100	238.00									
Anglo-India	100	84.00									
	100	170.00									

NAME	Paid-Quotation up per Share.	as on 9-9-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 9-9-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 9-9-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 9-9-61 Rs nP
PAPER MILLS											
Ballarpur	25	37.94	Brooke Bond	10	16.12	North-West Cachar	100	200.00	Coffee Lands 5%	100	71.08
Bengal Paper	25	95.00	Dejoo Valley	10	30.75	Pathemara	10	7.25	Cons. Coffee 6%	25	20.87
India Paper	10	17.37	Dessai and Purbat	100	155.00	Roopacherra	10	15.69	Conoor Tea 6%	100	83.14
Mysore Paper	10	29.87	Dhelakhat	10	19.06	Rungamattae	50	50.00	Coorg Tea 7%	5	4.14
Orient Paper	10	35.60	Dhunseri	10	16.37	Sonai River	10	9.12	Cottanad 7%	10	9.60
Seshasayee	10	8.50	Dibrugarh	10	37.75	Tea Producing Co.	10	10.37	Devon 7%	100	82.00
Shree Gopal	10	24.00	Dimakui	10	25.75	Tilkah	10	10.00	Heileyburia 5%	100	68.58
Sirpur Paper	10	14.44	Dufflaghur	10	31.12				Highland 6%	10	7.25
Star Paper	10	12.12	East India	10	19.44				Kadur Coffee 6 1/2%	10	6.04
Straw Products	10	8.87	Gillapukuri	10	26.37				Karikode 6%	10	6.99
Titaghur P.O.	24	3.79	Gonpur	10	16.94				Kil Kotagiri 7%	10	8.37
Titaghur Ord.	10	33.25	Grob	5	10.00				Kurchemala 6 1/2%	10	5.88
U. I. Couper	100	50.00	Hapijan Purbat	10	13.50				Malabar Agri. 6%	20	14.93
West Coast	100	167.00	Hoograjuli	10	25.25				Manimala 5%	10	9.00
			Hoolungoorie	100	185.00				Mer. Rubber 6%	10	7.10
			Jayshree	10	17.87				Midlands 6%	10	7.30
			Joonkote	10	20.50				Milamallay 7 1/2%	25	24.25
			Jutibari	10	39.00				Mysore Amal. 6%	10	6.25
			Kyang Tea Seed	10	7.56				Mysore Plan. 6%	10	7.00
			Kingsley Golaghat	100	167.00				Neelamalai 5%	10	6.10
			Krishnabehari	10	11.00				Nelliampathy 6%	10	7.38
			Ledo	10	17.00				Nenmeny 7%	10	8.86
			Maud	10	13.00				Nilambur 6%	10	6.10
			Methoni	10	16.81				Nilgiri Tea 6 1/2%	10	5.80
			Moheema	10	11.50				Peermade 6%	100	87.50
			Mothola	100	445.00				Pullangode 6%	10	7.57
			Murphulani	10	24.50				Rajagiri 6%	10	6.45
			Murphulani P.O.	10	22.24				Rajendra 6%	10	6.94
			Naga Hills	10	19.56				Rajendra 5 1/2%	10	6.48
			Namburnadi	10	13.05				Sangameswar 7%	10	9.75
			New Cinnatollah	100	90.00				Talayar Tea 6%	10	7.05
			New Monkhood	7 1/2	19.60				Teekoy 6%	10	6.80
			Rajgarh	10	26.62				Thamarapally 6 1/2%	5	3.50
			Saipal	10	21.00				T. R. & T. Co. 6%	10	8.95
			Seajuli	10	25.50				Udayagiri 7%	10	8.50
			Telofan	10	31.75				Vellimalai 7%	10	8.20
			Tengpani	10	38.00				Waterfalls 6%	10	8.40
			Tezporo	10	15.69				Woodcote 6 1/2%	5	2.94
			Tongani	10	6.44				Woodlands 6 1/2%	10	7.45
			Tyron	10	35.25				Woodlands 6 1/2%	10	7.22
	</										

[illegible]

NAME	Paid-up Share	Quotation as on 8-9-61 Rs. pP
Laxmi Starch ...	100	170.00
Madhya Pradesh Ind. ...	10	14.76
N. I. Fisheries ...	100	105.00
New India Indus. ...	100	388.00
Ogale Glass Works ...	5	5.24
Permanent Magnet ...	50	85.00
Phillips Carbon ...	7½	19.00
Rohtas Indus. ...	10	16.52
Selected Satgram Col- leries ...	100	116.00xrt
Supreme Industries ...	100	155.00
Synthetic & Chemis. ...	100	183.00
Thacker & Co. ...	50	40.00

Ordinary Shares (Cleared) COTTON TEXTILES

Ahmed Advance ...	100	182.50
Apollo ...	2	1.84
Azam Jahi ...	100	70.50
B. R. Cotton ...	100	45.00
Bombay Dyeing ...	25	65.40
Central India ...	100	121.50
Century ...	100	689.00
Edward Textile ...	200	304.00
Elphinstone ...	50	84.00
Finlay ...	100	304.00
Gokak ...	100	191.00
India United ...	10	15.24
India United (Defd.) ...	1	1.90
Indore ...	100	160.00
Khatau ...	100	482.50
Kohinoor ...	100	282.50
Minerva ...	100	80.00
Morarjee ...	100	390.00
Mysore ...	50	67.00
New Great ...	100	225.00
Osmanshahi ...	100	71.00
Podar ...	100	134.00
Shrinivas ...	100	267.00
Simplex ...	50	198.00
Standard ...	100	1140.00
Swadeshi ...	100	249.50
Swan ...	100	605.00
Tata ...	25	63.20

ELECTRICS

Ahmedabad ...	100	89.80
Andhra Valley ...	100	1030.00
Bombay Suburban ...	100	98.50
Tata Hydro ...	100	108.50
Tata Power ...	100	1102.50

CEMENT

Andhra 'B' ...	10	11.04
A-C-C ...	100	159.50
Orissa ...	10	15.16
Shree Digvijay ...	100	187.50

STEEL

Indian Iron ...	10	25.15
Mukund ...	10	26.25
Tata ...	75	149.50

ENGINEERING

Alcock ...	100	286.00
Cooper ...	100	178.50
Larsen and Toubro ...	10	37.00
Tata Engg. and Loco- motive ...	100	346.00
Texmaco ...	10	16.60
Volta ...	100	284.00

SHIPPING

Great Eastern ...	10	13.12
Scindia ...	20	12.24

SUGAR

Belapur ...	50	271.00
Bhopal ...	10	24.80
Chopal ...	50	137.00
Phaltan ...	12½	23.92
Shree Chango ...	100	163.00

MISCELLANEOUS

Bombay Burmah ...	125	580.00
B. Petrol ...	1½sh	1.16
Hindustan Motor ...	100	18.40
Indian Copper ...	2sh	4.96
Ind. Inv. Trust ...	100	73.00
National Rayon ...	100	518.00
Polson ...	100	164.25
Premier Auto ...	100	154.00
Premier Const. ...	30	184.00
Shivrajpur ...	10	94.50
ur Paper ...	10	14.12
Tata Chemical ...	10	17.04
Tata Oil ...	25	68.00
Wanco ...	100	275.50

For the Investor

INVESTMENT GOSSIP Stock Exchange Reform

BY making the stock exchange itself responsible for its orderly working, Mr Morarji Desai, Union Finance Minister, has dispelled the apprehension that Government has preconceived notions about what is wrong with the stock market and how and what remedies are to be applied to rectify the situation. It is significant to note that Mr Desai has made it clear that since stock exchanges are autonomous bodies, Government will not ordinarily interfere in their day-to-day working.

Rumour had it that last week's meeting between the Union Finance Minister and the Presidents of Stock Exchanges was primarily called to announce certain decisions reported to have been arrived at by Government in regard to stock exchange reform. But what actually happened at the meeting was surprisingly different. Far from being reduced to a position of secondary importance, the stock exchanges have been made to shoulder the responsibility for effecting whatever reform is needed. The task has been entrusted to a committee of seven comprising the presidents of all the recognised stock exchanges in the country. The first meeting of the newly constituted body is expected to be held early next month and thereafter it will meet periodically.

Thus a major uncertainty that had been dogging the steps of marketmen has been removed. Now and then during the past few months there were the "usually" reliable reports that more curb measures were in the offing only to be quickly followed by reports that Government would stay its hand for some time. The position has now been made clear. The Stock-exchanges Committee is to deal with the main problems pertaining to the proper conduct of transactions in stocks and shares. The Government will ordinarily function as philosopher and guide, thinking of taking powers to control the stock exchange only when such a course becomes necessary and that too after consulting the stock exchanges.

There is a consensus that the stock markets should primarily function in the interests of investors. In recent years the lists of shares transacted in the various stock exchanges have considerably lengthened and quite a large number of people with modest means

have come to evince an interest in the stock market. In coming years more and more shares will be listed and more and more people will be turning to the stock markets for the investment of their funds. It is therefore of the utmost importance that the stock markets are made fairly safe for the investor. The new committee has no doubt an onerous task before it but it is by no means impossible.

NEW ISSUE NOTES Swadeshi Cotton Mills

The Swadeshi Cotton Mills Company Limited, Kanpur, has been accorded consent to issue capital of Rs 87.50 lakhs viz. Rs 17.50 lakhs in bonus shares on capitalisation of the company's reserves to a like extent and Rs 70 lakhs for cash, at par, on right basis. The proceeds of the cash issue will be utilized for repayment of the company's borrowings in part and for improving its liquid position. The company is engaged in the manufacture of textiles and has a paid-up capital of Rs 210.00 lakhs.

Vishnu Cotton Mills

The Vishnu Cotton Mills Limited, Bombay, has been granted a consent to the issue of further capital of Rs 73,60,000, divided into 57,600 equity shares of Rs 100 each and 6,400 first cumulative preference shares of Rs 250 each, carrying a dividend of 5½ per cent (subject to deduction of taxes at the prescribed rates). The shares will be issued for consideration other than cash in terms of the scheme of amalgamation of the Lakshmi Cotton Manufacturing Company Limited, with the Vishnu Cotton Mills Limited.

DCM

The Delhi Cloth and General Mills Limited, Delhi, have been granted consent to the issue of further capital of Rs 150 lakhs divided into 4 lakh ordinary shares of Rs 25 each at a premium of Rs 5 per share 2 lakh preference shares of Rs 25 each at par with dividend not exceeding 9 per cent per annum, free of company's tax, but subject to deduction of taxes at source at prescribed rates, and debenture stock of the value of Rs 250 lakhs carrying interest at 6½ per cent per annum. The proceed of the issue will be utilised for financing the manufacture of PVC and Tyre Cord Rayon at Kotah in Rajasthan. The company's present paid-up capital is Rs 410.75 lakhs.

Mysore Spinning

The Mysore Spinning and Manufacturing Company Limited, Bombay, has been granted consent to the issue

of capital of Rs 19,86,150 in equity shares of Rs 50 each for cash at par. The proceeds will be utilised for renovation and expansion of the mills. The present paid-up capital is Rs 47,13,400 divided into 79,363 equity shares of Rs 50 each and 14,901 ¼ per cent preference shares of Rs 50 each.

Aryodaya Ginning

The Aryodaya Ginning and Manufacturing Company Limited, Ahmedabad, has been granted consent to issue 3,465 bonus shares of Rs 200 each on capitalisation of Rs 6,93,000 from the share premium account, to be allotted to the equity shareholders of the company in the proportion of one bonus share for every 4 equity shares held.

Schrader-Scovill Duncan

The Schrader-Scovill Duncan Limited, a company incorporated in West Bengal, has been granted to the issue of capital of Rs 35 lakhs, divided into 350,000 equity shares of Rs 10 each. The company has already obtained a licence for setting up an pneumatic and tyre and valves plant in Bombay. Fifty-one per cent of the issued capital will be subscribed by the foreign collaborators, Scovill Manufacturing Company of the USA. It will be utilised in meeting the foreign exchange requirements for the import of machinery. Duncan Brothers & Company Limited, who is proposed to be appointed as Secretaries and Treasurers, will subscribe 87,472 shares, while 84,028 shares will be offered for public subscription.

International Computers

The International Computers and Tabulators (India), Private Limited, Bombay, dealers in tabulating machine, has been accorded consent to issue capital of Rs 16,93,600 in equity shares of Rs 100 each, at par. Of the new issue, shares of the value of Rs 49,19,395 will be for cash and the balance for consideration other than cash. A part of the shares will be allotted to International Computers and Tabulators, London, in discharge of the loan due to Power-Sams Accounting Machine (Sales) Limited. The present paid-up capital of the company is Rs 27.06 lakhs.

Utkal Machinery

Utkal Machinery Limited, Bombay, with its factory at Rourkela, has been granted consent to the issue of further capital of Rs 55 lakhs, divided into equity shares of Rs 10 each, at par. Out of the new issue, the three existing German collaborating firms will be offered shares to the value of Rs 26.25 lakhs and the balance will be subscribed by Indians. The company's existing paid-up capital is Rs 100 lakhs in equity shares of Rs 10 each.

Devashola Tea

The Devashola (Nilgiris) Tea Estates Limited has proposed to issue bonus shares at two shares of Rs 10 each for every five equity shares held. This issue is being made to increase the authorised

capital of the company from Rs 6 lakhs to Rs 10 lakhs.

Fit Tight Nights

The first call of Rs 25 per share on the new equity shares is payable on or before 30 September, 1961. Facilities for the splitting of the large call notices and the issue of duplicate call notices will be available

Afsons

Afsons Industrial Corporation Limited has offered to the public 12,250 equity shares of Rs 100 each, at par. The issued capital is Rs 25 lakhs in 25,000 equity shares. Out of this, Rs 3,40,500 has been subscribed and the fully subscription amount has been paid. The directors and their friends have agreed to subscribe for Rs 9,34,500. The balance of Rs 12.25 lakhs is now offered to the public. The company will be setting up a paper and pulp plant to manufacture high grade printing and writing paper with an annual capacity of 2,400 tons. The plant will be located at Wasrangaon, Khapoli in the Kolaba District. The subscription list was opened on 11 September and will close on 19 September, but not before 14 September. The entire issue, offered to the public, is underwritten by the Central Bank of India Limited.

Northern India Paper

The Northern India Paper Mills Limited, Meerut, will enter the market for raising capital in October next. The company, licensed for an annual output of 18,000 tons of paper and pulp, will issue, for public subscription, 10 per cent taxable redeemable cumulative preference shares worth Rs 60 lakhs and equity shares valued at Rs 69.90 lakhs, both kinds of shares being of Rs 100 each. The total public subscription will thus be Rs 129.90 lakhs. Out of this amount, the directors and their friends will subscribe Rs 40 lakhs. The entire issue has been underwritten in the following manner:—ICICI Rs 35 lakhs; LIC Rs 10 lakhs; the Uttar Pradesh Industrial Corporation Rs 25 lakhs; and brokers and directors Rs 59.90 lakhs. The project will be partly financed by a loan of Rs 1 crore from the IFC and partly by deferred payment arrangements for the import of plant and machinery.

Hicks Thermometers

Hicks Thermometers (India), Limited, incorporated on 2 June, 1961, will enter the capital market on 23 September, 1961. The present issued capital of the company is Rs 10 lakhs of which shares worth Rs 5 lakhs are being taken up by the directors, promoters and their friends for cash consideration or for consideration other than cash. The balance is being offered for public subscription, at par. The authorised capital of the company, Rs 50 lakhs, has been divided into 4 lakh equity shares of Rs 10 each and 10,000 cumulative preference shares of Rs 100 each. The company's collaborators, Heath, Hicks and Perken

(Thermometers) Limited, London, are contributing Rs 2 lakhs in terms of plant and machinery. The company will go into production by June 1962. The main factory will be situated at Aligarh. The production target for the first year is 1,50,000 thermometers; 75,000 hydrometers and 3,60,000 glass syringes. The capacity in the third year will be 3,30,000 thermometers.

INVESTMENT NOTES Bonus Issue for Dunlop Rubber

The Directors of the Dunlop Rubber Company (India) Limited announce that application has been made to the Controller of Capital Issues for consent to increase the issued ordinary Share Capital of the Company from Rs. 3 crores to Rs. 4.5 crores by the capitalisation of reserves and the issue of Bonus Shares, on the basis of one new share for every two shares held.

Premier Tyres

Premier Tyres Limited will go into production by the end of this year.

Trial production is expected to start in November. The Rs 2 crore tyre factory, situated in Kalamasseri, an industrial suburb of Ernakulam, will have a capacity of 1,000 tyres and tubes a day. The company has secured the technical collaboration of an American firm, Dayco Corporation.

Madras Rubber

The Madras Rubber Factory Limited has made the second call of Rs 2.50 per share on the Rs 7.50 paid shares, payable on or before 14 October, 1961.

Bajaj Electricals

The expansion programme of the Bajaj Electricals Limited is making progress. Part of the machinery available from indigenous sources has been installed, while import licences for the rest are awaited.

A decision to merge the two companies—Hind Cycles and Gwalior Rayon—is reported to have been taken by the respective board of directors, subject to the sanction of the High Court and the approval of the shareholders. The amalgamation of Hind Cycles does not mean that the

manufacture of cycles will be given up. If the scheme of merger goes through, it will be beneficial to the shareholders of both the companies. With its various plans of expansion and its large resources, Gwalior Rayon can improve the working of Hind Cycles by making cycles more competitive in the market and wipe out the losses and arrears. Details with regard to the terms of merger are not yet available. There are, however, rumours that the shareholders of Hind Cycles may be offered 2½ shares of Gwalior Rayon of Rs 10 each for every share of Rs 100 each.

INVESTMENT BRIEFS

Mysore Amalgamated Coffee has maintained the dividend at 10 per cent, taxable, for the year ended 31 March, 1961.

Rane (Madras) Limited has maintained the dividend at 14 per cent, less tax, for the year ended 31 March, 1961.

General Papers Limited has maintained the ordinary dividend at 12½ per cent, less tax, for the year ended 31 March, 1961.



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DALMIA ENTERPRISES IN THE NATION'S SERVICE

STOCK EXCHANGES Upswing in Equities

Watch-Dog Writes:

STOCK markets have wound up the week on a buoyant note, thanks to hectic bear-covering and renewed bull support. Apart from the fact that the market has been set for a recovery due to technical considerations, there is a general feeling that the worst is almost over. Bears must be disappointed to find that there is nothing to enthuse them in the recent meeting of the Stock Exchange Presidents with the Union Finance Minister.

A cheerful sentiment was noticed on the Calcutta Stock Exchange where prices in almost all sections staged a smart rally under the lead of speculative issues.

The Bombay Stock Exchange remained closed during most part of the week. During the period it remained open, the overall trading was cautious and somewhat erratic.

On the Madras Stock Exchange, cleared shares put up a poor show in regard to turnover, while Miscellaneous issues came in for better attention.

CALCUTTA

Friday Evening.
THE local stock market looked definitely better during the week under review when there was a marked improvement in sentiment as well as expansion in turnover. Apart from the fact that the non-interference policy of the Government in regard to stock exchange reform, at least for the time being, was well received by the market circles, expectations that the LIC might invest funds in equity shares kept sellers rather reserved. Moreover, with the corporate news being on the encouraging side, the market quickly responded to buying orders.

The main development in the gilt-edged market was the new State Loans. The response to the State Loans was better than that to the Central Loans in that five State Loans were over-subscribed. Save for the new loans, the gilt-edged market was listless. Even the short-dated issues were neglected. The only steady feature was 3 per cent 1986 Conversion Loan, which improved to Rs 73 from the recent low of Rs 72.70.

Bank shares displayed a firmer tendency due to the emergence of buying support. Punjab National changed hands at Rs 18.37 to Rs 18.56 and United Commercial at Rs 90.50 to Rs 91.

There was a little more activity in the Jute section. The decision made by the mills to raise the working hours from the 25 September gave rise to a feeling that stabilised conditions were gradually returning to the industry. Birlas moved up to Rs 25.50 from a low of Rs 24.50; Ganges up to Rs 11.75 from Rs 11.21; Howrah up to Rs 15 from Rs 14.75 and New Central to Rs 17.56 from Rs 17.19.

There was little doing in Coal shares. The railway's proposal to ease the strain of coal deliveries by creating dumps had an unenthusiastic reception. While Burrakur moved up to Rs 18.37 from Rs 18 due to speculative support, New Beerbhoom came in for offer at Rs 23 against Rs 23.37. Central India and Western Bengal hovered idly around Rs 11.87 and Rs 9.37 respectively.

Except for the sustained support to a few selected shares following the release of encouraging working results and the announcement of higher dividends, Tea shares remained generally dull. Apart from the lower prices obtained at the recent auctions, fears were entertained that the industry might face a glut due to over-production this year. Those shares, which remained active, were Bishnauth having buyers at Rs 26.75 to Rs 27.25; Hasimara at Rs 31.25 to Rs 32.69; Huldibari at Rs 31.25 to Rs 31.75 and Jaysree at Rs 17.94 to Rs 18.12. Brooke Bond were neglected at Rs 16.12 following the reduction in dividend from 15 to 10 per cent for the year ended 30 June, 1961.

Sugar shares lacked buying interest, reflecting the general anxiety to await further developments in the sugar situation. Dyer Meakins turned quiet at Rs 34.19 against Rs 34.25; Ramnugger Cane at Rs 30.31 against Rs 30.44 and ISKG at Rs 11 against Rs 10.90.

Hopes of clearance of accumulated stocks of cloth with the mills during the coming Puja festival acted as a stimulant to the Textile section. Almost all the shares recorded fresh higher levels for the week. Cawnpore were enquired upto Rs 8.75 from Rs 8.06; Bowreah up to Rs 34.50 from Rs 33.12; Dunbar up to Rs 30.56 from Rs 29.69; Kesoram up to Rs 30.19 from Rs 29.12; J. K. Rayon up to Rs 19.19 from Rs 18.25 and Elgins up to Rs 20 from Rs 18.87.

In the week's dealings, the lead to the general recovery was mainly given by Indian Irons which, in turn, were subjected to settlement adjustments till Wednesday, Opening higher at Rs 25.34, Indian Irons advanced further to Rs 25.40. After reacting at one time to Rs 25.17, the scrip improved again to Rs 25.24 on Wednesday. From Thursday, the shares changed hands on the ex-dividend basis and moved between Rs 24.22 and Rs 24.54 to close finally at Rs 24.42. The settlement rate was fixed at Rs 25.25 as against last settlement of Rs 25.05. Braithwaite moved up to Rs 38.31 from Rs 37.44; Jessop up to Rs 19.50 from Rs 19.25; J. K. Steel up to Rs 20.37 from Rs 20.12; Guest, Keen, Williams up to Rs 40 from Rs 38.12; and TEXMACO up to Rs 17.85 from Rs 16.75.

The Miscellaneous section provided several bright spots. The news of the company seeking permission to make a bonus issue in the ratio of 1:2 caused Dunlop Rubber to spurt to Rs 54.81 from a low of Rs 49.69. Support from the LIC induced Indian Cable to move up to Rs 37.87 from Rs 36.19. Following were the price trends of a few other selected shares:—

	As on 9 Sept.	High- est Rs	As on 14 Sept. Rs
Orient Paper	35.60	36.35	36.35
Shree Gopal	24.00	25.00	25.00
Rohtas	15.50	16.37	16.00
H. Motor	18.81	20.03	19.75
Alkali Chemicals	38.62	38.62	38.62
A. Corporation	15.62	16.00	16.00
Goodyear	38.00	38.50	37.50
Sirpur Paper	14.44	16.00	16.00
Asso. Battery	35.12	35.50	35.37
Phillips Carbon	18.62	19.25	19.25
British Paints	26.87	27.87	27.69
Isaac Holdens	18.37	20.37	20.37
I. Aluminium	34.12	35.12	34.94
I. Oxygen	38.87	40.00	40.00
I. Steamship	7.31	7.44	7.25
I. Copper	4.73	4.88	4.83
General Tyres	6.00	6.31	6.25
BIC	7.06	7.44	7.37

BALANCE-SHEET BRIEFS

The Bengal Coal Company Limited has declared interim dividends of Rs 8 per share on the Ordinary shares and 1.998 per cent on the Preference shares, for the year ended 31 October 1961. Tax will be deducted from both these dividends in accordance with the provisions of the Finance Act currently in force. These dividends will be payable to those members whose names are registered in the Books of the company as on 21 September 1961.

WHOLESALE PRICES

Review For June 1961

Wholesale prices as measured by the official index (with the year ended March 1953=100) moved up by 0.6 per cent to 126.0 during the month of June 1961, as compared with 125.3 for May 1961. The index was higher by 2.4 per cent when compared with 123.0 for June 1960. During the month under review, the index for 'Food Articles' rose by 2.9 per cent to 120.6 and 'Fuel, Power, Light and Lubricants' by 0.2 per cent to 121.7, while 'Tobacco' declined by 4.3 per cent to 96.6, 'Industrial Raw Materials' by 2.9 per cent to 148.8 and 'Manufactures' by 0.6 per cent to 126.6.

'FOOD ARTICLES'

An increase in the prices of all cereals raised the sub-group index by 2.4 per cent to 101.9. At this level, the index was 5.0 per cent lower when compared with the corresponding month of the earlier year. The subgroup index for 'Pulses' rose by 3.8 per cent to 90.6 as a result of a rise in the prices of Gram, Mung, Masur and Urad. Higher prices of Potatoes, Oranges and Bananas pushed up the index for 'Fruits and Vegetables' by 3.4 per cent to 126.1, despite a fall in the prices of Onions and Cashewnuts. A fall of 0.3 per cent to 113.6 in the index for 'Milk and Ghee' was caused by lower prices of Milk although the prices of Ghee witnessed a rise. Increased prices of Groundnut oil, Gingelly oil, Mustard oil and Coconut oil raised the index for 'Edible Oils' by 2.3 per cent to 163.3. The sub-group index for 'Fish, Eggs and Meat' went up by 0.7 per cent to 128.2 due to a rise in the prices of Fish and Meat; there was, however, a fall in the prices of Eggs. A further rise in the prices of Gur pushed up the index for 'Sugar

and Gur' by 3.0 per cent to 123.7. Higher prices of Tea, Black Pepper, Chillies, Turmeric, Betelnuts and Salt were responsible for an increase of 8.2 per cent to 181.1 in the index for 'Other Food Articles'; the prices of Cardamoms and Coffee, however, exhibited declines.

'TOBACCO'

Lower prices of raw tobacco brought down the index for 'Tobacco' by 4.3 per cent to 96.6.

'FUEL, POWER, LIGHT AND LUBRICANTS'

Higher prices of Coal and Castor oil raised the index for this group by 0.2 per cent to 121.7.

'INDUSTRIAL RAW MATERIALS'

A sharp fall in the prices of raw Jute combined with a decline in the prices of raw Cotton and raw Hemp brought down the sub-group index for 'Fibres' by 8.8 per cent to 150.6, although the prices of raw Silk and raw Wool showed advances. The sub-group index for 'Oilseeds' moved up by 2.5 per cent to 160.5 due to a rise in the prices of all oilseeds except gingelly seed which moved down. The index for 'Minerals' stood at 95.2 as against 95.4 for the previous month. Lower prices of raw Skins, Lac and Bamboos were responsible for bringing down the index for 'Other Industrial raw Materials' by 0.5 per cent to 126.9 despite an increase in the prices of Tanning Materials and Logs and Timber.

'INTERMEDIATE PRODUCTS'

Increased prices of Linseed oil, Rayon yarn, Colr yarn, Zinc, Brass, Copper, Tin and Lead raised the index for 'Intermediate Products' by 2.0 per cent to 139.7 during the month under review.

'FINISHED PRODUCTS'

A substantial fall in the prices of Jute manufactures (—3.8 per cent to 125.1) supported by lower prices of Cotton manufactures (—0.3 per cent to 126.2) pulled down the sub-group index for 'Textiles' by 2.3 per cent to 124.8, notwithstanding a rise in the prices of Woollen manufactures (+3.9 per cent to 123.7) and Rayon manufactures (+1.0 per cent to 116.5). Among Cotton manufactures, Handloom cloth witnessed fall while mill-made cloth did record any change. The sub-group index for 'Metal Products' remained unchanged at its earlier month level of 147.1. An advance in prices of General Chemicals, Dye Materials and Drugs and Medicines pushed up the index for 'Chemicals' by 1.8 per cent to 109.4. Prices of Cycles moved down while those of machinery and vehicles moved up and the index for 'Machinery and Transport Equipment' stood steady at its previous month's level of 112.8. Higher prices of matches a time raised the index for 'Other Finished Products' by 1.0 per cent to 120.3, although the prices of bricks and tiles and glass exhibited declines. On the whole, the index for 'Finished Products' receded by per cent 123.3 during the month under review.

Company Reports

Sharp Decline in Rohtas Profit

ROHTAS Industries Limited has reported a substantial decline in earnings for the year ended 31 March 1961, reflecting the production being considerably affected due to inadequate and interrupted power supply and the acute shortage of transport. While sales have declined to Rs 16.24 crores from Rs 17.64 crores, the net profit, before providing for Depreciation and Taxation, amounts to only Rs 1.24 crores as against as much as Rs 2.16 crores for the preceding year.

In respect of allocations, the Depreciation amount is reduced to Rs 58.32 lakhs from Rs 76.03 lakhs, while Development Rebate Reserve is raised to Rs 5.05 lakhs from Rs 3.10 lakhs. No provisions are made for Taxation and General Reserve against Rs 52 lakhs and Rs 28 lakhs respectively in the previous year. The directors have proposed a taxable dividend of Re 1 per share on the capital increased by the issue of right shares, as against Rs 2.00 paid previously on the original capital.

The company has taken steps to expand its pulp production capacity and bleaching capacity of the pulp plant. Orders have already been placed for some of the equipments required. It is also proposed to remodel the existing paper machines so as to expand the capacity and further improve the quality of production. The company has also received an industrial licence for the manufacture of Slag cement. Negotiations in this respect are in progress.

Against a paid-up capital of Rs 6,03,57,970 (Rs 3,55,57,070 in the previous year), reserves and surplus are shown at Rs 2,80,56,527. The gross block at Rs 15.08 crores is depreciated by Rs 6.76 crores, leaving a net block of Rs 8.32 crores.

	Mg. Agents:—Sahu Jain Ltd.		
Year ended Mar.	1961	1960	1959
Sales	162,446,558	176,404,781	151,073,891
Stocks	25,122,371	20,975,277	22,885,069
Raw Materials	16,077,966	16,555,188	13,803,350
Stock in progress	917,470	1,067,746	690,990
Net profit	12,432,135	21,585,449	24,724,787
Taxation	...	5,200,000	5,500,000
Depreciation	5,831,963	7,803,324	8,606,290
Reserve Fund	...	2,600,000	4,727,054
Res. for Tax	...	...	47,737
Contingencies	...	...	...
Development Rebate Reserve	505,000	310,000	1,630,000
Div. Amount:			
Ordinary	4,999,845	5,016,000	3,762,000
Preference	691,885	666,813	541,450
Carry Forward	596,527	193,085	3,773
Div. % Ord.	10T	20T	9
Div. % Pref.	11.10T	9T	44
Div. % 2nd Pref.	3.525T	44T	...
(Annual General Meeting on 30-9-61 at 11 a.m.)			
*After transferring Rs 150,000 from Provision for Contingencies.			
Synopsis of balance sheet as on the last day of March.			
	1961	1960	1959
Liabilities.			
Capital Paid-up:			
7 to 9% TRC Pref.	2,000,000	2,000,000	2,000,000
4% TRC Pref.	8,477,070	8,477,070	8,476,170
Ordinary	49,880,900	25,080,000	25,080,000
Share Application Money	943,687	...	...
6% Debentures	9,000,000	9,500,000	10,000,000
8% Debentures	12,200,000	12,200,000	12,200,000
Reserve Fund			
No. 1	14,000,000	14,000,000	14,000,000
Reserve Fund			
No. 2	6,700,000	6,700,000	6,700,000
Other Funds	4,760,000	4,255,000	3,945,000
Loans secured	37,908,234	40,621,908	40,910,287
Loans unsecured	40,686	40,686	4,808,011
Taxation Provn.	5,330,466	8,624,717	6,774,555
Debits	25,008,443	32,988,816	29,502,255
Carry Fwd	596,527	193,085	3,773
Total	176,505,329	164,681,285	161,800,031

	Assets		
G. Block	150,824,741	147,638,674	145,458,965
Depreciation	67,633,625	61,895,237	55,272,716
Block (net)	83,191,116	85,743,437	90,186,249
Cap. Exp. in progress	...	663,106	668,292
Stores	15,411,885	12,156,438	13,003,676
Stock in progress	917,470	1,067,746	690,990
Raw Materials	16,077,966	16,555,188	13,803,350
Stocks	25,122,371	20,975,277	22,885,069
Outstandings	6,322,608	8,424,694	5,970,302
Do More than 3 months	985,683	...	...
Mis. Deposits & Advances	10,566,707	6,807,114	8,238,502
Investments	16,271,752	11,273,588	6,269,693
Cash	1,726,771	1,014,697	303,908
Total	176,505,329	164,681,285	161,800,031

Ashoka Cement Repeats

The rise in sales from Rs 1.66 crores to Rs 2.00 crores is reflected in the working results of the Ashoka Cement Limited for the year ended 31 March 1961. The net profit is higher at Rs 16.68 lakhs as against Rs 13.94 lakhs. All allocations have been raised:—Depreciation from Rs 6.90 lakhs to Rs 8.97 lakhs; General Reserve from Rs 2.50 lakhs to Rs 3.00 lakhs and Development Rebate Reserve from Rs 32,500 to Rs 33,000. The dividend is maintained at 70 nP per share, subject to tax.

Production of clinker is higher at 1,66,512 tonnes against 1,31,739 tonnes and cement at 1,73,733 tonnes against 1,64,206 tonnes. Despatches are also higher at 1,76,014 tonnes against 1,63,947 tonnes. The directors state that the working results will improve further during the current year in view of the installation of an Electro-static Precipitator to eliminate the dust problem.

Against a paid-up capital of Rs 59.91 lakhs, General Reserve stands at Rs 5.50 lakhs and Development Rebate Reserve at Rs 3.88 lakhs. The gross block at Rs 1.79 crores is depreciated by Rs 22.51 lakhs to show a net block value of Rs 1.56 crores.

	Board of Directors.		
Year ended Mar.	1961	1960	1959
	Rs	Rs	Rs
Sales	20,001,602	16,607,701	10,554,382
Stocks	242,540	901,182	879,524
Raw Materials	84,621	116,055	35,043
Stock in progress	174,505	66,978	1,631,688
Net profit	1,667,760	1,393,960	1,204,084
Depreciation	897,446	689,840	651,733
Reserve Fund	300,000	250,000	...
Development Rebate Reserve	33,000	32,500	298,880
Div. Amount:			
Ordinary	420,000	420,000	270,000
Carry Forward	21,768	4,434	2,614
Div. % Ord.	7T	7T	44
Synopsis of balance sheet as on the last day of March.			
	1961	1960	1959
Liabilities.			
Capital Paid-up:			
6% Debentures	5,990,843	5,990,093	5,990,093
4% Debentures	4,250,000	4,500,000	4,750,000
Reserve Fund	550,000	250,000	...
Other Funds	388,000	355,000	322,500
Loans secured	3,417,147	3,549,618	3,503,518
Loans unsecured	4,296,008	3,335,000	4,490,000
Debits	3,375,907	3,629,541	3,239,482
Carry Forward	21,768	4,434	2,614
Total	32,189,673	31,613,681	22,298,407

	Assets		
G. Block	17,887,504	17,494,366	17,294,932
Depreciation	2,250,586	1,363,509	673,669
Block (net)	15,636,918	16,130,857	16,621,263
Cap. Exp. in progress	15,136	27,337	12,201
Deb. Issue Exp.	...	...	83,392
Stores	4,215,289	2,601,492	1,802,227
Stocks in Progress	174,505	66,978	1,631,688
Raw Materials	477,056	509,339	412,268
Stocks	242,540	901,182	379,524
Outstandings	1,213,284	1,274,597	1,231,503
Do More than 6 months	58,139	...	...
Mis. Deposits & Advances	132,827	87,524	95,021
Investments	6,500	1,500	1,500
Cash	17,479	12,880	27,827
Total	22,189,673	21,613,681	22,298,407

Modernisation Plan by Orient Paper

The modernisation programme of the Orient Paper Mills Limited is expected to be practically completed by the end of the current fiscal year. The Export-Import Bank of Washington has sanctioned a credit of \$18.5 million to the company for its Amal Paper Mills Project. Clearance of the credit and issue of necessary import licences are under negotiation with the Government of India. It is hoped that the Government approval in respect of the loan and 'import licences' will be obtained at an early date. Meanwhile, preliminary work on the project has been started.

The company has reported a rise in its earnings for the year ended 31 March 1961 despite the increase in the cost of raw materials, freight, revised prices as recommended by the Tariff Commission and other expenses, thanks to increased production due to better efficiency and normal working of the mills. While sales have risen to Rs 7.52 crores from Rs 6.79 crores, the net profit amounts to Rs 1.93 crores as against Rs 1.85 crores for the preceding year. Taxation provision is raised to Rs 48 lakhs from Rs 40 lakhs and General Reserve to as much as Rs 27 lakhs from only Rs 3 lakhs. All other allocations have been reduced:—Depreciation from Rs 72.50 lakhs to Rs 70.03 lakhs and Development Rebate Reserve from Rs 17 lakhs to Rs 3.00 lakhs. No provision is made for Contingency Reserve against Rs 10 lakhs. The dividend on the Ordinary shares is just maintained at Rs 2.25 per share, subject to tax.

Against a paid-up capital of Rs 3,26,83,75, Reserves and surplus stand at Rs 3,53,66,875. In this connection, it would be recalled that the issued capital of the company was increased by the issue of 4,40,475 ordinary equity shares of Rs 10 at a premium of Rs 12 per share, of which Rs 5.50 per share was payable on application and the balance of Rs 16.50 will be payable as and when called.

The gross block amounts to Rs 10.31 crores; total depreciation to Rs 3.76 crores and the net block to Rs 6.55 crores.

Mg. Agents: Birla Brothers Private Ltd.			
Year ended Mar.	1961	1960	1959
	Rs	Rs	Rs
Sales	75,159,502	67,906,554	60,284,160
Interest, Divi-			
dends & Rent	1,253,987	1,032,596	780,750
Stocks	2,084,713	1,404,487	610,197
Raw Materials	4,125,362	8,624,825	7,461,879
Stock in progress	11,825	16,182	18,568
Net profit	19,293,152	18,494,236	14,741,745
Taxation	4,800,000	4,000,000	3,065,000
Depreciation	7,002,935	7,250,000	5,100,000
Reserve Fund	2,700,000	300,000	
Development Re-			
bate Reserve	300,000	1,700,000	3,700,000
Other Funds ?		1,000,000	
Div. Amount:			
Ordinary	3,302,563	3,303,563	2,202,375
Preference	1,273,200	833,128	833,000
Carry Forward	180,092	286,638	160,000
Div. % Ord.	22 1/2	22 1/2	18 1/2
Div. Pref.	7.50	7.50	5.50
Div. % 2nd Pref.	5.50	5.50	5.00
(Annual General Meeting on 29-9-61 at 3 p.m.)			

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

Liabilities.	1961 Rs	1960 Rs	1959 Rs
Capital Paid-up:			
54% R.C. Pref.	2,000,000	2,000,000	2,000,000
54% T.R.C. Pref.	6,000,000	6,000,000	6,000,000
54% R.C. Pref.	10,000,000	10,000,000	5,444,600
Ordinary	14,682,500	14,682,500	14,682,500
Forfeited shares	1,250	1,250	1,250
54% Debentures	10,000,000	10,000,000	10,000,000
Share Premium	70,000	70,000	70,000
Capital Reserve	8,714,493	8,714,493	8,714,493
Reserve Fund	4,700,000	2,000,000	1,700,000
Other Funds	21,702,090	21,365,745	18,654,227
Loans Secured	7,651,860	10,946,925	15,806,706
Loans unsecured	1,317,303	339,016	1,176,983
Taxation Provn.	864,400	474,381	10,632,682
Debits	15,763,734	15,161,449	13,522,687
Carry Forward	180,092	266,638	169,091
Total	103,647,722	102,022,397	108,575,219
Assets			
G. Block	103,098,153	100,140,260	96,523,424
Depreciation	37,573,153	30,778,182	23,615,053
Block (net)	65,525,000	69,362,078	72,908,371
Machinery, Stores & spares in transit	1,995,425	...	...
Stores	9,646,244	10,119,745	9,267,220
Stocks in progress	11,875	16,132	16,569
Raw Materials	4,125,362	8,624,625	7,461,879
Stocks	2,084,713	1,404,487	610,197
Outstandings	2,627,984	1,902,526	736,055
Do More than 6 months	2,575,558	272,057	...
Mis. Deposits & Advances	10,098,674	6,110,730	14,428,430
Investments	2,267,152	2,357,202	2,337,202
Cash	2,634,895	1,852,815	789,296
Cash Embezzled	54,890	...	...
Total	103,647,722	102,022,397	108,575,219

Macneill & Barry Pay More

Despite a decline in sales from Rs 1.39 crores to Rs 99.72 lakhs and in "Agency Commission and Allowances" from Rs 38.79 lakhs to Rs 32.63 lakhs, Macneill & Barry Limited has reported a slight rise in the net profit from Rs 47.56 lakhs to Rs 55.70 lakhs for the year ended 31 March 1961, thanks to the increase in the income from the tea and light industries and the harbour boating service.

In respect of allocations, Depreciation is raised to Rs 3.37 lakhs from Rs 3.36 lakhs; Taxation to Rs 20.70 lakhs from Rs 20.20 lakhs and General Reserve to Rs 7.00 lakhs from Rs 6.00 lakhs; A sum of Rs 3.52 lakhs is provided for Capital Reserve against nil, while the Pension Reserve is maintained at Rs 1.00 lakh. It may be added, in this connection, that the loss of Rs 17.09 lakhs incurred in the preceding year was adjusted by making a transfer of a like amount from the Capital Reserve. The provision for Development Rebate Reserve is lower at Rs 13.600 against Rs 64,000. The dividend on the Ordinary shares is raised from Rs 8.00 to Rs 10.50 per share, subject to deduction of tax.

The directors state that considerable progress has been made with the company's various development projects. Three new companies are expected to be formed during the current year. Production from the first of these is anticipated by March 1962.

Year ended Mar.	1961	1960	1959
Sales	9,971,780	13,883,854	11,338,079
Agency Commn. & Allowances	3,263,355	3,879,285	3,833,084
Interest, Divi- dends & Mis. Income	11,920,222	11,129,977	6,655,281
Net profit	5,570,031	4,758,844	4,765,521
Taxation	2,070,000	1,940,000	2,275,000
Wealth Tax	...	80,035	83,126
Depreciation	336,724	336,216	319,348
Reserve Fund	700,000	600,000	500,000
Development Re- bate Reserve	13,600	64,000	186,480
Other Funds	352,382	55,000	62,042
Div. Amount:			
Ordinary	1,576,000	1,200,000	1,050,000
Preference	484,000	495,000	378,750
Carry Forward	326,782	292,357	304,284
Div. % Ord.	10.4T	8T	7
Div. % Pref.	5.4T	5.4T	5.4
(Annual General Meeting on 28-9-61 at 3-15 p.m.)			

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

Liabilities.	1961	1960	1959
Capital Paid-up:			
54% T.R.C. Pref.	10,000,000	10,000,000	10,000,000
Ordinary	15,000,000	15,000,000	15,000,000
5% Debentures	7,500,000	7,500,000	7,500,000
Capital Reserve	1,839,778	1,487,396	3,196,043
Reserve Fund	5,000,000	4,300,000	3,700,000
Other Funds	2,119,080	2,005,480	1,786,480
Loans Secured	...	...	1,939,233
Taxation Provn.	1,087,815	666,254	1,200,372
Debits	6,290,212	8,098,269	5,381,992
Carry Forward	326,782	292,357	304,284
Total	49,163,667	49,350,256	50,008,384
Assets			
G. Block	12,186,045	11,716,622	11,408,596
Depreciation	2,180,402	1,904,622	1,575,596
Block (net)	10,005,643	9,812,000	9,833,000
Cap. Exp. in progress	379,571	69,095	66,773
Stores	61,743	1,453,499	1,239,269
Stocks	1,270,979	5,703,662	7,643,795
Outstandings	5,385,112	...	...
Do More than 6 months	471,393	1,400,447	...
Mis. Deposits & Advances	4,621,759	6,525,876	5,531,278
Investments	24,322,855	23,234,100	25,562,530
Deposits in Banks	1,400,000	...	...
Cash	1,244,612	1,151,577	131,739
Total	49,163,667	49,350,256	50,008,384

Jardine Henderson Maintains Profit

Jardine Henderson Limited has maintained its earnings for the year ended 31 March 1961. Sales are slightly higher at Rs 12.61 crores against Rs 12.41 crores, while the item "Agency Commission and Allowances" is shown at Rs 43.90 lakhs against Rs 47.65 lakhs. The net profit, after providing for Depreciation and Taxation, amounts to Rs 17.72 lakhs as against Rs 17.65 lakhs. Apart from maintaining General Reserve at Rs 1.00 lakh, Depreciation is reduced to Rs 1.36 lakhs from Rs 1.42 lakhs and Taxation to Rs 7.00 lakhs from Rs 9.50 lakhs. Development Rebate Reserve is lower at Rs 1,294 against Rs 8,623. The dividend on the ordinary shares is repeated at 7 per cent, taxable.

The directors state that the company's income from the jute mills is likely to be reduced further during the current year, while the income from dividends from the tea companies is expected to increase. The plans to expand the activities of Braithwaite, in which the company has a substantial interest, are now well advanced.

Year ended Mar.	1961	1960	1959
Sales	128,093,401	124,141,954	155,968,586
Agency Commn. & Allowances	4,390,332	4,764,787	4,194,014
Interest, Divi- dends & Mis. Income	2,472,032	2,218,418	2,455,247
Net profit	1,822,062	2,166,229	3,914,588
Taxation	2,575,696	2,856,775	2,762,152
Depreciation	700,000	950,000	1,130,000
Reserve Fund	136,180	141,823	134,354
Development Re- bate Reserve	100,000	100,000	250,000
Div. Amount:			
Ordinary	1,294	8,623	...
Preference	1,400,000	1,400,000	1,000,000
Carry Forward	250,000	275,000	188,375
Div. % Ord.	5T	7T	5
Div. % Pref.	5T	5.4T	5.4T
(Annual General Meeting on 28-9-61 at 11 a.m.)			
Synopsis of balance sheet as on the last day of March.			
Liabilities.	1961	1960	1959
Capital Paid-up:			
5% C. Pref.	5,000,000	5,000,000	5,000,000
Ordinary	20,000,000	20,000,000	20,000,000
Reserve Fund	6,900,000	6,800,000	6,700,000
Other Funds	512,017	510,723	402,140
Loans Secured	14,908,717	15,277,474	14,384,603
Loans unsecured	20,880,812	20,880,558	20,176,635
Taxation Provn.	6,700,367	6,025,487	...
Debits	11,861,166	16,743,021	19,394,318
Carry Forward	509,716	521,494	540,185
Total	86,570,585	84,778,204	87,103,821

Liabilities.	1961	1960	1959
G. Block	4,377,078	4,266,244	4,108,517
Depreciation	1,714,737	1,592,163	1,459,807
Block (net)	2,662,341	2,674,141	2,648,710
Good will	2,500,000	2,500,000	2,500,000
Cap. Exp. in progress	551,500	131,378	5,003
Raw Materials	62,020	49,863	...
Stocks	1,780,042	2,116,566	3,914,588
Outstandings	11,705,329	12,896,688	14,564,848
Do More than 6 months	326,495	429,794	...
Mis. Deposits & Advances	15,154,704	17,014,566	17,128,510
Investments	51,780,032	47,897,825	46,228,857
Cash	68,144	67,875	113,307
Total	86,570,585	85,778,296	87,103,821

Titaghur Paper Pays Less

The full force of the cuts in selling prices recommended by the Tariff Commission, increases in the cost of chemicals and coal and the loss sustained in No. 3 Mill, are reflected in the working results of the Titaghur Paper Mills Company Limited for the year ended 31 March 1961. Sales have shown a substantial decline from Rs 9.86 crores to Rs 9.52 crores, while the net profit, after providing for Depreciation and Taxation, has shown a sharp fall to Rs 23.92 lakhs from Rs 55.42 lakhs.

In respect of allocations, Depreciation is raised to Rs 57.75 lakhs from Rs 32.46 lakhs, while Taxation is reduced to Rs 20.06 lakhs from Rs 27.09 lakhs. After transferring a sum of Rs 7.00 lakhs from Dividend Equalisation Reserve, the directors have provided Rs 6.28 lakhs (Rs 24.90 lakhs) for Statutory Development Reserve and proposed a final dividend of Re 1, making a total of Rs 2.00 per share, taxable, on the 'A' and 'B' Ordinary shares as against Rs 2.50 per share, taxable, paid previously.

In the Directors' report, it is stated that renovations at No. 2 Mill are proceeding and the erection of the electrolytic plant is well advanced. They have decided to obtain more loan capital to finance the construction of No. 3 Mill and the State Bank of India has agreed to make available a cash credit facility of Rs 50 lakhs for which documents are under preparation. This facility will be secured against the issue of Debentures ranking pari passu with the existing issue.

Against a paid-up capital of Rs 1,42,92,300, Reserves and surplus stand at a higher figure of Rs 3,52,58,640. The gross block at Rs 9.56 crores is depreciated by Rs 4.93 crores, leaving a net block of Rs 4.63 crores.

Year ended Mar.	1961	1960	1959
Sales	95,243,630	98,618,370	94,244,504
Interest, Divi- dends & Mis. Income	352,560	329,894	338,103
Stocks	2,410,824	755,297	698,526
Stock in progress	2,098,211	671,832	479,464
Net profit	10,872,721*	11,597,213	13,762,804
Taxation	2,005,573	2,709,487	5,930,626
Wealth Tax	...	...	325,000
Depreciation	5,775,035	3,245,807	2,905,946
Development Re- bate Reserve	626,300	2,489,940	912,525
Other Funds	...	...	700,000
Div. Amount:			
Ordinary	2,240,980	2,801,250	2,801,250
Preference	207,350	207,350	159,500
Prefd. Ord.	58,875	58,875	43,750
Carry Forward	148,295	187,667	101,113
Div. % Ord.	20T	25T	25
Div. % Pref.	10.4T	10.4T	8
Div. % 2nd Pref.	5.85T	5.85T	4
Div. % Prefd. Ord.	13T	13T	10

*After transferring Rs 700,000 from Dividend Equalisation Reserve.

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

Liabilities.	1961	1960	1959
Capital Paid-up:			
8% T.R.C. Pref.	1,150,000	1,150,000	1,150,000
4% T.R.C. Pref.	1,500,000	1,500,000	1,500,000
Ordinary	11,204,800	11,204,800	11,204,800
Prefd. Ord.	437,500	437,500	437,500
54% Debentures	10,000,000	10,000,000	8,322,000
Capital Reserve	4,883,128	4,848,828	4,804,656
Reserve Fund	30,217,217	30,290,917	27,800,977
Other Funds	12,031,692	8,525,287	6,360,785
Loans Secured	18,711,358	16,639,623	14,239,293
Loans unsecured	18,368,782	18,020,373	23,153,206
Taxation Provn.	148,295	187,667	101,113
Debits	...	...	...
Carry Forward	...	...	...
Total	108,662,752	102,804,995	108,382,310
Assets			
G. Block	95,590,235	90,011,703	72,692,665
Depreciation	49,258,077	43,496,591	40,266,475
Block (net)	46,332,158	46,515,112	32,404,190
Cap. Exp. in progress	2,352,592	3,112,587	19,985,814
Stores	14,732,666	13,904,991	13,092,589
Stocks in progress	2,098,211	671,832	479,464
Raw Materials	9,551,374	9,837,432	12,716,869
Stocks	2,410,824	755,297	698,526
Outstandings	7,595,771	6,071,153	6,945,644
Do More than 6 months	97,581	95,229	...
Mis. Deposits & Advances	21,832,847	19,745,034	20,258,699
Investments	999,747	1,093,340	1,007,366
Cash	658,981	1,002,988	795,149
Total	108,662,752	102,804,995	108,382,310

Profits of Sungma Being More Than Doubled

The net profit of the Sungma Tea Company Limited is more than doubled at Rs 4.31 lakhs as against Rs 2.09 lakhs. Except for Development Rebate Reserve which is reduced to Rs 1,600 from Rs 3,500, all other allocations have been raised.—Depreciation from Rs 50,988 to Rs 65,902 and Taxation from Rs 66,000 to Rs 1.58 lakhs. A sum of Rs 1.25 lakhs (nil) is set apart for General Reserve.

Both the crop output and the average price realised are higher at 196.711 kgs and Rs 7.96 against 174.861 kgs and Rs 7.43 per kg respectively.

Secretaries:—McLeod & Co., Ltd.			
Year ended Decr.	1960	1959	1958
Output (kg)	196,711	174,361	166,197
Av. Price per (kg)	7.96	7.48	9.46
Net profit	431,085	209,435	564,128
Taxation	158,000	66,000	239,145
Depreciation	65,902	50,988	48,482
Reserve Fund	125,000	...	175,000
Development Re- serve	1,600	3,500	2,400
Div. Amount:			
Ordinary	93,750	62,500	93,750
Carry Forward	45,554	58,721	32,274
Div. % Ordinary	15T	10T	15
(Annual General Meeting on 27-9-61 at 11-40 a.m.)			
Synopsis of balance sheet as on the last day of			
Liabilities.	1960	1959	1958
Capital Paid-up	625,000	625,000	625,000
Share Premium	205,000	205,000	205,000
Reserve Fund	725,000	600,000	600,000
Other Funds	151,267	149,667	146,167
Taxation Provision	413,798	399,972	335,719
Debentures	342,438	293,043	321,906
Carry Forward	45,554	58,721	32,274
Total	2,508,057	2,331,403	2,266,156
Assets.			
G. Block	1,850,741	1,784,113	1,694,774
Depreciation	585,678	520,110	469,123
Block (net)	1,265,065	1,264,003	1,225,651
Cap. Exp. in progress	2,846	26,263	52,325
Stores	106,016	162,223	122,320
Stocks	127,367	131,861	259,157
Outstandings	31,434	26,423	4,984
Do More than 6 months	1,480	...	...
Mis. Deposits and Advances	378,217	154,058	84,718
Investments	2,800	2,000	1,800
Deposits in Banks	500,000	500,000	500,000
Cash	93,012	63,972	15,401
Total	2,508,057	2,331,403	2,266,156

16 September 1961

INDEX NUMBERS OF SECURITY PRICES (1952-53=100)

Week ended	3-9-60	26-8-61	2-9-61
Government and semi-Government securities—All-India			
Total	101.2	101.1	101.2
Government of India	101.0	101.0	101.1
State Governments	102.7	102.3	102.2
Municipal, Port Trust, etc.	100.0	99.7	99.6

Debtures of Joint Stock Companies—All-India

Total	100.8	101.5	101.4
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Preference shares—All-India

Total	86.9	83.5	83.7
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Variable dividend industrial securities—All-India

TOTAL	178.8	176.8	175.8
Agriculture and Allied Activities			
Total	173.2	165.8	165.1
Tea Plantation	166.6	161.1	160.3
Coffee Plantation	2.3.0	172.5	172.9
Rubber Plantations	175.2	175.7	175.2
Mining and Quarrying: Total	156.7	157.5	156.7
Coal	123.7	125.6	125.0
Other Mining	179.2	179.3	178.4
Processing and Manufacturing: Total	194.0	190.0	188.9
Processing & Mfg. (Food stuffs, Textiles Etc., Total*)	194.8	197.4	196.0
Sugar	195.3	158.1	159.1
Cotton, Textiles	160.3	170.3	168.7
Jute Textiles	95.0	83.9	82.2
Silk & Woolen	1114.3	1141.2	1131.0
Processing & Mfg. (Metals, Chemicals Etc., Total*)	205.4	196.6	195.5
Iron & Steel	169.6	162.5	161.9
Transport Equipment	429.8	382.5	378.5
Electrical Machinery	141.5	161.3	160.5
Machinery Other than Transport and Electrical	218.0	205.3	205.3
Basic Industrial Chemicals	229.9	207.6	205.7
Processing and Mfg. (Others): Total*	170.1	155.1	154.3
Cement	148.3	140.8	140.8
Paper	234.4	200.0	200.5
Other Industries: Total*	112.1	108.4	108.1
Electricity Generation and Supply	82.0	85.0	84.9
Trading	118.9	113.4	111.8
Shipping and other Transport	108.4	93.0	91.9
Construction	333.4	285.5	285.0
Financial Total	179.6	200.9	200.0
Banks	199.2	228.7	227.7
Insurance	143.9	144.2	143.2
Investment Trusts	91.3	88.5	89.0

Variable dividend industrial securities—Regional

Bombay	186.1	183.4	182.3
Calcutta	162.6	169.2	162.5
Madras	196.0	195.9	193.1
Delhi	236.4	231.2	229.8

*Including "Miscellaneous."

*Including "Edible and Vegetable oils."

SHORT-TERM MONEY RATES

(Per cent per annum)

Call Money—	2-9-60	25-8-61	1-9-61
From Banks—			
Bombay	3.50	2.00	2.00
Calcutta	3.85	2.29	1.83
Madras	3.22	2.64	2.27
Deposits at notice of 7 days—			
Bombay	3.00	3.00	3.00
Calcutta	3.00	3.00	3.00
Madras	3.00	3.00	3.00
Fixed Deposits—			
3 Months—			
Bombay	3.43	3.50	3.50
Calcutta	3.43	3.50	3.50
Madras	3.43	3.50	3.50
6 Months—			
Bombay	3.50	3.75	3.74
Calcutta	3.40	3.74	3.75
Madras	3.36	3.75	3.75

*No Transaction.

BULLION PRICES

Week Ended	9-9-60	1-9-61	8-9-61
GOLD—			
Spot—			
Highest	115.42	124.80	124.10
Lowest	114.41	123.80	123.05
Average	115.25	124.23	123.42
1st Settlement—			
Highest	115.37	124.60	124.20
Lowest	114.99	123.75	123.40
Average	115.13	124.10	123.71
SOVEREIGN—			
Average	87.25	94.75	95.30
SILVER—			
Spot—			
Highest	193.65	204.70	203.10
Lowest	192.00	202.85	202.00
Average	192.77	204.00	202.69
1st Settlement—			
Highest	193.50	205.45	203.75
Lowest	192.26	203.55	202.60
Average	192.99	204.47	203.32

GOVERNMENT OF INDIA TREASURY BILLS

Week ended,	2-9-60	25-8-61	1-9-61
Amount offered	...	2.00	2.00
Amount tendered	...	2.00	2.00
Amount sold by tender	...	2.00	2.00
Of which against maturing Treasury Bills	...	...	...
Intermediate Treasury Bills sold	...	1.10	90
Total sales	...	3.10	2.90
Average rate of discount for auction sales	...	2.400	2.400
Sold in favour of Reserve Bank of India	36.46	18.46	25.71
Total amount outstanding	1,143.98	1,056.93	1,047.32

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From	To
Belgium	Fcs. to Rs. 100	1039	1041
France	"	102.90	103.10
Switzerland	"	90.40	90.30
"	"	90.30	90.40
Netherlands	Guilders to Rs. 100	75.60	75.50
"	"	75.30	75.60
"	"	75.60	75.70
W. Germany	Mks. to Rs. 100	85.60	85.70
Italy	Lire to Rs. 100	83.70	83.80
"	"	129.70	129.75
"	"	129.75	129.85
Denmark	Kronor to Rs. 100	144.60	144.50
Norway	"	149.40	149.50
Sweden	"	108.40	108.50
"	"	108.50	108.70
"	"	108.70	108.80
Malaya	\$ to Rs. 100	64.10	64.00
Japan	Yen to Rs. 100	7593	7603
U.S.A.	Ra. to \$ 100	47.00	47.50
"	"	47.50	47.60
"	"	47.60	47.50
Canada	"	464.75	465.00
"	"	464.50	464.75

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	2-9-60	25-8-61	1-9-61
Forward Contracts—			
Purchases	£ ('000)	90	885
Sales	Rs. ('00,000)	12	118
Deliveries—			
Spot Transactions—			
Purchases	£ ('000)	35	...
Sales	Rs. ('00,000)	7	...
Against forward contracts—			
Purchases	£ ('000)	1,365	1,525
Sales	Rs. ('00,000)	1,82	2.03
Against forward contracts—			
Purchases	£ ('000)	535	75
Sales	Rs. ('00,000)	70	10
Other	£ ('000)	...	...
Sales	Rs. ('00,000)	...	...

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	9-9-60	1-9-61	8-9-61
	Price	Yield	Price
	Ra. nP	%	Ra. nP
3½% 1961	99.80	3.36	99.90
3½% 1962	99.75	3.56	99.99
3½% N.P.B. 1967	99.52	3.58	99.10
3½% Dev. 1970-75	90.89	4.11	90.95
3½% 1974	99.65	3.78	99.58
3% (Cont.) 1986	74.19	4.04	72.65

*Running yield.

INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS

(Base: 1952-53=100)

Group and Sub-Group	19-8-61	12-8-61	22-7-61	20-8-60
Food Articles	124.1	124.8	125.7	123.3
Cereals	105.0	105.1	104.7	108.6
Pulses	90.0	90.8	91.3	93.1
Fruits & Vegetables	169.0	165.5	153.3	134.5
Milk & Ghee	114.5	119.6	122.7	113.6
Edible oils	158.9	157.4	165.4	147.0
Fish, Eggs & Meat	142.3	141.1	144.9	126.9
Sugar & Gur	125.2	126.3	124.2	139.2
Others	182.4	182.1	185.0	168.0
Liquor and Tobacco	99.4	100.1	99.5	104.7
Tobacco	95.8	96.6	95.9	103.0
Fuel, Power, Light & Lubricants	121.5	121.5	121.6	119.7
Industrial Raw Materials	142.8	146.1	154.3	135.9
Fibres	192.4	144.1	157.0	132.9
Oilseeds	168.6	160.2	168.1	145.8
Minerals	94.8	94.8	95.3	98.2
Others	126.7	127.0	128.3	125.2
Manufactures	126.2	126.1	127.5	123.6
Intermediate Products	140.3	140.5	141.9	130.9
Finished Products	122.7	123.7	125.2	121.2
Textiles	123.3	123.5	127.5	123.6
Cotton	126.6	126.6	126.6	121.6
Jute	117.3	123.5	134.0	114.7
Woolen	128.1	123.1	123.1	110.1
Silk & Rayon	118.0	118.0	119.1	101.2
Metal Products	147.1	147.1	147.1	146.8
Chemicals	118.0	118.0	118.0	104.9
Oil cakes	145.1	145.1	146.4	137.1
Machinery & Transport Equipment	112.8	112.8	112.8	111.5
Others	120.9	120.9	120.9	116.0
All Commodities	126.7	127.9	130.0	124.0

*Estimated. †Revised.

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

	8-9-61	1-9-61	9-9-60
LIABILITIES:			
Notes in Banking Dept.	8,92.64	21,81.21	14,72.51
Notes in Circulation	1898,86.47	1872,61.63	1800,24.70
	1907,79.11	1894,42.84	1822,94.21
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Sterling Securities	116,86.07	116,86.07	123,00.89
Total of A	234,62.10	234,62.10	240,76.92
(B) Rupee Coin	124,60.51	126,24.67	130,51.53
Rupee Securities	1518,56.50	1553,56.07	1451,65.76
	1907,79.11	1894,42.84	1822,94.21

BANKING DEPARTMENT:

	8-9-61	1-9-61	9-9-60
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	59,00.00	50,00.00	40,00.00
National Agricultural Credit (Stabilisation) Fund	6,00.00	6,00.00	5,00.00
Deposits—			
(a) Central Govt.	63,49.75	52,50.85	62,69.18
(b) Other Govt.	31,94.54	19,83.20	27,25.09
(c) Banks	75,85.49	101,35.02	115,67.53
(d) Others	159,28.44	158,65.51	89,85.38
Bills Payable	22,17.60	25,74.00	16,16.40
Other Liabilities	13,24.51	14,09.06	15,67.56
	507,00.41	513,07.64	457,25.14
ASSETS:			
Notes	8,92.64	21,81.21	14,72.51
Rupee Coin	2,01	2,20	2,35
Subsidiary Coin	8,73	3,75	5,69
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	18,26.15	4,16.52	27,26.48
Balances held abroad*	18,72.83	19,58.64	22,67.47
Loans & adv. to Govt.	48,11.11	53,31.60	29,17.69
Other Loans & Adv.	134,74.78	116,77.58	148,57.40
Investments	261,15.95	275,42.67	202,76.80
Other Assets	17,01.21	16,93.47	11,98.75
	507,00.41	513,07.64	457,25.14

(1) The item "Other Loans and Advances" included Rs. 5,49,00,000 advanced to scheduled banks against usance bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees)

	2-9-60	25-8-61	1-9-61
Demand Liabilities in India			
(a) Borrowings from banks other than the State Bank & a notified Bank (A)...	18,76.56	19,71.91	22,85.21
(b) other demand liabilities	773,82.69	819,92.09	821,87.36
Time Liabilities in India			
(a) Borrowings from banks other than the State Bank & a notified Bank (A)...	21,06.60	19,38.93	18,58.78
(b) Other time liabilities...	1171,00.86	1137,74.30	1135,55.10
Borrowings in India from the State Bank and/or a notified Bank			
(a) Demand Liabilities	17,04.75	8,24.58	8,66.36
(b) Time Liabilities	75.00	10,52.00	11,31.00
Borrowings in India from the R. B. I.	54,85.35	1,26.95	1,55.40
Cash in India	48,32.47	45,81.00	45,16.12
Balances with the Reserve Bank of India	107,89.00	97,29.17	94,00.27
Balances with other banks in current account in India	16,13.87	16,35.61	17,31.91
Money at call and short notice in India	33,65.32	48,22.22	49,61.25
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	750,28.51	590,30.76	607,84.17
Advances in India	982,23.25	1079,81.89	1075,10.15
Foreign Bills Purchased and Discounted in India	99,68.81	106,99.89	107,43.

10,00,000 DURGAPUR STEELWORKS WHEN IN FULL PRODUCTION TONS



- will help to feed those subsidiary industries which will raise India's per capita consumption of steel, considered today as the index to prosperity.
- will save India many crores of rupees in foreign exchange.
- will help to create full employment.
- will raise the standard of living.
- and it will remain as a monument of the united effort of the peoples of India and the United Kingdom.

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Company Limited. The Cementation Company Ltd. Associated
Electrical Industries (Rugby) Ltd. The English Electric Co. Ltd.
The General Electric Co. Limited. Associated Electrical Industries
(Manchester) Ltd. Sir William Arrol & Company Ltd. Cleveland
Bridge & Engineering Co. Ltd. Dorman Long (Bridge & Engineer-
ing) Ltd. Joseph Parks & Son Ltd. Iscon Cable Group.

PSIC 30

Indian Finance

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HIGHLIGHT OF THE ISSUE

Proposals for augmenting the IMF for meeting the increasing demand on it by member countries are discussed in the first Leading

Indian Finance
Founded in
1928
by
C. S. Rangaswami

DULL BUSINESS?

Counters like this with tarnished brass railings are generally deserted. But the outlook is always bright when your counter railings are clean and shining. Polish them regularly with Brasso, the metal polish that shines and beautifies brass.



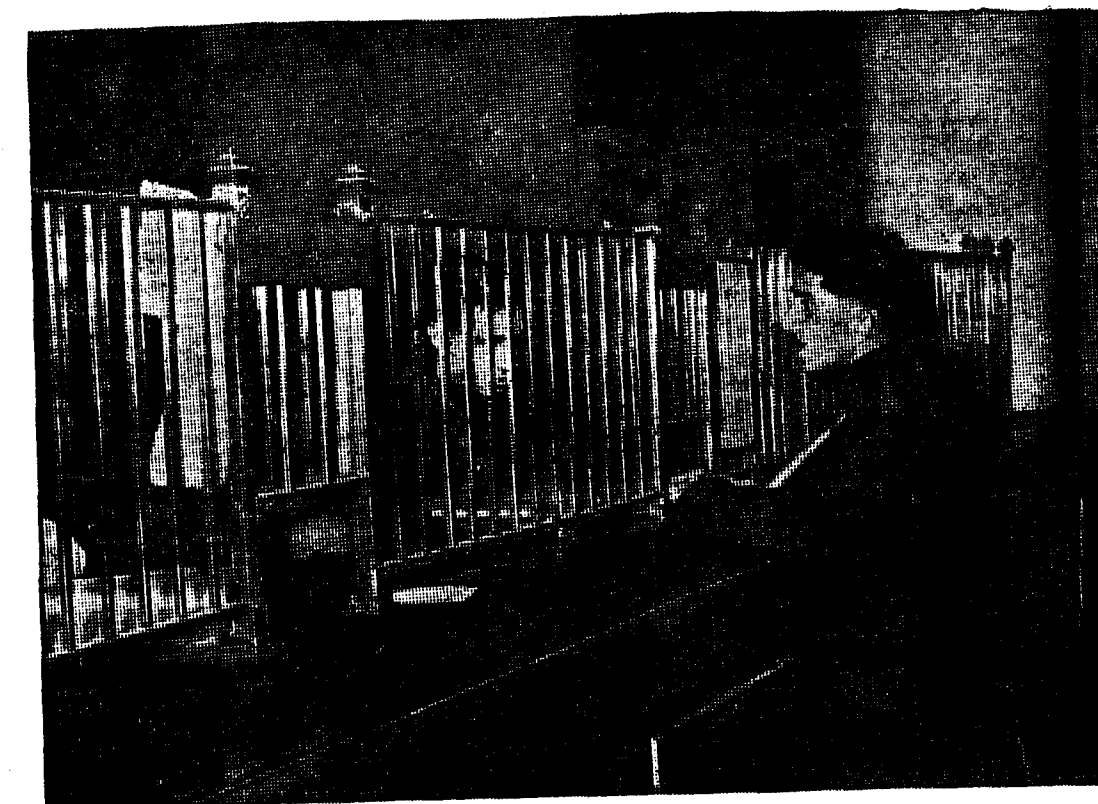
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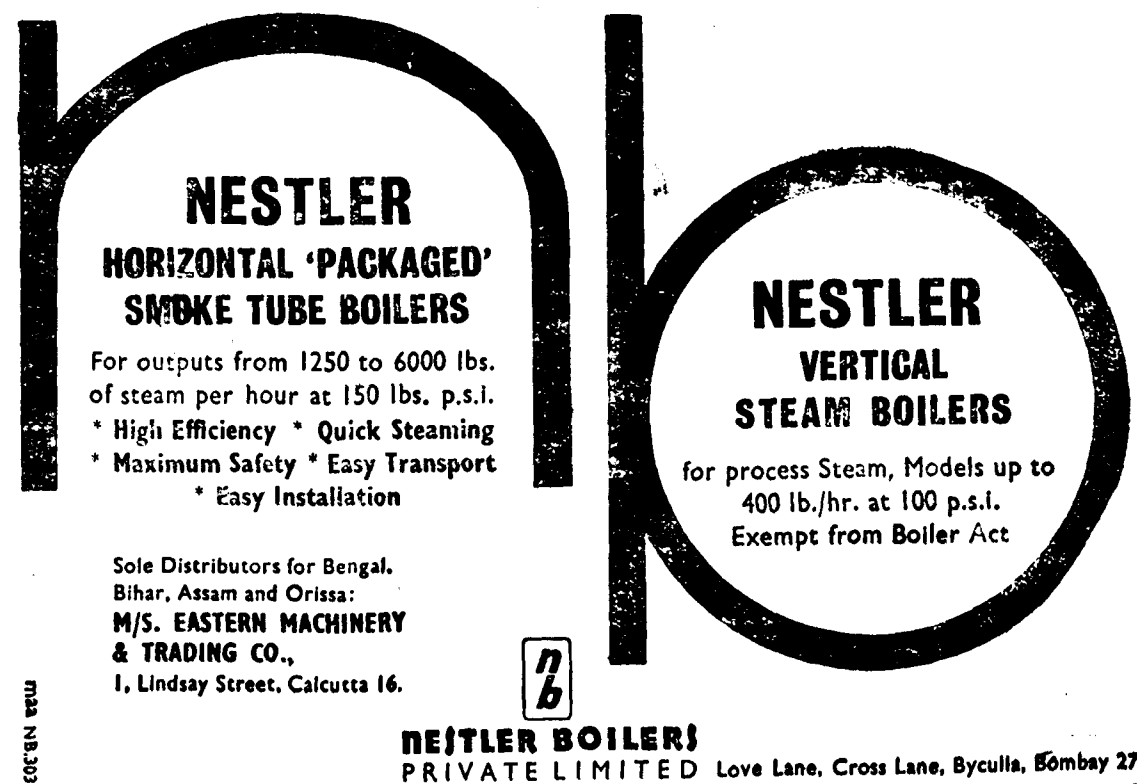
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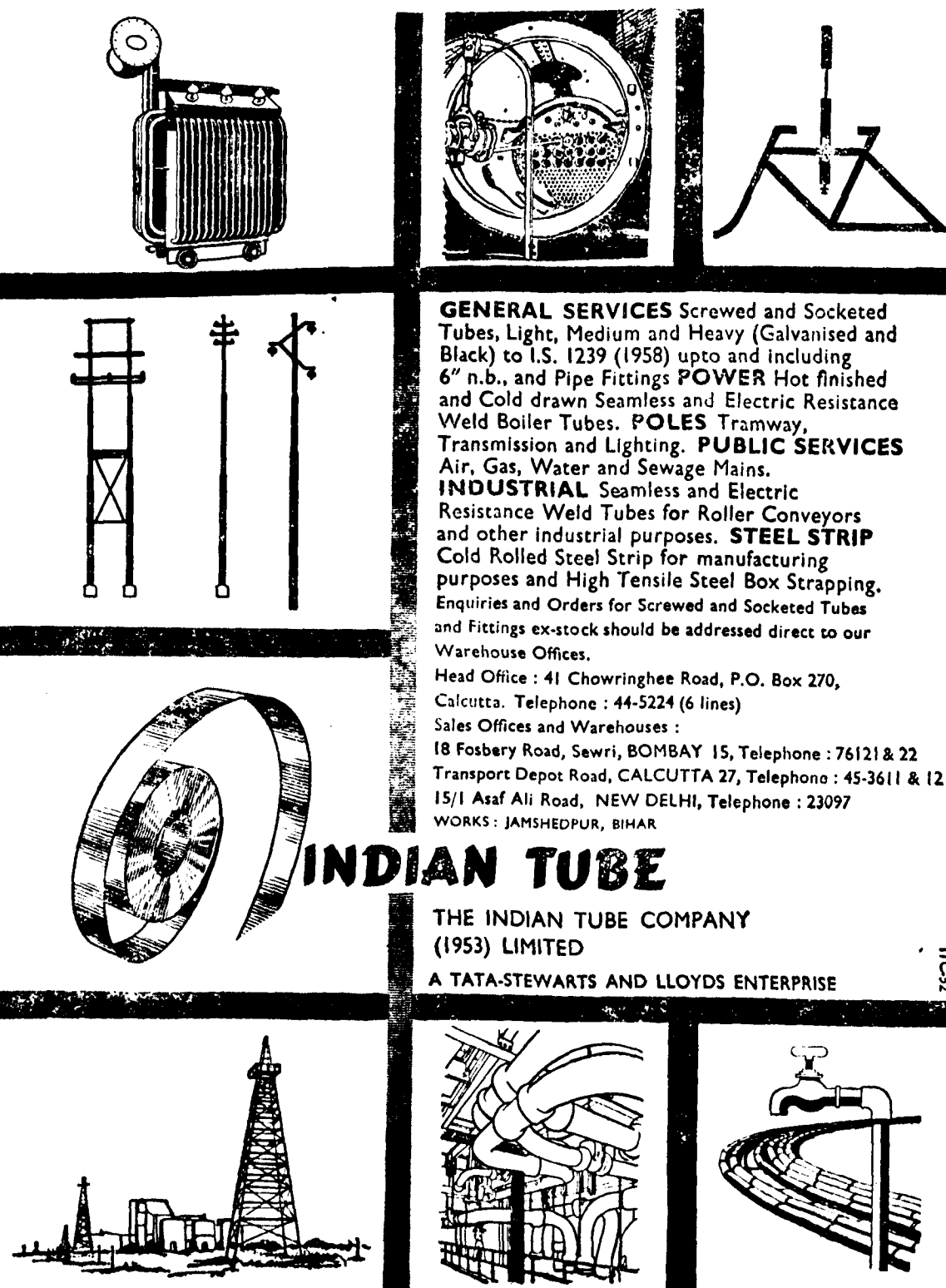
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New Resources for the IMF

THE IMF met this week in Vienna at the end of nearly a year of intense discussion on problems of international liquidity. Urgency was lent to these discussions because of pressure during the year on the dollar and the sterling, the two key currencies of international payments. In a sense, this crisis can be said to be the consequence of the comparative success of the ideal of free convertibility for which the International Monetary Fund has stood. The free movement of funds, a corollary of the ideal of multilateral trade has brought in its wake many problems of payment deficits for particular countries. Speculative movement of funds which tended to gravitate towards areas already fiscally well-protected and well-provided tended to aggravate the problem of countries already in difficulties. Short-term solutions like those adopted by Britain recently did not touch the core of the problem; they also involved drawing on the goodwill of the Central Banks of the more fortunate countries. Finally, Britain had to draw heavily on the resources of the International Monetary Fund. But the existing resources of the IMF are understandably felt to be unequal to meet the demands on them of this order.

Solutions of varying degrees of fiscal heterodoxy like the Triffin, the Stamp, the Bernstein and the Meade Plans have been canvassed. The orthodox have not been idle either. There have been nostalgic looking back to the Gold Standard by people like Mr Jacques Rueff. In the event, however, the IMF has opted for a solution no more unconventional than that of increasing the resources of the Fund by borrowing several currencies. Mr Per Jacobsson, the Managing Director of the IMF, was known all along to be unimpressed by newfangled solutions.

The existing resources of the IMF of the order of 15 billion dollars were the result of increasing the quotas of member countries in 1958 in consequence of decisions taken at the meeting of the IMF in Delhi in October 1958. At that time, the problem was one of increasing in absolute terms the resources of the IMF. These resources should normally be sufficient to meet the demands of comparatively minor payments difficulties of several nations. But the kind of pressure experienced by the dollar and the sterling during last year would cause a severe strain on the existing resources of the IMF. For if countries like the US and the UK having large quotas and consequently large drawing rights on the currencies available with the IMF were to exercise their right, the available resources in convertible currencies of the Fund may prove inadequate. So, if "the risk of a relapse into restrictions and currency disorder" is to be avoided, it is necessary to strengthen and diversify the IMF's resources.

However, it has not been considered expedient to increase once again the quota of member countries in order to increase the resources of the IMF, because this would involve a permanent "sterilisation" of the resources of the members, which many may consider both inexpedient and one-sided. It is for this reason that the IMF has

recommended recourse to its borrowing powers under Article VII, which have so far remained unexercised. At the end of this week's discussion, it is considered likely that about 5 to 6 billion dollars of standby credit in various currencies will be obtained by the IMF. Reports from Vienna indicate that the standby credit to be made available to the IMF would be provided by the US to the extent of two billion dollars, by the UK to the extent of one billion dollars, by West Germany to the extent of one billion dollar and by France, other Common Market countries, Japan, Sweden and others to the extent of one to two billion dollars.

The idea of an arrangement for standby credit in various currencies put forward in the Annual Report of the IMF was welcomed by both the US and UK, but initially met with considerable opposition from the continental countries, especially France. The opposition arises partly from the fear that they are called upon to underwrite the inefficiency of the improvident and partly from the feeling that their own prosperity is no longer founded securely enough for them to permit this kind of accommodation. But latest reports indicate that French opposition may be overcome.

To the developing nations, all these arrangements may appear to be somewhat remote from their problems. In one sense they are but in another they are not. The immediate purpose of these schemes is to meet situations likely to be created by the payment difficulties of major industrial nations. In so far as the developing countries enter this picture, it is because of their using these currencies for their international payments. But in so far as their own payment difficulties can be met from the increased resources of the IMF, the enlargement of the IMF's resources would be an indirect benefit to them. For, it is inconceivable that the IMF can accept any conditional standby credits that would be available only to the industrial nations of the world. Though some reports indicated that the continental countries originally thought in terms of a Central Bank equivalent of the NATO and the OECD to meet the payment difficulties arising out of pressure on any of their currencies or on the sterling or the dollar, the solution not adopted has brought the IMF into the picture and it is unlikely that the IMF, with its wider responsibilities, will allow its resources to be circumscribed for selective use.

But it is largely true that the chronic difficulties over payments of developing nations have to be met less by the good offices of the IMF than by the good offices of the IERD and its associates. In other words, for a long time to come the major solution for the balance of payment difficulties of the developing nations would be economic aid and development finance from various advanced countries. Indeed, the payment difficulties of the US arise not because of its trade deficit but because of the vast responsibilities assumed by it for economic and military aid. From this point of view also, steps taken to strengthen the dollar are of importance to underdeveloped countries.

VOCATIONAL TRAINING A Major ILO Programme

By V. K. R. MENON

IF one is to define the objective of the ILO in the fewest words, it may be said to be the betterment of conditions of the working classes. The ILO is realistic enough to know that such betterment cannot proceed limitlessly without linking this with the efficiency of the worker as, in the last analyses, increased wages, provision of amenities and so on will have to be related to productivity. Except in purely unskilled jobs, no worker can produce the best unless he has had proper training.

The preamble of the Constitution of the ILO which, by the way, is now forty-two years old, itself mentions the organisation of vocational and technical education among the reforms necessary for improving the conditions of labour. The first instrument dealing with the subject was a recommendation adopted by the International Labour Conference in 1921 urging upon member countries to develop vocational agricultural education. If read with another recommendation adopted at the same session, dealing with measures to combat unemployment in agriculture, one will notice a clear recognition that proper vocational education could be one of such measures. It was at the annual Conference held in 1939 that two fairly comprehensive recommendations were adopted, one on vocational training and the other on apprenticeship. To correctly appreciate the position then as compared with to-day, it should be remembered that till the commencement of World War II, the ILO's work primarily related to standard-setting, the volume of operational work being relatively small. The value of the standards set in the recommendations adopted in 1939 will be clear when one sees that some parts of these recommendations can serve as excellent guiding points even to-day.

With the world plunged into war soon after the adoption of the above recommendation, the next occasion for renewal of ILO's activities was immediately towards the close of the war. The momentous Philadelphia Charter of the ILO was adopted in 1944 and this spelt out the future objectives and obligations of the Organisation in much greater detail. Vocational training also assumed urgency in one particular direction, that is in finding measures for ensuring full employment in the transition from war to peace.

Two major events have increased the ILO's activities in the field of vocational training enormously. These were the launching of the United Nations Programme of Technical Assistance in which the ILO like the other Specialised Agencies, is an active participant and the more recent launching of the United Nations Special Projects Fund. The funds made available from these sources are mostly intended for operational activities in the underdeveloped countries. No quotas are earmarked for work in any particular field and the choice of projects has to be made on grounds of urgency and of the relative importance attached by the recipient countries themselves. The assistance by the ILO consists of provision of experts and equipment, a certain number of fellowships for nationals of the recipient countries for training in countries outside where the subject under study has developed much greater, and the holding of regional and inter-regional seminars and training courses facilitating pooling

of knowledge and experience. The Special Projects Fund is intended for relatively large projects spread over larger periods and including a generous supply of equipment.

One method, though by no means a perfect one, of assessing the importance attached to vocational training may be the quantum, in financial terms, of the assistance received by the recipient countries in this field as compared with all other fields of ILO's activities. The following figures relate to expenditure under the ILO's share of the Expanded Programme of Technical Assistance:

Year.	Total provision (US dollars).	Provision for vocational training (US dollars).	Percentage.
1950-51*	336,316	137,653.28	40.9
1952	1,876,454	1,120,243.038	59.7
1953	2,268,106	1,279,211.784	56.4
1954	1,991,585	1,041,784.306	52.1
1955	2,632,222	1,339,800.998	50.9
1956	3,045,438	1,495,210.658	49.1
1957	3,201,277	1,776,709.735	55.5
1958	3,422,850	1,883,036.300	55.0
1959	3,362,166	1,684,445.166	50.7

*Eighteen months.

Perhaps another method of comparison may be of expert assistance rendered. During 1960 two hundred and forty-eight experts worked on ILO projects under the Expanded Programme of Technical Assistance. While a breakdown by different fields of activities is not readily available, an analysis of the figures for Asia shows that at the end of the year out of 33 experts on assignment in a dozen countries in Asia, six or approximately 20 per cent were for vocational training and allied subjects.

All available reports on the evaluation of work under the Expanded Programme of Technical Assistance show that the projects have worked satisfactorily. There have been a few failures here and there which was naturally to be expected in a new venture. One indication of the appreciation of the recipient countries is the added interest shown by them in receiving further assistance. This work, as is the case with all other work of the ILO is quiet and does not hit the headlines. This is probably why, except perhaps by those directly concerned, the public at large does not know quite enough about the working of the ILO technical assistance programmes.

The United Nations Special Projects Fund was launched in 1959. It could be regarded as a sort of compromise arising out of the claims put forward by several underdeveloped countries for establishment of the Special UN Fund for Economic Development (SUNFED). The Special Projects Fund finances execution of projects, mainly in the underdeveloped countries, which are sizeable and fairly long-term in nature and which have a bearing on sound economic development in the countries concerned. Contributions are wholly voluntary so that the exact amounts cannot be foreseen. Nevertheless, some targets are attempted and by and large these have been fulfilled.

For instance, the funds allocated up to December 1960 amounted to US \$96 million. Though the projects are examined and sanctioned by the authorities of the Special Projects Fund, normally, the Specialised Agency of the United Nations responsible for a particular field, is appointed as executing agency on behalf of the Special Projects Fund. Thus the ILO has been designed as the executing agency in regard to projects relat-

Indian Finance

ing to vocational training. The importance which the authorities of the Fund and the ILO attach to vocational training can, in a way, be judged by the fact that out of the first batch of projects submitted by the Government of India to the Special Fund, the first to be sanctioned related to vocational training, the establishment of an Instructors' Training Institute at Calcutta. In regard to projects submitted by other countries also, those relating to vocational training received priority. Subsequently, the Fund also approved aid for the establishment of similar Instructors' Training Institutes at Kanpur and Madras. The Plan of Operations for the first two institutes (Calcutta and Kanpur) have been signed and implementation is well under way. Taking these two projects together the assistance from the Fund in the form of experts and equipment will amount to approximately US \$2.10 million, while the Government of India's rupee contribution will amount to approximately US \$4.26 million. The period of expert assistance by the Special Fund totals 825 man-months, spread out over a period of roughly three years in the case of each project. The two institutes together are expected to provide training on highly up-to-date standards for 724 persons per course. Hitherto, one primary reason why vocational training did not make adequate progress was the fact that the instructors imparting training were themselves not highly trained and qualified. The new institutes when they function fully will be the solution to this serious existing deficiency.

By my abruptly turning off the ILO's operational activities, one may think that the standard-setting work of the Organisation has been abandoned. This is not so. The ILO recognises the growing importance of operational work but it is equally convinced that the standard-setting work has also its own importance. The subject of vocational training was specifically discussed at the annual Conference only in June this year. When the Governing Body of the ILO decided to place this item for discussion at the Conference, it recognised that conditions had changed considerably since the subject was discussed last in 1939 and, to a limited extent, in 1950. The present discussions were, therefore, far more general and comprehensive, covering the operational activities of the ILO to see how far it could assist countries, particularly those in the throes of industrialisation, to apply international standards as also what use could be made of the various types of international technical co-operation and assistance that are now available. The result was a detailed preliminary study by the office which included collection of the existing position on main aspects of vocational training in all the member countries. The materials collected were condensed in a report which was examined by a committee of the Conference which made its recommendations. The committee's report included a draft recommendation which will come up for final consideration again at the Conference next year (1962).

As I indicated earlier if the draft recommendation, substantially in the form submitted by the committee, is ultimately adopted by the Conference, it will give ample guiding points to the countries, particularly the developing countries. One needing such guidance should not look merely at the text of the recommendation as might be adopted but should also study the reports on the basis of which the discussions and final conclusions were reached. Very often, when dealing with a particular subject, say vocational training, those responsible are anxious

to know how the matter is dealt with in other countries. Not many are perhaps aware that the answers can be found in such cases by a scrutiny of the ILO reports on the subject. This explains why the reports and conclusions reached by the ILC do effectively provide valuable and practical guidance to member countries.

To sum up, therefore, vocational training is one of the major fields of ILO's activities. The importance, for the reasons I have tried to explain, is growing rather than diminishing. The ILO is making all efforts to meet its consequent growing responsibility in this field. This is done, both in the old traditional way of studies and setting up of standards as also by the considerably added operational activities in which the Organisation is now engaged. The activities cannot be measured by any specific yard-stick but it is correct to say that in comparison with the state of affairs before World War II, the ILO's work on vocational training has now grown very considerably indeed.

COAL MOVEMENT

New Dumps For Old

PROBLEMS of the supply and distribution of coal were considered at a recent high level conference of coal producers and consumers. Though no definite decisions were reached, it is learnt, that suggestions for action have emerged out of the two-day discussions. Two primary considerations relating to the supply and distribution of coal have been forcibly brought to the notice of the conference. These concern: (1) the economic use of fuel through the standardisation of grades and sizes of coal to be allocated for particular purposes so as to ensure effective use of the total output and (2) the urgent need for rationalisation of transport arrangements to close the gap between the growing demand for coal from all parts of the country and the available rail capacity.

These two considerations are closely inter-linked. For the purpose of planning transport, it is necessary that demand is assessed in detail, and separately, for each direction of rail movement, for each junction and for each destination. Such detailed planning presupposes qualitative assessment of demand and standardisation of supplies. The recommendations of the Fuel Efficiency Committee which fixed the grades and sizes of coal for different groups of consumers and the order of priorities were accepted by Government in June last year. But implementation is still far from complete. The advantages claimed for the scheme are: (1) the elimination of disparities in the supply of coal to different units in the same industry employing the same processes and (2) fuel economy through better utilisation of coal of all sizes and grades. Two British fuel experts who recently visited this country have expressed the view that the overall consumption of coal could be reduced by at least one-third if suitable economy measures were adopted. The benefits of the scheme of standardisation of supplies for different groups of consumers, it is stated, will also accrue to the producers. Apart from helping to conserve coal, it will enable the industry to plan raisings of different grades for specified markets.

As regards transport, the Railway Board had already indicated that, unless the system of transport, was rationalised keep-

ing in view the limits to expansion of Railways' capacity, it would not be possible to provide the additional transport capacity required for the movement of coal envisaged in the Third Plan. The main features of the new scheme suggested are: (1) Progressively coal should be moved in bogie type Box wagons, each with carrying capacity of 55 tons as compared with 22 tons of the ordinary four wheeler wagon (2) The movement should take place in block rakes of such wagons to a few selected points only and dumps should be created for the utilisation of the rakes of such wagons. Coal dumps at selected points, it has been explained, are necessary to make the optimum use of railway facilities. Heavy capacity bogie type Box wagons cannot be distributed piece-meal, as they would have to be unloaded quickly at a time. As all stations and sidings will not be able to handle Box wagons, it would be necessary to set up coal dumps at selected stations where sidings would be available for handling of rakes of bogie type Box wagons. Dumps will also have to be established at transshipment points where break of gauge occurred. The new system will speed up transport by improving the turn-round of wagons, and also enable the coal movement to continue during the slack season. It has also been suggested that all consumers, except those who would be able to absorb and receive full train loads of wagons at their own sidings, should be brought under the scheme of coal dumps.

Under the existing arrangements, all consumers of coal and coke, irrespective of priority, could obtain direct supplies from the coal fields provided they had the sanction of the Coal Controller. While the advantage to the consumer is undeniable, it is pointed out that this system makes for piecemeal allotment over a large number of railway stations and results in wastage of limited transport available. To relieve the strain on the Railways, it is also proposed that all consumers situated within 50 miles of coal fields and connected by road should be required to obtain their coal by road.

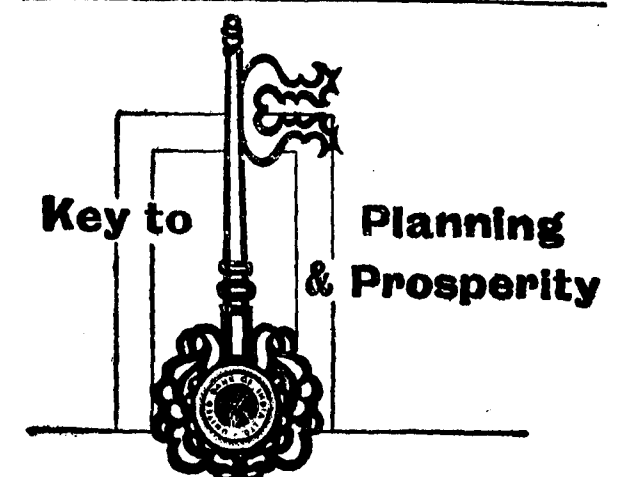
Both the measures indicated above, that is, movement in block rakes to selected points and movement by road, will increase the cost of coal to consumers. Double handling, risk of wastage and pilferage, and cost of further movement by road will all add to the price of coal distributed from the coal dumps that are proposed to be set up. Restriction of coal movement within fifty miles of the coalfields to road transport will increase the cost of coal in the important industrial area in and around Calcutta, though consumers at greater distances from coalfields are not likely to be impressed by this argument.

Another important consideration is the disruption of the normal pattern of trade. The effect of the new scheme of distribution, which has been brought into operation on a limited scale in respect of certain grades of coal and of soft coke from September 1, has spread consternation among traders regarding the consequences of its extension to other grades of coal as well. It is feared that the large number of coal merchants engaged in the procuring and distribution of coal may be drastically reduced if the coal dump scheme is enforced.

While the disadvantages are real, it has been argued that, in this as in other matters, the country and the consumers of coal are faced with an unhappy choice. The consumers in the low priority categories who are directly concerned have to choose between more costly coal or no coal at all. It has also been suggested that the interest of the trade could be safeguarded by suitable arrangements.

On the plane of theoretical argument, it should be easy to make out a case for standardisation of supplies and rationalisation of transport on the lines desired by the Government of India, and those who fear adverse consequences may be persuaded to reconcile themselves to the inevitable hardships in the larger interest. But the question is whether the new scheme will in practice be an improvement on the existing arrangements, even in the matter of speedy haulage. And important consideration to which sufficient attention has not been directed is whether adequate preparations have been made at all levels—by the Railways, the Department of Fuel, the Coal Controller and the sponsoring authorities—for a smooth changeover from the existing, familiar system.

It has been noted earlier that the programme of movement would have to depend on qualitative assessment of demand and allocations based thereon. It appears that, while fixation of grades and sizes for different groups of consumers has been made by the Fuel Efficiency Committee and approved by Government, a lot yet remains to be done in regard to the assessment of the requirements of individual concerns within each priority group. Doubts have been expressed whether the sponsoring authorities responsible for recommending the allocations, have adequate technical staff for the purpose. The hesitations of the State Governments about the new scheme appear to stem from doubts whether the necessary preliminary preparation could be completed in time. Any scheme which will speed up coal movement and reduce the growing dumps at the pitheads should be welcome to the industry as well as to the consumers. But both would like to know more about the practical details and implications of the scheme before they agree to the exchange of "new dumps for old."



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RBI REPORT

Capital Market: Slab Rates: Maintenance Imports

The capital market, on the whole, maintained the buoyancy of the preceding two years, judging from the volume of new issues, although the public's excessive enthusiasm, which had characterised the new issue market in 1959-60, appeared to have abated.

—Report of the Central Board of Directors, Reserve Bank of India, page 12.

There has been a tendency, of late, on the part of industries to rely more heavily on bank finance for purposes which are normally to be met by self-finance or resort to the capital market; and one factor aiding this process has been the relatively low cost of bank credit.

—Ibid, page 24.

Is the new issue boom fizzling out? That, at any rate, it is tapering off, is suggested by the first of the two preceding extracts; and perhaps is reason why, partly at least, there is the tendency for industry to rely on banking finance for medium-term purposes. Indeed, it would appear that, as happened in 1956, a less responsive capital market is compelling industry to have recourse to bank finance. (Is it coincidence that one company after another is extending dates for closing of subscription lists?) In 1956 the apathy of the capital market was perhaps due to just the lack of an investible surplus with the public; in 1961 two factors may be responsible. On the one hand the investor undoubtedly feels sated; during the new issue boom that has lasted for over two years now the spate of offers has been a veritable flood; on the other we may now already be having the pre-election jitters. The Reserve Bank cites the low cost of bank credit as one factor "aiding" the utilisation of short-term accommodation for medium-term purposes. We grant that; but where the demand for goods consistently outstrips supplies, and where imports are rigorously restricted, surely margins of profits available are such that a small increase in the cost of bank credit is rendered purely notional, and does not succeed in reducing the demand for bank credit. Furthermore Government is possessed of all the powers to ensure that the abuse of bank credit is minimised. Apart from the Reserve Bank's selective credit controls, sanction is necessary for any expansion programme; and what is to prevent the Development Wing from approving an expansion programme only on condition that an adequate approach be made to the capital market? Inescapably small industry or industry brought into being by new entrepreneurs cannot get its capital needs from the investing public; and this category should be left free to make what arrangements it can. We may add here that the

capital market should begin to get more active after the elections—and after the post-election Budget, provided that Budget is none too demanding. For the present there would seem to be a pause, and the slowing down in the rate of growth of industrial production has partly released resources which can be made available and are being made available for medium-term purposes of industry; the cost of credit in this regard has in our view little deterrent potential.

The system of slab rates combines the features of direct limitation on borrowing and raising the cost of borrowing. It provided a technique whereby the objectives of credit restraint could be attained without too large an adjustment in Government security prices.

—Ibid, page 20.

... it was not the intention of the Bank to restrict the availability of credit for the legitimate needs of industry and trade.

—Ibid, page 20.

Certainly the three-tier bank rate has increased the cost of credit to banks and hence to constituents. The Reserve Bank is to be congratulated on having perfected the technique whereby its objectives monetarily speaking are sought to be attained without too great a disruption of the gilt-edged market or Government's borrowing programme for which, in the ultimate analysis, the responsibility rests with the central banking institution. But it is doubtful if the system does directly limit borrowing, whether on the part of the bank or on the part of its constituents. So long as the rise in the cost of credit is marginal, as we have explained earlier, industry—or for that matter commerce and trade—is unlikely to burke at it; and so long as its constituents are prepared to pay more for their Advances, a bank is not likely to shirk borrowing from the Reserve Bank—even at the penal rate of 6 per cent. The Reserve Bank did not intend that productive enterprise be starved of bank finance; all that its package deal of last autumn will have done is to increase the cost of credit; and in any case it is selective credit controls which will determine which sector of the economy is to be starved of finance, and when.

Following the initiation of the system of slab rates in October, all Scheduled Banks raised their lending rates in accordance with the directive and quite a few of them raised

their average lending rates by more than 1 per cent.

—Ibid, page 23.

Indubitably many a bank informed its constituents that arising from the Reserve Bank directive the rate of interest to be paid on their Advances would be raised by 1 per cent or more. But the reason did not lie in banks thus seeking to mulct their customers (though naturally they would not have been averse to a better margin of earning): in order to get a confirmatory note of acceptance as to the new rate chargeable, banks used the subterfuge of hiking by more than the directed 1 per cent, anticipating that most constituents would write to protest, indicating their preparedness for the 1 per cent increase; it came distinctly as a surprise to most banks that not a few constituents accepted the enhanced rates without a murmur; and this may indicate how relatively unimportant in the costs of production is the cost of bank credit thought to be.

With maintenance imports alone expected to average Rs 730 crores per annum in the Third Plan period and with rising payments on invisibles taking the place of the net receipts on this account, India's balance of payments position has now become more vulnerable than ever before... external aid has become necessary also for financing an adequate level of maintenance imports, the demand for which inescapably rises with the growing level of general economic activity in the country.

—Ibid, page 18.

Notwithstanding the magnitude of the foreign aid promised, it would be necessary to organise a massive step-up in efforts to promote exports to pay for at least the maintenance needs of the economy. Appropriate incentives may be required for the purpose but they will be of little avail unless the cost-price structure is kept under control, as the price of exports is the key to their competitiveness in a phase of increasingly intense competition in the world market.

—Ibid, range 26.

As this journal has long been stressing an export drive much more intensive than we have so far thought of is necessary if India is to be able to pay for maintenance imports. In the Second Plan actuals of export earnings exceeded the original estimates; and foreign assistance received exceeded our fondest hopes or expectations. But nevertheless our reserves were drawn down by three times the figure originally thought of. Even so during the Third Plan we feel that greater effort, and yes, ambition are called for. The price situation has to be watched carefully; and while the Reserve Bank can be relied upon to institute the monetary measures to keep prices in check, what will be the impact thereon of Govern-

ment's fiscal policies? It goes without saying that whatever the effort we may put in, foreign assistance will be required to meet part at least of the import cost of maintenance goods; and hence the necessity for persuading our foreign friends that some part of the assistance they extend to us should be "untied."

The Reserve Bank's monetary policy would, therefore, have to continue to be a two-pronged one, viz., of ensuring an adequate flow of credit to meet the genuine requirements of agriculture, industry and checking speculative excesses with their inflationary overtones.

—Ibid, page 26.

Comment would be superfluous.

BANK RETURNS

Puja Bonus, Tax Payments, Loans

While the latest returns of the Reserve Bank and of the State Bank reflect Puja bonus payments and advance tax instalments due this month, the statutory statement of Scheduled Banks bears the full impress of State loan subscriptions.

Active Note circulation has, according to the Reserve Bank figures for 15 September, fallen by Rs 9.40 crores to Rs 1,889.46 crores, and there has been inflow of Rupee Coin for Rs 0.88 crore. With Foreign Securities unchanged at Rs 116.86 crores and Rupee Securities fractionally better at Rs 1,548.65 crores, the Reserve Bank's cash in the till has gone up by Rs 10.35 crores to Rs 19.28 crores.

The Centre's balances, thanks to tax receipts, are higher by Rs 10.03 crores at Rs 73.53 crores. State Governments' Deposits, too, have improved by Rs 6.22 crores to Rs 38.16 crores, though their ways and means borrowings from the Reserve Bank have risen by Rs 1.33 crores to Rs 49.45 crores. Investments are at Rs 281.16 crores, and though the State Bank is known to have disinvested in gilts for Rs 8 crores, it is unlikely that there has been deficit financing. Rather, the State Bank sale may be linked with the rise of Rs 6.73 crores to Rs 24.99 crores in the Reserve Bank's holdings of Treasury Bills purchased and discounted.

Reserve Balances of member banks, wholly on account of the State Bank, are higher by Rs 2.81 crores at Rs 78.66 crores. But the Other Loans and Advances of the Reserve Bank have risen further by Rs 1.22 crores to Rs 136.96 crores, indicating that banks have felt the pressure due to payments of Puja bonus and tax instalments. Advances against usance bills are shown Rs 1.10 crores higher at Rs 6.59 crores.

Balances Held Abroad have again dropped, by Rs 0.97 crore to Rs 17.76 crores; and foreign assets held by the Reserve Bank have fallen below the Rs 135 crore mark.

The return of the State Bank for 15 September discloses another rise of Rs 2.55 crores to Rs 247.84 crores in the total of Advances; this of course is on account of the special payments we have referred to. However, the seasonal return of funds has concealed the magnitude of drawing down of Deposits, which are lower only by Rs 0.14 crore at Rs 523.88 crores. Nevertheless, the State Bank has sold Rs 8.11 crores of securities (presumably, discount of Treasury Bills) and the portfolio is now placed at Rs 251.19 crores. As a result, cash balances, including money at call, have improved by Rs 4.11 crores to Rs 30.70 crores.

The return of Scheduled Banks for 8 September fully reflects transactions connected with State loan subscriptions:

- (1) Net Demand Deposits are lower by Rs 3.18 crores at Rs 818.69 crores.
- (2) Net Time Deposits are sharply lower by Rs 14.75 crores at Rs 1,120.80 crores.
- (3) Cash balances, including money at call, have fallen steeply by Rs 26.27 crores to Rs 179.83 crores.
- (4) Of this over Rs 20 crores are by way of drawing down on Reserve Balances.
- (5) Borrowings from the Reserve Bank have mounted by Rs 13.42 crores to Rs 14.98 crores.
- (6) Gilt-edged holdings have risen by Rs 2.83 crores to Rs 610.67 crores.
- (7) The total of Advances has expanded steeply by Rs 15.40 crores to Rs 1,243.27 crores.
- (8) But, of this, nearly Rs 4 crores are on account of inter-bank borrowings.

Banks' subscriptions are reflected in the fall in Reserve Balances; but the gilt-edged portfolio is higher only by Rs 2.83 crores. The return of the State Bank for 8 September disclosed gilt-edged holdings to be some Rs 2 crores lower. So, Rs 5 crores worth of State loans purchased have been consolidated in the Scheduled Banks' return for 8 September. The next return should show the balance of purchase of State loans by the banking system.

Although month-early disbursements must have affected the bank figures, the fall in Deposits and the rise in "net" Advances together give a rough indication of money put out by constituents for subscription to the State loans. These add up to just under Rs 30 crores.

The implication is that subscriptions to State loans which cannot be traced to either the Reserve Bank returns or the Scheduled Banks' return amount to around Rs 30 crores. The question is, have the States themselves, from out of reserve funds, departmental funds, etc., subscribed the remaining Rs 30 crores?

+

Firmness of Sterling

By Paul Einzig

THE announcement of the arrangement with the International Monetary Fund and of the resulting increase in the published gold reserve has brought about a sharp improvement in sterling. As short positions in sterling were covered some time ago, this must have been due to the return of the foreign short-term balances which left London earlier this year as a result of pessimistic views then taken about sterling. Many commentators welcome the return of hot money as an indication that sterling once more enjoys the confidence of

the International financial markets. Taking a long view, however, the influx of hot money must be regarded as a doubtful blessing. The counterpart of the resulting increase in the gold and Foreign Exchange reserve is represented by an increase in London's short-term foreign liabilities. And while the support given by the influx of foreign funds at the present stage is not really needed, the pressure that eventual withdrawal will give rise to is certain to take place at a moment when it will be most inconvenient. No wonder hot money has been compared with human teeth. Both are a nuisance while they are coming; they are a nuisance while they are there; and they are a nuisance when they are going.

Last year's influx of hot money could have been easily prevented, because most of it was the result of covered interest arbitrage. This means that the official manipulation of forward rates could have made the operations unprofitable. The present influx, however, represents largely uncovered interest arbitrage. With the Bank Rate at 7 per cent the interest differential between London and other centres is wide enough to cover any possible loss through a depreciation of sterling, on the reasonable assumption that within the next three months it would in no circumstances be allowed to depreciate below its lower support point of \$2.78. Even allowing for the maximum possible loss through such a limited depreciation, the interest differential would provide sufficient profit to attract funds through covered interest arbitrage.

Notwithstanding this, the authorities would be in a position to check the unwanted influx should they wish to do so. All they would have to do would be to encourage outward covered interest arbitrage by deliberately depreciating forward sterling. They could and should widen the premium on forward dollars and other forward exchanges sufficiently to secure a profit on the operations in spite of the heavy interest differential against London. They would thus be able to ensure that outward covered interest arbitrage offsets the effects of inward uncovered interest arbitrage. The British monetary authorities are fully familiar with the technique that would have to be applied to that end, judging by evidence given by representatives of the Treasury and the Bank of England before the Radcliffe Committee and by official forward operations that are known to have been undertaken from time to time. If they prefer not to apply that technique in the present instance, it is probably because they do not consider the influx of hot money unwelcome. It enables the Government to claim success for the first stage of its measures taken in support of sterling. Unfortunately, it was the easiest stage. The real problem, to improve the balance of payments, remains to be solved.

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	28-4-61	Latest Week*	Change
Reserve Bank			
Active Note Circulation	1,982.43	1,889.46	- 92.97
Banks' Deposits	78.16	78.66	+ 0.50
Other Loans & Advances	125.47	136.96	+ 11.49
Adv. Against Usance Bills	21.09	6.59	- 14.50
State Bank			
Deposits (see note)	549.70	523.88	- 25.82
Cash inc. Money at Call	27.87	30.70	+ 2.83
Gilt-edged Investments	237.47	251.19	+ 13.72
Total of Advances	267.33	247.84	- 19.49
Other Scheduled Banks			
Net Deposits	1,367.04	1,415.47	+ 48.43
Cash inc. Money at Call	153.18	153.24	+ 0.06
Gilt-edged Investments	324.99	351.37	+ 26.38
Total of Advances	1,024.78	986.14	- 38.64

*Week ended 15 September for Reserve Bank and State Bank.

Week ended 8 September for Other Scheduled Banks.

Note: State Bank figures are distorted by Rs 24 crores loss in Deposits owing to repayment of counterpart funds.

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Notes

IBRD Pattern of Lending

Since it was started 15 years ago, the activities of the International Bank for Reconstruction and Development have increased tremendously in scope and character. With the emphasis in its lending operations being mainly on the provision of credit to meet the needs of the developing countries, the contribution of the World Bank to the economic development of the under-developed countries has been both important and significant. The latest report of the Bank for the year 1960-61 draws attention to the varied scope of its activities as well as to the magnitude of its lending to an increasing number of member countries. New lending of the Bank during the fiscal year totalled \$609.9 million which included 7 loans and with this the cumulative total of the Bank's loans, net of cancellations and refundings has risen to \$5,669 million of which \$4,320 million had been disbursed. The total number of the loans extended by the Bank is placed at 92 while the number of countries which have benefited from the loan operations of the Bank is 57 among which India stands first.

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The break-up of the Bank's loans as between different sectors shows that the major portion viz nearly two-thirds, of its loans has been provided for the development of transportation and electric power with railway development figuring prominently as the single large object of the Bank's lending activities. During the fiscal year of 1960-61, transportation loans amounted to \$310 million while electric power loans totalled \$125 million. Industrial lending comes last in the list of the total loans provided by the World Bank, the share during the fiscal year under review being only \$48 million.

A noteworthy feature of the working of the Bank during 1960-61 was its achievement in exceeding the \$1,000 million mark in the total sales of its loans. Such sales of its loans is a means adopted by the Bank to promote international investment. This enables the Bank to borrow large sums from private investors to finance economic growth in its less developed member countries. Though in the early years the sale of such loans was made with the Bank's guarantee, since 1956, the Bank had ceased to offer its guarantee in any further sales of parts of its loans to other investors. The decision has by no means affected the total sales of its loans and it is recorded that since then, the Bank has sold over \$730 million worth of loans maturities without guarantee.

The Bank has experienced further accretion of financial strength which is reflected in the improvement of its reserves income and repayments. As at June 1961, the Bank's total reserves stood at \$602 million which represents an increase of \$95 million over the year. Gross income for the year excluding loan commissions at \$167 million was also higher by \$16 million over the previous year.

The Bank's role in other spheres such as the provision of technical assistance has also considerably increased in scale and the year under review particularly witnessed the highest level of activity in providing assistance to its member countries through general economic surveys. The most signal achievements of the Bank during the year related to the settlement of the Indo-Pakistan dispute over the Indus waters and the sponsorship of the consortium of Western countries interested and willing to help India and Pakistan over the foreign exchange needs of their development plans.

IDA Off to a Flying Start

The International Development Association, is the newest of the international organisations set up to provide financial assistance to developing countries, having come into existence in September 1960. Though only one year has passed since its coming into being, it has set off in its business in a most successful manner and during the first year of its operation has extended credits just over 100 million dollars for development projects in member countries. The countries which have benefited from the credit granted by the IDA in its first year of existence are Honduras, Sudan, Chile and India. The credit extended to India was for an amount of \$60 million and was intended to cover half the cost of improvements to the National Highways during the first 3½ years of the Third Five Year Plan.

The IDA differs from its senior members in some important respects and particularly in the terms governing the grant of its credit which has proved to be more favourable than the credit granted by other institutions such as the IFC and the IBRD. The specific object of the IDA is "to promote economic development, increase productivity and thus standards of living in the less developed areas of the world". The IDA's loans are generally for long period extending to 50 years and while it is entitled to charge a moderate rate of interest, the credits so far given have been without any burden of interest, though there is a negligible service charge. The IDA credit should for this reason be more useful for the developing countries which are in many instances faced with the problem of servicing foreign credits on account of their being for short periods. However to make its operations more effective and beneficial to the developing countries, the funds of the institution should be expanded considerably. For, in relation to its sphere of operations and the need for the type of development capital that IDA can provide, its resources are small. At the end of the fiscal year, 51 member governments had accepted membership of the IDA and subscriptions amounted to the equivalent of 906 million dollars. The annual report of the institution draws attention to the lengthening list of proposals under investigation all over the world.

IFC Fifth Year of Usefulness

Among the international institutions set up to assist economic

development in the developing countries, the International Finance Corporation has a rather unique role. By virtue of an amendment to the charter of the IFC passed in August 1961, the IFC has been enabled to invest in the capital stock of enterprises which it seeks to promote in various countries. It is significant that the amendment does not entitle the IFC to assume responsibility for managing any enterprise in which it has invested and it also shall not exercise voting rights for such purpose or for any other purpose which in its opinion is properly within the scope of the managerial control. This change in the charter of the IFC has great significance for the international flow of investment particularly for the developing countries, for the IFC not only puts its own funds into investment, but also seeks to draw private investment funds into participation in economic enterprises.

While the effectiveness of the new role of the IFC is yet to be judged, there can be no doubt about the usefulness of the assistance it has so far rendered during its five years of existence. In its fifth annual report published recently, the IFC has claimed that its funds have been so far invested in productive enterprises in about 18 countries. The Institution has incurred commitments in India to the extent of 1,575,000 dollars, the beneficiaries being the Assam Sillimanite Company and the KSB Pumps Ltd. The other countries in which the IFC has put its investments are Argentina, Australia, Brazil, Chile, Columbia, El Salvador, Finland, Guatemala, Iran, Italy, Jamaica, Mexico, Pakistan, Peru, Tanganyika, Thailand and Venezuela. The total investments

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of the IFC in all these countries now stand at 44,387,705 dollars.

New investment during the fiscal year under review has totalled 6.2 million dollars. The effective operational investments held by the Corporation as on 30 June 1961 is estimated at 27.9 million dollars of which 24.4 million dollars are shown as having been disbursed. The gross income for the fiscal year totalled 4.4 million dollars of which 2.5 million dollars were derived from investment in the United States Government securities and 1.9 million dollars from operational investments for commitment charges, fixed interest etc.

NEVELI Bulk Extraction Begun

At Neveli, last week, bulk extraction of lignite for tests abroad, was formally inaugurated. This is a matter of considerable significance to the southern region in general and Madras in particular. This Rs 90 crore integrated project which was inaugurated by Prime Minister Nehru in 1957 envisaged an annual output of 3.5 million raw lignite to meet the requirements of a thermal plant with a capacity of 250 MW, a fertilizer plant for the production of 70,000 tons of fixed nitrogen in the form of urea, and a briquetting and carbonisation plant for producing 380,000 tons of carbonised briquettes; and a clay washing plant for the production of 6000 tons per annum of white china and ball clay. For one reason and another, however, mining operation has been delayed. Lignite mining is new to our country and it is in vogue in only few other places elsewhere in the world. At Neveli new problems were encountered because of the peculiar conditions in which lignite deposit is found. The fact that the deposit is practically floating on a subterranean water course which exerts strong upward thrust on the deposit constitutes a major problem. Before mining can be begun, the pressure of the water below the deposit is to be reduced to a safe limit. Giant pumps are employed for this purpose. The removal of the overburden also has not proved to be easy because of the rocky soil. The excavators originally commissioned have had to be provided with teeth strong enough to pierce the rocky stratum. The major difficulties seem to have been overcome now. Although the authorities of the Neveli Lignite Corporation have all along been confident of success, the continued delay in commencing bulk extraction operation has caused some misgiving in the minds of the general public about the early fruition of the Neveli project. The bulk extraction now commenced has an immediate signi-

ficance for the Madras Government who has set its heart on building a steel plant as early as possible based on the high quality iron ore available in abundance in Salem. The proposal is to set up a Rs 25 crore iron and steel plant of a capacity of 0.5 million tons using the Neveli lignite. Further progress of this project depends on the outcome of the tests that will now be conducted with the Neveli lignite. The Madras Government is keen on inaugurating the project during the Third Plan period and hence has been anxious that bulk extraction of lignite at Neveli should commence as expeditiously as possible as something like 2000 tons of lignite have been found to be needed in

order to conduct the various tests which have to be done in a number of countries in Europe where only facilities for such tests are available.

SHIPPING Inexorable Facts

The merger of the State-owned shipping corporations has evoked less notice than the argument over higher freight rates applicable as from 1 October. It is evident that India's shipping, still below a million tons, cannot work well until full employment is available. The State-owned line equipped with about the same fleet as India

Steamship, will be on its trial. Its results will be constantly compared with that of the company whose reserves have been drained by losses on working for two years. The claim that the Plar has helped shipping to increase its range and operations has been shaken by the failure of Indian Shipping Companies to earn normal profits.

The revival in shipping shares in London noted last month has been ignored wholly in India because freight rates are yet to rise and empty space is yet to be filled. The acquisition of a tanker on instalment purchase is of relatively minor significance compared with the level of freight rates and the argument over the

TOP MANAGEMENT FINDS OUT



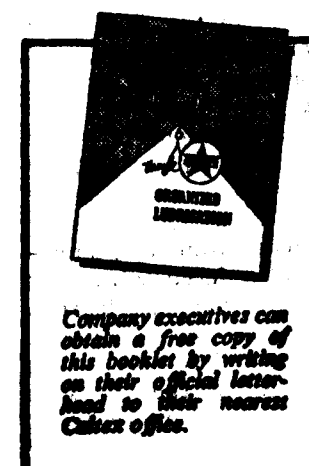
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proposed increase has only suggested that Government is ready to use undue influence against the shipping interests whose claim for relief is based on the inflation of operating costs. The Indian shipping lines are convinced like the foreign lines that some relief is overdue and the Government, as a customer, must soon submit to inexorable facts. The merger of shipping companies like that of P & O and Orient lines on the UK model will probably be considered only when the time is propitious.

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PORTS

Uncertainties

Though priority has been accepted by the Government for port development, the allocation made in the Third Plan and the schemes and proposals of development countenanced by the Planning Commission in the field of port development have caused considerable disappointment to various State Governments which have set great hopes for development of the various ports within their respective geographical jurisdiction. While total requirements for development of major ports were originally estimated at Rs 86.44 crores excluding a sum of Rs 10 crores for the development of the Tuticorin port in the Madras State, the Planning Commission has fixed a ceiling limit of Rs 75 crores for major port development in the Third Plan. It is relevant to point out that this outlay of Rs 75 crores is inclusive of a sum of Rs 37 crores for carryover schemes from the Second Plan and another sum of Rs 7 crores for the development of the Haldia port to act as a subsidiary port to Calcutta. Compared with the size and volume of development work in the major ports, the allocation appears meagre and quite inadequate to sustain a tempo of progress to meet the potentialities of traffic growth. Even under the Second Plan, the tempo of port development work had been tardy particularly in the early years and against an outlay of Rs 99 crores for port development made in the Second Plan actual expenditure had amounted to only Rs 46.40 crores. This has resulted in accumulation of uncompleted works at various ports, and this should, in the final analysis, also tell on the progress of new development works undertaken during the Third Plan. The most important problem in port development is that of siting which is particularly grave in the Calcutta port, though other ports such as Bombay, Kandla, Mangalore etc are also faced with the same problem in varying degrees. The construction of additional berths at Vizag and Kandla is also urgent in view of the growing importance of the iron ore trade.

Along with the development of the major ports, the question of the development of other smaller ports has also assumed importance in view of the anticipated growth in freight traffic. Among such ports which have shot into prominence are Tuticorin in the Madras State, Mangalore in the Mysore State, Paradip in the Orissa State and Porbandar in the Gujarat State. The Intermediate Port Development Committee had recommended the development of these ports into all-weather ports. Mangalore and Paradip particularly will be the focal points for future growth of the iron ore export from the country while the commercial possibilities of the hinterland of these two ports would also justify large-scale investment for their development. The attitude of the Planning Commission and the Government, however, appears to be far from helpful for the development of these ports in the course of the Third Plan.

Latest indications available from New Delhi would seem to preclude any chance for the inclusion of the scheme for the development of Porbandar during the Third Plan. The Finance Ministry would seem to hold the view that the allocation already made in the Third Plan would not permit the accommodation of new schemes for execution in the Third Plan. The fate of Paradip also looks uncertain while for the development of the Mangalore port, the allocation provided in the Third Plan at Rs 5 crores is far too meagre as compared with estimated requirements at Rs 13 crores. Besides, the allocation for minor ports has been reduced from Rs 10 crores to Rs 6.5 crores, but it is interesting that the schemes originally included have been retained. The question of port development is to be discussed at the next meeting of the National Harbour Board which is scheduled to meet shortly. But whether it will be able to convince the Government of the necessity of providing more funds for port development remains somewhat doubtful in view of the competing claims on the general fund.

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MONEY MARKET

Not Integrated

The Central Board of the Reserve Bank has affirmed its faith in selective credit control and without a rise in the bank rate, there will be a trend towards dearer money. While West Germany may seek to liberalise credit, the UK is deliberately curbing credit facilities to check domestic investment and consumption. In India the special deposit scheme is gone, but banks have to pay for getting usual facilities. The operation of credit control in the USA, France and Australia over many years is due to the postwar pressure on

prices. If India has not yet interfered with the stock market by asking for compulsory margins, the ban on badia business by banks last year indicated that speculation was going to be checked. Hire purchase is not a major factor today in India and the bazaar rate is the decisive determinant of interest charged. The curb on speculation in commodities by means of a limit to bank advances has been tried out long but experience suggests that the rules are of limited value and banks have today many rivals in financing.

The same may be said about stock market speculation and carry-over facilities at 12 per cent are derived from the contango charges. The variations in interest rates from region to region, and business to business, only shows that the money market is not so far integrated. The comments based on State borrowing or bill discounting are far removed from the practice of private bankers. The private bankers in London are fully organised like Hambro's bank and take some capital from the public to supplement resources. Indigenous banking in India is still very much of an unknown field and the refusal to follow modern methods is based on the high profits that come from secrecy. The financing of illegitimate business apart, the stricter licensing of imports creates many openings for enterprising bankers or money-lenders who are able to skim off profits easily. That also reinforces the trend towards higher interest rates.

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RESEARCH

Smokeless Fuel

About 95 per cent of the 100 million tons of fuel (in terms of coal equivalent) consumed in India for domestic purposes is made up of cattle dung, farm wastes, charcoal and firewood. Kerosene, coal and electricity constitute another 2.5 per cent of the total demand. Apart from coal gas, soft coke is recognised as a convenient form of fuel for domestic use in the urban areas.

Domestic soft coke requirements of the urban population in the next 10-15 years are estimated at 35 million tons; the demand in the States of West Bengal and Bihar alone is put at 2.5 million tons and 345,000 tons respectively. At present only 1.8 million tons of soft coke are produced in India by the open-stack burning method.

In this method, the valuable by-products of coal carbonisation are lost and the yields of coke are low. The quality of coke produced is not uniform, and poor combustibility and smokiness are other drawbacks of the product. Also, the open-stack method requires the use of sized coking coal, which is in short supply. There is need, therefore, for developing

a more acceptable fuel by other economic methods.

Investigations on low temperature carbonisation of Indian coals have been in progress in the Central Fuel Research Institute and the Regional Research Laboratory, Hyderabad, for some years. Interest in this work stems not merely from inadequate availability of an acceptable domestic fuel but also from a more important angle—the recovery of the valuable by-products of coal carbonisation which are basic to dyes and drugs industry.

A pilot plant at the Regional Research Laboratory at Hyderabad is producing and marketing soft coke obtained from inferior non-caking coals and coal slacks under the trade name 'Coalsite' which has found ready consumer acceptance.

Pilot plant studies at Neyveli Lignite Corporation have established conditions for the production of smokeless briquettes from lignite for domestic use. Based on these trials, a 100 tons/hr plant is scheduled to go into operation in 1964.

A continuous process for the production of soft coke has been developed by the Central Fuel Research Institute on the basis of which a low temperature coal carbonisation pilot plant has been set up.

The plant, which recently went into operation, produces smokeless coke and is reported to have many attractive features. The capital outlay required for a unit is not large compared to a conventional low temperature carbonisation plant of comparable capacity. Both caking and non-caking coals can be employed. Since many cities in North India can economically support low temperature carbonisation plants with a processing capacity of 1000-1500 tons coal per day, it is considered an attractive proposition to put up such plants, equipped with by-product recovery units. The gas produced would find use in industry and the tar obtained could be pooled and processed in plants centrally situated.

Smoke nuisance in thickly populated urban areas is a matter for serious concern because of the health hazards attendant on it. The introduction of smokeless fuel would make for cleaner and healthier cities and towns.

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FOREIGN HOLDINGS

The Non-Resident Rupee

The latest notification relating to Indians holding foreign currency is accompanied by an assurance that penal action is not proposed. It is noteworthy that Burma, Ceylon and Pakistan are distinguished from the sterling area. It means that sterling balances are Straits dollar balances

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held abroad must be reported if not repatriated in view of India's present exchange position. The power to take over balances by offering Indian currency is implicit because of wartime practice. The depreciation of the Indian rupee in terms of Malayan currency is well known and the Reserve Bank seems to have realised that dealings at a big discount can be countered by stabilising the official exchange rate by means of a census that may be a prelude to compulsory acquisition from Indian residents.

Whether wealth tax in regard to foreign currency holdings will be payable is one issue that is raised. The other is whether the source of bank balances, etc. will be investigated. One point that calls for notice is that much wealth may be held in ready cash outside the banks and information may not be got. Moreover, banks abroad are not obliged to give data about their clients' holdings. The emergence of non-resident rupees, corresponding to non-resident sterling, may be expected if there are developments. One result may be that non-resident rupees may be soon turned into Malayan or Hongkong shares, in view of the tin or rubber industries' progress. Of course, the holdings in East Africa or the Middle East may be reported, but repatriation is unlikely and if money goes to Zurich into the Euro-dollar, the Indian holder will have to declare. The desires for information is wholly in line with exchange control in practice.

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JUTE INDUSTRY

Pak Threat

IT is not doubted now that the 1961-62 jute crop will be a bumper one and there is already a tendency to rate prospects of the industry with optimism. The improvement in arrivals of raw jute is reflected in a sharp decline in price and at current levels mills may perhaps be able to do simultaneous business even at a profit. But it will be wrong to think that with jute available in plenty, the industry has nothing to worry about. The jute goods industry is a predominantly export industry and what matters most is its ability to sell its production abroad. Thanks to the lack of stability in our prices, foreign buyers are losing interest in our goods. Consumers who were once solely dependent on jute goods for their packaging and other needs can now take to substitutes like paper bags whenever they think jute goods prices are too high. In recent years bulk handling has inexorably invaded what was once the undisputed domain of jute goods. Yet another threat has been the emergence of Pakistan as a producer of jute goods. This country has started with some important advantages over India

in that it could set up the most modern jute mills and supply to its mills much better quality jute at a cheaper price than the mills in India get. These factors place Pakistani mills in a favourable position in world markets. They have further strengthened this by undercutting Indian goods.

According to Sir Walter Michelmore, Chairman of the Kinnison Jute Co., Ltd., the threat posed by Pakistan is quite serious. Pakistan has been undercutting India to the extent of Rs 8 or Rs 9 per hundred bags and even now the differential is about Rs 5 per hundred bags. This way Pakistan is able to take the "first cut" of foreign business. Importers come to India only when Pakistan is unable to guarantee any supply. Sir Walter says that no less than 80 per cent of the recent Australian business in cornsacks went to Pakistan. Cuban orders are increasingly going to Pakistani mills and India's other traditional markets like Africa and Burma are

being successively invaded by Pakistan. In the meantime Pakistan is expanding its jute industry, especially its sacking side. Sir Walter thinks that if conditions continue as at present, Indian exports of sacking may vanish entirely by 1965 as by that time Pakistan's sacking production will have reached the level of our export of this category of jute goods. He estimates that Pakistani mills have a cost advantage of Rs 300 per ton in their favour. This enables them to undercut India and still make substantial profit. The position of our jute mills is in marked contrast to that of the Pakistani mills. Indian jute mills have sustained heavy loss last year due to the high price of raw jute and cut in production, to mention only two reasons.

The crux of the problems facing our industry is the urgent need for a reduction in the cost of production. Only when cost of production is reduced will our jute goods be able to compete with Pakistani

goods in overseas markets. Failure to do this will be the continued dominance of Pakistan in world markets and a progressive decline in our exports. It is therefore well for Government to bear in mind the increasing threat of Pakistan and the progressive losing of ground by our jute goods in foreign markets while deciding questions like minimum price for raw jute and other measures which have a bearing on the cost of production of the jute goods industry.

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MOBILE BANKS

An Example From Hongkong

Hong Kong makes many things from junks to jewellery, and is also known to be a major centre of film production supplying S. E. Asia Chinese films. One interesting innovation reported in July must be mentioned. On the main-



land, there is idle money and the Hong Kong and Shanghai Banking Corporation has gone out to attract depositors in the New Territories by introducing a mobile bank. A van decorated in red and cream with legends in many local dialects and English too goes out to appeal for savings and armed guards plus radio equipment ensure safety on the trips undertaken by four Chinese officers of the Bank employed on the mobile bank which brings the H. & S. Service to the door of the former and shop-keeper living outside the island.

The idea of a mobile bank may be commended readily to the more venturesome or prosperous banks that have head offices in the district towns in India. The facilities for deposit and withdrawal offered by van will enable the banks to get ahead and stay ahead of the P.O. Savings bank. The new deposit insurance scheme should help but mobile banks will do more than add to the assets. They can promote thrift and finance agricultural marketing in the season. Much cheaper to operate than a regular branch office a mobile bank, if started by an institution of the same status as the H. & S. Bank will not require a licence and can be inspected on the spot. Security and other equipment fitted to the chassis will make a mobile bank as widely welcome as the mobile post office in the major cities. But the bank must look to the small towns or big villages near the City and observe regular hours just like mobile dispensaries operated for charity. The simple and ingenious device may induce a special approach to rural women who are known to keep nest-eggs. Making more money move must be the object and cheapness of operation is a real merit. It is strange that Indian credit survey committees have so far not thought of it. But the H. & S. has done it.

US Pleasant Prospect

With the advent of September and the approach of autumn the US economy can be expected to show its usual seasonal pick-up in activity. At this time of year, then, the experts start to examine the economy's prospects for the months ahead.

This year, such an examination tends to fall into the category of pleasant work. It is not necessary to cite a mass of details to see that the economy is moving rapidly ahead. The total output of goods and services (Gross National Product), personal income, industrial production, construction expenditures and other important economic measurements already have rebounded to record highs, and now, with the usual summer lull about over, further gains are confidently anticipated.

Evidence continues to mount that this anticipation is solidly based. Showing good strength are a number of barometers of the business climate which tend to presage future advances—e.g. factory sales manufacturers' new orders, and incoming orders for steel. Also, inventory restocking seems to be gathering momentum with the passing months.

The view among many experts now seems to be that the Gross National Product may well reach an annual rate of \$540,000 million by the end of the year. This compares with earlier estimates of \$520,000 million-\$530,000 million, and an actual second quarter rate of \$516,000 million.

These largely domestic manifestations of heightened economic activity now have been reinforced by an apparent resurgence of US imports. A rise in demand for foreign merchandise is a normal accompaniment of economic expansion at home.

The US Government has just reported a particularly sharp rise in imports during July, the latest month for which such data are available. According to the census bureau, July merchandise imports were valued at a seasonally adjusted \$1,371,400,000, up 16 per cent from the June level and nine per cent from the level of July 1960. This was the largest monthly import volume since September 1959, and reflected heavy US purchases of such products as machinery, vehicles, metals and textiles.

This sharp July rise seems to have brought to an end an import lag that dates back to the closing months of 1959. Imports hit a two-year low last December, and showed a tendency to pick up rather slowly in the early part of 1961.

Because of the relatively slow pace of the early-1961 pick-up, imports over the January-July period came to a seasonally adjusted annual rate of only \$14,000 million, which was eight per cent below the comparable 1960 rate.

Indicative of the continuing improvement in US demand, however, is the fact that for the latest three-month period, May-July 1961, imports on a seasonally adjusted basis hit an annual rate of close to \$14,700 million, which was some nine per cent ahead of the rate for the preceding three months.

While the experts clearly are heartened by this pickup in imports, particularly as it reflects the upswing in the US economy, they still are mindful of its possible effects on the US balance of payments. The large margin of US export income over payments for imports—which has been proceeding at an annual rate of better than \$5,000 million—has partly offset large outflow of US funds in such forms as government economic aid, overseas military spending, and private foreign investment, and thus had helped reduce the net deficit in the international accounts of the United States.

To the extent that this favourable trade surplus narrows—which could be one result of rising imports—the over-all balance of payments deficit would grow, the US Government's answer to this problem has been, and still is, not to discourage imports but to encourage exports. This is in keeping with the nation's basically liberal trade policies, and obviously benefits nations selling their goods in the United States.

In any case, there is little likelihood that the balance of payments deficit this year will come anywhere near the abnormal \$3,500 million-\$4,000 million range of the past three years. The general expectation still is that the deficit will be in the neighbourhood of 1,500 million—a level which represents a significant improvement in the US position.

COCHIN PORT Gratifying Progress in 59-60

Though made public somewhat belatedly, the 'Administration Report' for the port of Cochin for the year 1959-60 shows gratifying progress in all directions. The financial results show the revenue receipts of the port (excluding the Pilotage Account) during the year at Rs 1,10.82 lakhs which compares with Rs 1,04.77 lakhs for the previous year. The expenditure (excluding that charged to the Pilotage Account and contributions to Reserve Funds and Capital Account) has registered an increase from Rs 79.21 lakhs in 1958-59 to Rs 84.22 lakhs. After contribution to Capital Account of Rs 18 lakhs, to Revenue Reserve Fund of Rs 1 lakh and to the Account and Renewals and Replacements Funds of Rs 3.96 lakhs, the net surplus worked out to Rs 5.63 lakhs which shows a decline as compared with the surplus reported for 1958-59 at Rs 7.96 lakhs.

The total expenditure under Capital Account during the year under review amounted to Rs 48.16 lakhs and the closing balance under the Capital Account was Rs 24.25 lakhs. The gross income and expenditure under the Pilotage Account were Rs 5.80 lakhs and Rs 6.08 lakhs respectively which resulted in a net deficit of over Rs 25,000. The closing balance of the Fund is placed at Rs 7.69 lakhs.

As one of the major ports of the country, Cochin commands a large volume of freight traffic both coastal and overseas and such traffic has tended to increase in recent years. From 1,551,619 dead weight tons in 1954-55 the traffic tonnage has increased to 1,946,388 tons in 1959-60. Including bunkers, the total trade during 1959-60 was 2,046,337 tons. The freight traffic registered during 1959-60

was higher than during 1958-59 both in respect of coastal and overseas trade. The overseas trade showed an increase from 928,912 tons in 1958-59 to 963,322 tons in 1959-60, while the coastal trade showed an increase from 928,912 tons to 983,066 tons. The greater part of the total volume of freight traffic handled at the Cochin port is made up of imports. While imports during the year under review amounted to 1,524,847 tons, exports amounted only to 421,541 tons.

The Second Plan has initiated a programme of large-scale expansion of the facilities at the port. Notable of the programmes included in the Second Plan was the one for the construction of four additional warf berthes in the Ernakulam channel with ancillary facilities. Considerable progress has been recorded in the execution of this programme and nearly 78 per cent of the work connected with their implementation is reported to have been completed. More development work has been envisaged under the Third Plan. The construction of the second shipyard at Cochin is the most important scheme to which interest now attaches.

TOTAL TONNAGE		
Year	Quantity (In Dead weight tons)	
1954-55	..	1,551,619
1955-56	..	1,608,687
1956-57	..	1,727,005
1957-58	..	1,799,871
1958-59	..	1,779,813
1959-60	..	1,946,388

FOREIGN TRADE		
	1958-59 Tons	1959-60 Tons
Imports	.. 540,147	685,397
Exports	.. 410,754	277,925
Total	.. 850,901	963,322

COASTAL TRADE		
	1958-59 Tons	1959-60 Tons
Imports	.. 793,787	839,450
Exports	.. 135,125	143,613
Total	.. 928,912	983,066

TRACTOR MANUFACTURE A New Madras Enterprise

With the resources and experience of Massey-Ferguson, the biggest firm in agricultural machinery, the new Madras enterprise of Tractors and Farm Equipment has been commenced as another admirable example of foreign collaboration with Indian industrialists. At a ceremony on 17 September, Mr R. Venkataraman dwelt on the steady expansion of Simpson interests from pens to paints and indicated that the successful manufacture of the Perkins diesel

engines over the years had led to the licensing of the light tractor plant. Mr Behr with long experience of marketing, regards many regions and crops as suited to the Ferguson system of farming, especially, when intensive cultivation is demanded by the growth of numbers.

With a rated output of 7000 tractors per annum and the prospect of complete indigenous components from engine to tyres, the Massey-Ferguson tractor is not subject to an excise duty, if it is wholly used for agricultural purposes. Dealers who visited Madras for the formal inauguration pointed out that full service after sales and regular instruction in operations are offered by the supplier of farm machinery and there is a promise of 4000 jobs at the new factory. Dealers also will benefit and the Government's gain may be not only in excise on fuel consumed or tyres used. The solution of the food problem is not distant, as Mr Kamaraj pointed out and if each village in regions like Gujarat or Tamilnad goes in for a tractor and the assembled implements like tiller, harrow, and which the villager too will acquire skills to raise the glory of farming. The possibilities of consolidation of holdings with a minimum of 25 acres per family after the new ceilings are imposed may be a good reason for advocacy of tractor farming in future. The investment in machinery with surplus cash may limit local landlord's outside interests. The higher productivity now aimed at would increase rural employment and raise the level of wages, as Mr Behr has pointed out early this year in an analysis of what power farming can now do for India. The tractor may be also the best agent of extension service to agriculture and act as a stimulus to rural cooperation. The orders for 2300 new Indian made tractors placed this year only prove that TAFE has got off already to a flying start.

The industrial estate of Simpsons at Sembiam (Madras II) includes a tractor assembly plant but when the bigger production factory is ready, the chances are that the new TAFE will become a bigger unit in the Simpson Group than the paint or piston plant. Providing fresh proof of faith in the future, amalgamations at work have been building up the light engineering industry in Madras and it is evident that industrial evolution in postwar years has not been only in sugar or cement but in the field associated with steel and skills. It should be added that the demand made by industrial growth on outside capital has been negligible and the control of Stanes & Co. has lately brought Simpsons to Coimbatore.

PAPER Unremunerative Prices

The paper industry has made rapid progress in recent years. It has achieved the target set for the Second Plan and its development is to be stepped up further during the Third Plan as it has been set a tar-

get of 900,000 tons for capacity. Licences have however been issued for much larger capacity. But it is significant to note that while almost all other industrial groups have been receiving considerable investor support, shares of paper mill companies have remained more or less neglected. This is largely because paper mill companies are not reporting satisfactory profits. It would appear that paper mill companies' profits have been adversely affected by the unremunerative prices at which they are obliged to sell their production. On one side, the sale prices are pegged at low levels while on the other side cost of production is steadily going up.

In his recent statement to the shareholders Sir Walter Michelmore, Chairman of the Titagur Paper Mills Company Limited, has drawn attention to the fact that prices of raw materials, chemicals, and coal continue to rule high while there are indications of further cost inflation. It stands to reason that Government

which has pegged the selling price should also help the industry to bring down its cost of production. Companies like Titagur situated in North East India have a special grievance in regard to the extra cess they are to pay on all coal receipts, even though Titagur, for instance, is paying as much as Rs 100,000 per month extra in transport charges for coal brought to the mills by road. Sir Walter is justified in characterising this as gross discrimination because this amounts to making the companies in the North East region subsidise the increased cost sustained in the movement of coal by the railcum-sea route by companies in the South and West India. As Sir Walter has pointed out, Titagur is thus made to subsidise the coal transport of its competitors in the regions benefited by this arrangement. It is only proper that whatever measure Government is obliged to adopt in dealing with particular situations, it is ensured that the repercussions fall evenly on all the affected parties.

WHOLESALE PRICE Slight Fall

The official wholesale price index (with the year ended March 1953 as 100) receded by 0.4 per cent to 125.5 during the week ended 2 September, 1961 as compared with 126.0 for the earlier week. The index was lower by 2.4 per cent when compared with the corresponding week of the last month but was higher by 0.3 per cent than that of a year ago.

Lower prices of Fish (—11%), Oranges (—8%), Bajra (—7%), Gingelly oil and Tea (—6% each), Rice at Trivandrum, Ghee at Kalthal and Cummin (—5% each), Groundnut oil (—4%), Jowar and Gram (—3% each), Maize, Urad and Potatoes (—2% each), and Wheat, Barley, Arhar, Mung, Cashewnuts and Eggs (—1% each) brought down the index for 'Food Articles' by 0.8 per cent to 123.2 as compared with 124.2 (revised) for the previous week. The prices of Rice at Jayanagar and Milk (+5% each), Ragi and Coconut oil (+2%

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each) and Gur and Chillies (+1% each), however, moved up.

The index for 'Tobacco' remained stationary at the previous week's level of 98.5.

The index for the 'Fuel, Power, Light & Lubricants' group stood at 121.5 as against 121.6 for the earlier week. The prices of Castor oil (-2%) showed a fall.

The prices of Groundnuts, Castor-seed and Cottonseed (-3% each), Gingellyseed (-2%) and Lac (-1%) showed declines, while those of raw Jutes (+6%), Copra (+2%) and Tanning Materials (+1%) moved up and the index for 'Industrial Raw Materials' stood at 138.7 as against 138.8 for the earlier week.

The index for 'Intermediate Products' fell by 0.2 per cent to 140.7 due to a decline in the prices of Linseed oil, Coir Yarn and Brass (-1% each), although the prices of Tin (+2%) showed a rise.

The index for 'Finished Products' advanced by 0.3 per cent to 122.1 as a result of a rise in the prices of Jute manufactures (+3%). The prices of oil cakes (-1%), however, moved down.

NEWS IN BRIEF

The International Development Association extended a development credit equivalent to \$6 million to India for the expansion of tubewell irrigation in the State of Uttar Pradesh. Under the Plan prominence is given to an increase in the supply and use of water for irrigation as a means of achieving during the first three years of the Plan period the irrigation of 320,000 acres of land in UP. The cost of the project is estimated at the equivalent of \$12 million of which the half would be covered by the loan credit.

Mr Manubhai Shah, the Union Minister of Industries, revealed at a press conference held in Srinagar that the Government of India was most likely to set up a 30,000 ton newspaper factory in Kashmir. He also stated that the Government has already decided to install a 30,000 ton paper and pulp factory in Kashmir valley which will also produce rayon pulp.

The National Council of Applied Economic Research has undertaken a survey of ancillary industries in Bihar, Madras and Maharashtra. The survey covers fifteen groups of industries in the field of light engineering, including machinery and machine tools, industrial scientific and mathematical instruments, household equipment, automobiles and bicycles, radios and air-conditioning equipment.

A formal decision to bring public sector commercial undertakings within the purview of the proposed Bonus Commission is understood to have been taken by the Government of India. Monopolies like the Railways and Posts and Telegraphs Department will be excluded.

An additional rebate of six naya paise on the sale of cotton khadi, over and above the existing rebate of 19 nP per rupee, will be allowed

to all purchasers of khadi on the occasion of Gandhi Jayanti for a period of 45 days from 2 October, 1961. This additional rebate will be applicable to the sales in all the certified khadi bhandars in the country. The State Khadi and Village Industries Boards may however adjust the period during which such additional rebate may be in operation according to regional requirements, and allow the rebate in two stages—initially for a period of thirty days from 2 October and subsequently for another period not exceeding 15 days. The State Boards may also allow further rebate in consultation with institutions in their respective States.

The raisings and despatches of coal during June 1961 from all fields in India were 4,182,192 and 3,997,546 metric tons respectively, the corresponding figures in the previous month being 4,598,761 and 4,182,102 metric tons respectively. The total raising of coal upto June 1961 was 29.15 million metric tons as against 26.06 million metric tons during the same period in the previous year.

Loan assistance under the Middle Income Group Housing Scheme can now be availed of by persons with incomes upto Rs 15,000 per annum, as against the previous limit of Rs 12,000 per annum. To encourage the construction of comparative smaller houses, the minimum floor area to be built under the scheme has also been reduced from 700 sq ft 400 sq ft. The Government has further agreed that the amount of loan to be granted for construction of a house should be 80 per cent of the cost, including the cost of land, subject to a maximum of Rs 20,000 per house.

With an export of 4.82 million lbs in June 1961, the total amount of tea exported direct to the UK in the first three months of the current fiscal year increased to 7.32 million lbs from 6.93 million lbs in April-June 1960. Exports to London Auctions rose from 6.67 million lbs in April-June 1960 to 6.80 million lbs in the quarter under review.

Earnings from the export of sewing machines in June 1961 increased slightly to Rs 2.96 lakhs from Rs 2.29 lakhs in the corresponding month of last year. This raised the total earnings from the sewing machines in the first half of the current year to Rs 16.73 lakhs from Rs 13.99 lakhs in the corresponding period of the previous year.

The export duty on Pakistan tea has been reduced from 38 to 25 paise per pound. The Government has resorted to such a step with a view to improving the competitive position of Pakistani tea and ensuring adequate returns to the producer.

PERSONAL

Mr V. G. Pendharker, till recently Manager of the London Office of the Reserve Bank of India, took over charge as Economic Adviser to the Reserve Bank on 15 September.

Mr R. Krishnaswamy, Senior Deputy General Manager, Western Railway, has been appointed as General Manager of the Chittaranjan Locomotive Works.

Dr B. K. Madan, Executive Director, Reserve Bank of India left for Vienna to officiate as temporary Alternate-Governor of the International Monetary Fund for the duration of the sixteenth annual meeting which has commenced on 18 September. Dr Madan will be representing the Governor Mr H. V. R. Iengar who is now touring the United States.

Mr P. R. Viswanathan, Resident Representative of the Indian Sugar Mills Association, has left for New York. Mr Viswanathan will

supervise the work of weighing and sampling of sugar on its arrival there and will also inform the ISMA of the day to day developments in this field in the USA.

Mr W. C. F. Simmonds of Tea Estates India (Private), Limited, Coimbatore, and Mr H. C. Kothari were unanimously elected President and Vice-President respectively of the United Planters Association of South India.

Mr P. M. Mathew, IAS, Director of Agriculture, Kerala, has been appointed Planning Adviser to the Government of British Guiana. The State Government has placed his services at the disposal of the Indian Planning Commission for deputation to the Government of British Guiana.

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Clive Street Gossip

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

IF, as widely suspected, Mr Hammarskjöld's death was due to Katangan sabotage or shooting, it would be yet another instance of the Muse of history taking a special delight in irony. For about a year now Mr Khrushchev has been slinging Mr Hammarskjöld and metaphorically asking for his head, because of the latter's alleged complicity in imperialist plot to keep the Congo divided. And yet Mr Hammarskjöld's death has followed in the wake of UN attempts at bringing Katanga into the Union of Congo. What is more, the hand that most probably took his life was that which he is supposed to have liked to shake by preference. But the irony does not end there. Latest reports indicate that it was British pressure that sent Mr Hammarskjöld to meet Mr Tshombe for arranging a cease-fire in Katanga. If these reports are true, Mr Hammarskjöld's death by probable Katangan instrumentality is even more grimly ironical.

The role of an honest broker in international politics is notoriously unenviable, but it is hard that high-minded intercession in the way of the duty should be visited so harshly. Mr Hammarskjöld's death is yet another reminder of the true nature of the barbarous politics of our times, dyed in blood and wrapped in violence. Any complacent attempt at giving oneself a moral alibi by suggesting that all this is due to excesses of voodoo and black-magic associated with African politics will not bear a moment's scrutiny: At an individual level one recalls other violent deaths encountered by men who were doing nothing but their duties. Of particular poignancy in this context is the assassination eight years ago of another distinguished Swede, Count Bernadotte, while performing a similar international duty. Mr Hammarskjöld's death like that of Count Bernadotte merely dramatises the violence in the air and the fear that lurks in every corner in an age in which the moral sensibilities of mankind have been dulled. For a world that has been conditioned to the possibility of mass destruction as a normal hazard of civilised life, individual deaths do not come with a vivid shock. Perhaps the Yeatsian Second-Come is already a fact: The blood-dimmed tide is loosed everywhere, the ceremony of innocence is drowned: The best lack all conviction, while the worst are full of passionate intensity. In Mr Hammarskjöld we had at least one good man who did

not lack conviction, though, he was not noticeably garrulous about it. Now that he is gone, the worst will probably be even more noisily passionate.

A rather interesting suggestion for solving the problem of international liquidity has been made by Mr L. K. Jha, Secretary of the Finance Ministry, Government of India, in an article in the London Financial Times. Mr Jha has steered clear of fancy schemes that involve the creation of a new medium of international exchange and other institutional changes associated with it. In fact, his scheme does not even involve the invoking of Article VII of the IMF and obtaining firm commitments of lines of credits in various currencies. The essence of the idea, if I may permit myself an oversimplification, consists in making the IMF function rather like a commercial bank offering the usual facilities of overdraft. As in the case of ordinary overdraft arrangements, a simultaneous credit is given to the borrower and he will be allowed to operate this account for his disbursements as and when occasion arises. In effect, he will issue "a cheque" in favour of particular countries and these cheques will be credited to the accounts of the countries concerned. These countries can either withdraw the amounts to their credit in such accounts immediately or they may use them when they themselves want to make payments to others. Mr Jha expects that in course of time the IMF will have a sizeable number of such "current accounts". In so far as these accounts with the IMF are allowed to remain, they automatically increase the resources of the IMF. In fact, as in the case of a commercial bank, the IMF will be able to create credit on the basis of such growing resources. No doubt, care will have to be taken that such expansion of credit does not add to world inflation. But that is a danger which a seasoned financial institution like the IMF can be confidently expected to take care of.

The principal attraction of the scheme as explained by Mr Jha himself is that it does not make any immediate demands for fresh commitments on the part of the member countries. In fact, it does not even involve the promise of firm credit lines such as have been asked for in the current discussions at Vienna. As Mr Jha puts it, "No new obligations are created.

Reliance is placed instead on the attractiveness of an account with the IMF as against holdings of individual currencies. The countries which hold such an account can readily reduce it if their surpluses begin to dwindle. On the other hand, if any country were to agree to hold this account for long periods of time, the IMF could pay an interest to them—since the IMF would be earning an interest from the original borrower". In other words, when the scheme gets going, the IMF will be a gigantic commercial bank operating on a global scale. By any manner of reckoning, this is an interesting scheme and all its implications deserve to be studied closely.

Sir Bernard Waley-Cohen, the Lord Mayor of London need not have travelled five thousand miles (and at his own expense too) to make himself ridiculous. At an official lunch in Calcutta the other day, he felt impelled to lecture Mr Nehru how a freeman (though honorary) of the city of London should conduct himself in public. As the Lord Mayor of London, he said, he felt he had a certain responsibility in the matter. Mr Nehru's misdemeanour, it would appear from certain things that the Lord Mayor let slip at the lunch and elsewhere, was his somewhat wistful reference at a Press conference to Earl Russell's imprisonment. Anyone with some knowledge of Mr Nehru's own past would have seen in it nothing more than a certain nostalgia for the period when moral protests and gaol sentences were daily occurrences in his life. To construe this as a piece of interference in the internal affairs of Great Britain requires obtuseness of a special order. Curiously, the Lord Mayor advises Mr Nehru in the same breath to concentrate "his brilliant and statesmanlike abilities on the great world problems." Apparently, in Sir Bernard's estimation, preoccupation with nuclear disarmament in a statesman is unforgivably trivial. But apart from the merits of the argument, what makes Sir Bernard think that he is answerable for the behaviour of honorary freemen of the city of London? And does he really believe that the London County Councils (General Powers) Act of 1927 has conferred on him the duty and the power to pull up honorary freemen of the city all over the world? Some obscure jurisdictional point is apparently troubling the Lord Mayor and it is only kindness to tell him that he is mistaken in assuming such global responsibilities. But taking Sir Bernard on, on his own terms, surely a Londoner's privilege extends to criticising his Government and a freeman of the city of

London can do so without impropriety? In any event, distinguished men who would normally feel proud to be elected freemen of the city of London would be noticeably less eager for the honour if they thought that they were answerable to the Lord Mayor of London for their conduct at Press conferences.

Popular literature, which is basically anarchic in its inspiration, has often been irreverent to the office of the Lord Mayor. Over centuries, even the little brief authority in which the office is dressed has been rendered largely ceremonial. It is a little unfair to criticise a Lord Mayor for pomposity when the essence of the office is pomp and a somewhat anachronistic circumstance. It is easy to tilt the precariously poised dignity of that office into abysses of the ridiculous. Sir Bernard has done just that.

I have always felt that the rather smug habit of holding up to public scorn the howlers of candidates for government employment was grossly unfair. I also feel that the wrong kind of conclusions are being drawn from them. The nuggets chosen for the delectation of the public are examples not so much of ignorance as of enterprise: the very bizarerie of the answers proves it. Any fool can, by dipping into the appropriate reference manuals, set a paper in General Knowledge that will stump the most omniscient examinee. I should think poorly of the initiative—a quality that we are told is indispensable in a civil servant—of the examinee who, when he does not know the answer to a question, accepts defeat and leaves a blank column. In a situation where the odd mark is important, a plucky guess is worth the trouble. I, for one, am willing to consider this readiness to take a long shot a point in favour of the candidate who, after all, may have to take many long shots before he earns his pension. He may, as he has, come a cropper, but these are days in which government officials are exhorted to learn by making mistakes. That is why I admire the Orissi candidate who, when he did not know who Janos Kadar was, hazarded the opinion that he was a Pakistani Minister. Now you may deplore the fact that the great Hungarian revolution did not sea the soul of the young man badly enough for him to recall who M Kadar was. But I have nothing but praise for the way he let his auditory imagination supply his factual deficiency and track the name to a probable Muslim origin and so inevitably to Pakistan. must also say that English orthography, against which Shaw was tilting all the time, has its share of the blame. Indeed my new paper reporting the howler he made the Hungarian Prime Minister Janab Kadar!

EAVESDROPPER

Olympus

FOOD PRICES Storage for Stabilisation

A broad indication of future price policy—this has since been spelt out in the election manifesto of the Congress party—was given by Prime Minister Nehru at his press conference last Sunday. Mr Nehru made it clear that maintenance of floor prices for foodgrains would be an essential constituent of the policy of stabilisation of the prices of essential commodities. Government's broad policy, he said, was not only to check the prices of essential articles, particularly food grains from rising, but to prevent them from falling too low. He added that Government would like to fix a price below which food grain prices should not fall but such price should be fixed before the sowing season.

The policy briefly indicated by the Prime Minister is implicit in the Third Plan approach to the problem of prices. Hitherto Government's intervention has been confined to action designed to control rising prices for the benefit of urban consumers. Though the necessity for floor prices has been urged by many expert bodies which have gone into the problem, action to ensure stable and fair prices for producers has been halting and half-hearted, with the result that the entire policy of price control has remained largely ineffective. If food grain prices are to be stabilised, Government should be in a position to take action to prevent sharp fluctuations in prices in either direction. The key to stabilisation, as the Planning Commission has pointed out, is building up of buffer stocks and operating them through continuous purchase and sale over a wide front. The difficulty that has held up the implementation of such a comprehensive policy, it has been suggested, as been inadequate facilities for storage of food grains. Successful implementation of the policy in future will depend on rapid expansion of storage and warehousing capacity under Government control.

At the end of Second Plan the total storage capacity at the disposal of the Central Government was only 2.5 million tons of which only about a third was owned by Government. It is proposed to increase storage accommodation to 5 million tons of which about 3.5 million tons will be owned by Government. The plan has allotted Rs 25 crores for the construction of additional godowns and Rs 8 crores for warehousing programme. It is also stated that, as provision of storage capacity is a vital step in the implementation of the price policies under

the Plan, such further resources as may be needed will be made available. The storage capacity of warehouses of the Central and State Warehousing Corporations is to be increased from 350,000 tons at the end of the Second Plan to 1.6 million tons. Progress already achieved and plans for the future were reviewed at the fourth annual general meeting of the Central Warehousing Corporation. The Chairman, Mr B. B. Ghosh, Union Food Secretary, said that warehousing had been making steady, though not spectacular, progress, and had created a general consciousness of the need for good storage; this was bound to result in widespread benefits. The storage capacity of Central warehouses rose from 44,040 tons at the end of 1959-60 to 79,020 tons at the end of 1960-61. The Corporation has approved project reports for the construction of warehouses at 34 centres with a total storage capacity of 1,63,400 tons at an estimated cost of Rs 231.27 lakhs. Warehouse buildings with storage capacity of nearly 27,000 tons have been so far completed at seven centres in different States. The State Corporations have also undertaken construction of their own buildings at more than 20 centres.

The Corporation has also taken steps to accelerate its construction programme. Mr Ghosh said that emphasis during the Third Plan would be on building warehouses of a proper size at least at centres where warehouses had been started in hired accommodation and to take up construction increasingly at new centres. The Engineering Organisation functioning under the Government of India's Department of Food, would now also undertake and look after the construction programme of the Central Warehousing Corporation. This was expected to expedite the construction of facilities.

Apart from the provision of buildings it is also necessary to train the personnel for the large number of new warehouses that are to be set up. So far more than 400 persons have been trained at the five courses organised by the Corporation. Another two months' training course was inaugurated by Mr B. B. Ghosh, Union Food Secretary, on September 11. The first batch of 87 trainees from the Central Corporation and a number of State Corporations will complete their training on October 16. The second batch of 82 candidates from various State Corporations will commence their training on October 9.

Revised Coal Targets

The task of the National Coal Council, which met in New Delhi last Tuesday to review the coal production target and its fieldwise and gradewise breakup, would have been

facilitated if the high level conference which met in the previous week had been able to arrive at firm decisions. The Council, it is learnt, has however approved a tentative fieldwise and gradewise breakup of the additional production of 37 million tons required to reach the Third Plan target of 97 million tons by 1955-56. It has been emphasised that this target of 97 million tons is an actual production target set for achievement in the last year of the Plan and not a target of the rate of production to be achieved in the last quarter of that year. This means a monthly rate of production of 8.1 million tons by the first month of the last year of the Third Plan.

The additional production was allocated between the private and public sectors as 20 million and 17 million tons respectively, at the last meeting of the Council held on November 28, 1960, when a tentative breakup was also approved on the basis of data then available. More geological data about the coal fields to be developed, especially in the public sector, as well as a clearer picture of the gradewise demand of essential consumers, have now become available and the pattern of production has been modified accordingly.

The additional production of 20 million tons in the public sector has been allocated as 17 million tons from NCDC and 3 million tons from Singareni. The total capital investment required for the purpose is estimated at about Rs 103 crores with a foreign exchange component of Rs 48.1 crores. It is also pointed out that the outlay of Rs 57 crores provided in the Plan for raising 17 million tons by NCDC may not be adequate. Further funds may be required to achieve the target and it is believed that these funds will be made available from out of the outlay for the Bokaro Steel Plant.

The additional production of private sector collieries of 17 million tons will consist of: Coking coal 4.87 million tons; blendable coal 1.12 million tons and superior grades of non-coking coal 10.84 million tons. The major portion (11 million tons) of this additional production will be from existing mines and the balance from new sinkings in existing leasehold areas. The capital outlay in the private sector programme is estimated to be of the order of Rs 60 crores with a foreign exchange component of Rs 28 crores.

The review of demand and production targets has disclosed a shortage of coking coal for steel plants underlining need for more washeries. Against estimated requirements of Rs 29.25 million tons, made up of 26 million tons of coking coal and 3.25 million tons of blendable coal, the availability will be 23.25 million tons of coking coal and 4.82 million tons of blendable coal by end of Third Plan. It has been suggested that, unless blendable coal is earmarked solely for the steel plants, it would be difficult to meet their requirement of 3.25 million tons of this grade by 1965-66. According to present estimates a washing capacity of 112 million tons, is to be built up.

The Railways too will not be able to get all their requirements of quality coals for which they have

been pressing. Though steps have been taken to set up washeries for beneficiating coals so as to meet the requirements of railways, the present indications are that adequate washing capacity for washing non-coking coals will not be established by the end of the Third Plan. Till the full washing capacity is established, the quality coals will have to be distributed proportionately among all the essential consumers and the Railways will have to make up their full demand by making use of grade I coals.

The Council considered the requirement of coal for the Fourth Plan and estimated the requirements at 200 million tons and indicated the manner in which the demand and fieldwise breakup of the production may be worked out. The total development cost at the rate of Rs 60 per ton for raising the additional 103 million tons is estimated at Rs 618 crores. This figure excludes the extra cost of developing deep and difficult mines as well as the capital cost on maintenance of the level of production to be achieved by end of Third Plan.

The appointment of a nine-man committee to review the functions of the different organisations for development of small industries was announced last week. It may be recalled that the Estimates Committee of the Lok Sabha, in its report on Small Scale Industries presented last year, had drawn attention to the multiplicity of organisations that have been set up for the development of the small scale sector. There are two executive agencies at the Centre, the Development Commissioner's organisation and the National Small Industries Corporation. The Committee found that the functions of these two organisations were not clearly demarcated and felt that there would be advantage if the two could be amalgamated. At the State level there are several agencies for rendering assistance to small industries. The main organisation at the State level is the State Directorate of Industries. The functions of the State Director of Industries, the Committee observed, overlap those of the Central agencies at the State level in many respects. In addition, the State Financial Corporations and the State Bank of India are in certain cases also acting as agents of the State Governments in rendering financial assistance to small industries. The large number of agencies makes for delay in the grant of developmental aid, as reference has to be made to a number of other agencies, Central and State, before any one Central agency can take action. After considering the set up of the organisations and their functioning, the Estimates Committee recommended that a committee "consisting of representatives of Central and State Governments and of small industries may be constituted to review their working and make suitable recommendations with a view to reduce the multiplicity of organisations, eliminate overlapping of functions by clearly demarcating the duties as between them, avoid delays, procedural and otherwise and provide as far as possible service".

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Varying Conditions

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Fuel

Having established the purpose for which the steam power created will be required, it is necessary for the design engineer to identify the type of fuel to be used, either oil, gas or coal. Coal is by far the most widely used fuel, but its thermal content varies and it is therefore necessary to make an analysis to establish the percentage of principal heat-producing elements present. The thermal content of fuel has an important bearing on the designing of the kind of plant to be installed. Generally low-grade coal is used with anything up to 50% ash content. It should be remembered that steam must be raised as economically as possible.

Waste fuel

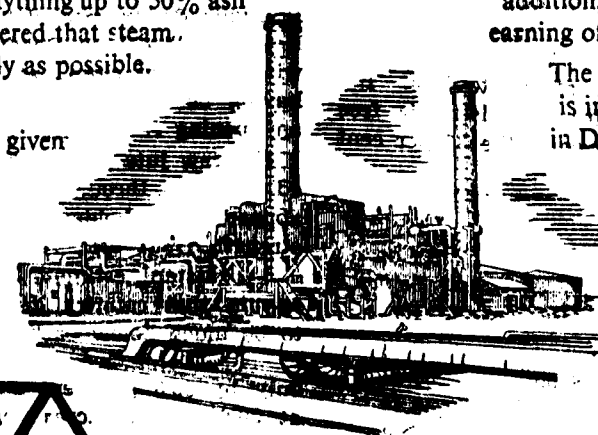
Particular attention has to be given to industries that wish to use waste material as fuel. For instance, the sugar industry absorbs vast quantities

of waste material in the form of bagasse for fuel; again in the pulp and paper industry it is now the practice to combine the processes of chemical recovery and steam raising by burning the 'black liquor' from the digesters in a special type of boiler unit. Of course, these industries cannot keep their steam-raising plant functioning entirely on waste materials. So, in their designing and planning, the technicians and design engineers must allow for varying fuels to be used and at the same time achieve optimum performance.

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Markets

JUTE Progressive Increase in Gunny Output

It is generally believed now that the jute industry can confidently look forward to a period of smooth working. The supply of raw jute has considerably increased during the past fortnight or so and the price levels both in the raw jute and goods sections seem to be quite reasonable. A few weeks ago it was feared that raw jute prices might be pushed down so low that cultivators would lose interest in jute cultivation next year. It was at that stage that the question of fixation of a minimum price for raw jute came to the fore. The West Bengal Chief Minister lent powerful support to the floor price idea which appeared to have been favourably received in New Delhi also. In the meantime, however, partly because of the decision of mills to bring into commission looms sealed during August and partly because of the active consideration of the buffer stocks proposal, raw jute prices recovered.

Raw jute prices are quoting at what is considered generally as a reasonable level and during the past few days there has not been any wide fluctuation. The present level seems to be quite remunerative both to the cultivator and the jute goods manu-

facturer. Mills require considerably increased supplies as they have, since the beginning of the month, reopened a total of about 9 per cent of looms. Moreover, they are shortly to increase their weekly working hours from the present 42½ hours to 45 hours. The next step will perhaps be the restoration of the 48 hour week with the unsealing of more looms to come later on if such a step becomes necessary.

It is to be expected that the industry will be progressively increasing its output in coming months in view of the adequate supply of raw jute that will be available during the current jute year. An official estimate has placed the 1961-62 jute crop at between 65 (and 70 bales bales. The final estimate of the acreage under jute this year is 1,836,000. This shows an increase of 20 per cent over last year. The area under mesta is estimated at 800,000 acres. Although the quality of the fibre is said to have suffered a setback due to inadequate supply of water for retting, the yield is reported to have increased in most growing regions. The new crop is already moving into the markets in daily increasing quantity and in coming weeks arrivals may be expected to further increase in volume. Besides the Indian crop, mills will be able to supplement their supply from imports. A liberal import policy is being adopted by Government in regard to jute. Import of jute from Pakistan is free of duty and recently the 35 per cent

import duty payable on imports from other sources has been removed. This will enable the Indian industry not only to build up its depleted stocks but also to reduce its cost of production by the use of cheaper imported jute. Both Pakistan and Thailand have reported good crops this year and since there is no import duty payable, importers can get their requirements from either of the two countries, Pakistan and India, depending on which country offers better prices. So far about 300,000 bales of jute cuttings had been authorized for import and it has been indicated that further imports may be authorised if necessary. It is understood that the buffer stock authority will come into being before the end of the current month. The authority may not, however, be required to enter the market immediately it is constituted. For, what with the unsealing of looms and increase in the working hours, mills will be needing increased supplies which they have perforce to buy from the market as their stocks have already been practically exhausted.

The jute goods market ruled dull most of the time developing a quiet undertone toward close. It would appear that foreign buyers continue to buy only their immediate requirements in the hope that prices would come down in view of the increase in working hours from next week. B Twills Ready opened the week at Rs 133.50 and was done up to Rs 134.50 around midweek mainly in sympathy with the raw jute section. In the continued absence of foreign interest and on confirmation that mills would work 45 hours a week from next week, a quiet trend prevailed and B Twills Ready reacted to Rs 132.75. Hessian 40" x 10 oz Ready was likewise easier at Rs 50 after having been done up to Rs 51 from an opening rate of Rs 50.50.

The raw jute section, however, ruled steady throughout. It would appear that holders have derived strength from the fact that the official Pakistani estimate of jute acreage in that country has turned out to be much below earlier indications. Pakistan's jute acreage has increased only by 35.8 per cent and is placed at 20.61 lakh acres against 15.18 acres. It was expected that the increase in acreage would be something like 50 per cent. Consequently, the Jute outturn in Pakistan will also be lower than anticipated. It was believed earlier that the Pak jute crop would be about 80 lakh bales. On the basis of the actual acreage, jute production in Pakistan may not be more than 65 lakh bales.

TEA Production and Prospects

PRODUCTION of Tea in North-East India has risen sharply to 110.82 million pounds in August from 95.78 million pounds in the previous month and 95.36 million pounds in the corresponding month of last year. Total production, for the first five months

ended August 1961, is also higher at 324.66 million pounds as compared to 269.03 million pounds in the corresponding period of last year.

According to the latest monthly review, released by Messrs J. Thomas & Company, four sales were held during last month, when offerings totalled 272,371 packages as compared with 248,191 packages in five sales in August 1960. With the quality of the offerings from all districts past their peak and with a larger crop being produced this season, prices for all sorts showed a steady decline with sharpest drop occurring in the fourth sale of August. In spite of the easier market that prevailed there was a good demand from exporters and internal buyers for orthodox teas even though rates for the tippiest sorts showed falls of, sometimes, up to Rs 5 per kilo.

The review adds that North Indian producers and buyers are at a disadvantage compared with their Ceylon counterparts due to the taxes they have to bear, and thus Indian plain teas are uncompetitive on world markets. The review concludes by stating that "altogether, at present, the outlook for producers is not particularly encouraging and we expect the market to fall still further before any improvement can be expected. It is necessary, therefore, that on such a market, a better standard of teas than last year should be produced, since, with ample supplies to choose from, buyers can be very selective."

Meanwhile, in the Export Sale held in Calcutta this week, offerings were 66,307 packages. There was a good general demand. Plain orthodox descriptions were irregular. Wellmade teas free from stalk and fibre were firm; but the remainder were generally a little easier. BOPs were well supported. Medium and better orthodox types were irregular; but useful liquoring kinds and particularly Orange Fannings met with good competition.

CTC types were very irregular with a few selected best liquoring kinds selling above last rates. The remainder were, however, generally up to 20 nP easier with BP's receiving better support than similar Fannings. Off-grades were irregular, but those with useful liquors were sold well.

Darjeeling teas received fair support at easier rates. Whole Leaf grades were again a little easier with more demand for the cheaper varieties were quoted:—Clean Plain Broke Rs 4.20 to Rs 4.40; Plain BP Rs 4.10 to Rs 4.30; Plain Fannings Rs 3.90 to Rs 4.10; Medium Assam CTC BP Rs 4.80 to Rs 5.20; Medium Assam CTC Fannings Rs 4.80 to Rs 5.20; Best Assam CTC BP Rs 5.30 to Rs 5.70 and Best Assam CTC Fannings Rs 5.30 to Rs 5.90.

In the Internal Sale, offerings were 25,380 packages of Dusts and 212 packages of Leaf grades. There was a good and general demand for Dusts. CTC types were irregular, but generally dearer, particularly those with a clean leaf appearance. Orthodox descriptions eased further; but there was a better demand than in the previous week. Better liquoring Legg-cut types were fully firm to dearer; but the plainer and fibrous

descriptions declined in value. Following rates were quoted:—Plain Orthodox Dust Rs 3.90 to Rs 4.20; Medium Assam Dust Rs 4.20 to Rs 4.60; Legg-cut Dust Rs 4.30 to Rs 5.00; Medium Assam CTC Dust Rs 5.65 to Rs 5.90 and Good Assam CTC Dust Rs 6.30 to Rs 6.60. There was a fair general demand for the Leaf grades.

In the Colombo market, offerings were 6,969,208 pounds. There was a stronger general demand. Best Dim-bula/Dickoya Brokens were sold at about last rates; but lower qualities were substantially dearer, reflecting active demand. Best Uva teas were irregular, following quality. Better medium brokens were slightly dearer, while low-grown teas were slightly easier.

In London auction, offerings were 27,268 packages including 20,308 packages of Northern India teas. Bidding was strong and well distributed for all good teas and prices tended dearer. Teas from Doars, except the poorest kinds, were fully firm. For all other kinds, the market was very irregular and prices showed a decline.

The export quota of Pakistan tea has been fixed at 10 million pounds, which is double the quota allocated by the Pakistan Government three months ago. This increase is made possible by a record production. The Government has also reduced the export duty on tea from 38 paise to 25 paise per pound to enable Pakistan tea exporters to compete favourably in export markets. While the authorities are watching the situation regarding price control now in force, active steps are being taken to increase the area under tea under the scheme of three per cent annual extension of tea acreage to fulfil the five-year target of one lakh acres from the present estimated 80,000 acres.

In the sale held at Chittagong, offerings were 14,361 chests of leaf grades and 3,675 chests of dusts. Among leaf grades, best liquoring sorts were the strongest feature and realised full valuations; but stalky residues aroused less interest and were discounted by 20 to 30 paise per pound. Dusts met with a fair demand at prices generally 10 paise below levels ruling a fortnight ago. The next internal sale will be held on 27 September, when offerings will be 15,320 chests of leaf grades and 4,300 chests of dusts.

COTTON Futures Buoyant

Bullish trend held its sway for the second week in succession in the cotton futures market in Bombay and the Varilla March contract during the past week gained further ground deriving inspiration from the unpropitious weather conditions in many of the cotton growing centres and fresh buying support. The contract during the close of the week reached a new peak of Rs 612.25 and showed a net rise of five points over the previous week's closings. However thereafter the contract drift-

ed lower and on Tuesday last was quoted at Rs 608.25. The resistance the contract confronted at higher levels was attributed to the light but persistent realising by Ahmedabad and Calcutta. According to the consensus of opinion the contract is not likely to remain firm unless some adverse developments take shape in the weather conditions.

A gradual revival of mill demand for old crop was visible in the spot market at Sewri. The only possible explanation that can be given for such a development is the fear of possible damage to the new crop and the likely delay in their marketing.

Staple growths like Dig Vijay, CO 2 and L 147 met with spinner demand at slightly higher prices. The trade circles confidently feel that the current crop of Surti and Dig Vijay has practically been exhausted. The prices of these varieties showed an upward trend.

Interest in Bengal Deshi, on the export front broadened during the week under review and nearly 16,000 bales were reported to have been sold. Japan figured as the leading buyer of this growth and accounted for 10,000 bales; the remainder being absorbed by Continental purchasers. Shipments of cotton during

the previous season aggregated 0.28 million bales as against 0.19 million bales in the previous season. Japan topped the list accounting for 0.22 million bales.

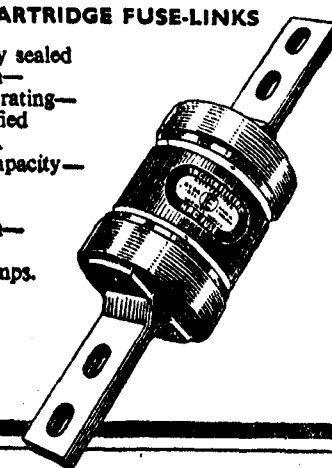
In the import section African varieties were eagerly sought after by the mills on account of their low prices. Interest in Sudanese and Egyptian growths was sporadic. American cotton stapling 1.1/16" and above failed to attract the attention of buyers. Some mills were reported to have purchased a small quantum of US cotton 1" and below presumably due to the paucity of indigenous cotton spinning 20/30s counts.

ENGLISH ELECTRIC

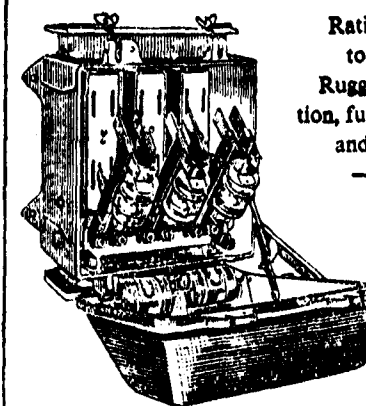
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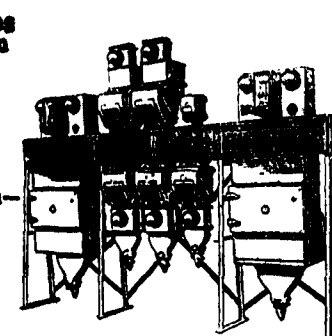
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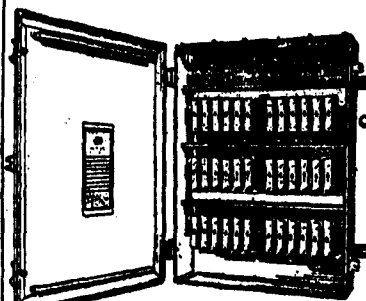
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PIECEGOODS:

Divergent conditions prevailed in the Bombay cotton piecegoods market during the past week. The domestic sector remained featureless whereas the export front depicted moderately lively conditions.

The dull conditions in the domestic sector had serious repercussions and the turnover during the week under review dwindled into a mere trickle. Purchasers were conspicuous by their absence. Even those from Andhra, Bihar, Kanpur, South India and Assam who entered the market transacted only small business.

The mills and merchants are still very much in the embarrassing position in which they were placed a few weeks ago. Their endeavours to liquidate their holdings even at lower rates proved futile. Popular items which had at one time commanded a premium of about 15 per cent were offered at a low premium of five per cent. It was also reported that in some cases goods were even available at par. Stockists of grey goods, poplins and power-looms too were ready to dispose of their stocks at very low prices. Unfortunately all their efforts were of no avail for the market was deserted by the customers.

The export front, on the contrary, showed signs of looking up and presented routine dealings. The UK evinced considerable interest in spot goods against the unutilised licences for the current year. Inquiries for usual varieties for delivery in January, February and March under export licences flowed on a highly encouraging level. However the shippers in Bombay were reluctant to make any commitment before securing an assurance for their quota.

Sudan during the last week remained inactive. Stray transactions in uncalendered sheetings with West Germany were reported. Burma's interest hovered around coatings, sheetings, bleached mulls and superfine dhoties. Bangkok was contented with a small quantum of printed voiles, sarees and bleached longcloth. Aden's fancy focussed on grey sheetings and gadapat and East Africa was satisfied with a small quantity of sheetings.

The East India Cotton Association has now finalised arrangements for carrying out arbitrations on quality of US cotton (including appeals) in Bombay by the six sworn surveyors. They have been designated as Board of Cotton Examiners by the US Department of Agriculture in 1959 and are authorised to carry on arbitrations and appeals on quality of US cotton. The Association has also framed by-laws to govern CIF, C&F and FOB contracts and contracts for cotton imports to arrive and for forward delivery and the same have also been approved by the American Cotton Shippers' Association. (The by-laws have also received the approval of the Government of India.

Till now disputes regarding quality of US cotton were mostly forwarded to the Liverpool Cotton Association. Hereafter, if the buyers and sellers so agree at the time of entering into contract, the arbitrations and appeals could be carried on in Bombay.

To meet the wishes of the American Cotton Shippers' Association, a special provision has been included in the by-laws that if the contracting parties so desire at the time of entering into a contract, appeals against arbitration awards in Bombay could be lodged with the Liverpool Cotton Association upto 31 July 1962, which date is subject to further extension by mutual agreement between the Associations. The Association is now in correspondence with the Liverpool Association to finalise these arrangements.

In the meantime such shippers and importers who desire to have arbitrations and appeals in Bombay, can do so subject to the newfangled by-laws.

Pepper Output

ACCORDING to a report issued by the Commonwealth Economic Committee, the output of pepper in India, which fell from 526,000 cwt in 1959-60 to 524,000 cwt in the following season, is expected to show a further decline in the 1961-62 season as a result of the damage to the pepper vines caused by floods in Kerala. An official forecast in June placed the Sarawak crop in 1961-62 at about 120,000 cwt against an exportable production of 133,000 cwt in the previous season and 141,000 cwt in 1959-60. Full details of the 1960-61 harvest in Ceylon are not yet available.

Information so far available suggests that there was some expansion in world trade in pepper in the first part of 1961 compared with a year earlier, the reduction in shipments from India and Ceylon being more than made good by an increase in those from Sarawak and in re-exports from Malaya of Indonesian pepper.

Exports of pepper from India in January-April 1961 totalled 174,800 cwt against 194,700 cwt in the corresponding period of 1960, reflecting, in large part, the reduction in consignments to the US to less than two-fifths of the level a year earlier. The decline more than outweighed the threefold increase in shipments to the Soviet Union and, on a smaller scale, the increase in those to Pakistan, the ECM, Egypt and Iran.

Apparently, as a result of clearing of stocks in Sarawak at the end of the 1960-61 season, there was a sharp increase in shipments in April-June leading to a more than fourfold increase in exports over the first half of the year. Some 75 per cent of the total was consigned to Malaya, while, on a much smaller scale, increased quantities were also taken by the ECM, the UK and other Commonwealth countries.

COFFEE

According to the figures released by the Coffee Board, the receipts of coffee into the 1960-61 Pool up to 15 August 1961 have amounted to 67,149 tonnes, comprising 28,956 tonnes of Plantation variety; 10,121 tonnes of Arabica Cherry and 28,072 tonnes of Robusta.

During August 1961, internal releases were 2,947 tonnes of coffee, bring-

ing the total, for the eight months ended August, to 21,721 tonnes.

Up to the end of August 1961, 22,793 tonnes of coffee, made up of 17,911 tonnes of Plantation; 1,382 tonnes of Arabica and 3,500 tonnes of Robusta were sold for export out of the 1960-61 crop as against only 9,218 tonnes (Plantation 8,007 tonnes, Arabica 819 tonnes and Robusta 392 tonnes) exported in the corresponding period of last year.

SUGAR

Thanks to easy supplies following the removal of curbs on its sale and distribution, conditions in the Sugar markets have remained generally quiet. The Union Government may soon lift whatever curbs are left to encourage consumption in the country. In view of the heavy carry-over, sugar factories are reported to be reluctant to start crushing earlier in the season. In the Hapur market, the rate for wholesale delivery is quoted at Rs 105.50 per bag.

The production of sugar has since witnessed considerable progress and the total stocks that will be made during the current year in the country are estimated to be at a record figure of 3,320,000 tons. In fact, the increased production has been a source of worry, both to the producers and to the State Governments. The disposal of exportable surplus has become a problem.

With the better supply position that is obtained currently, the need to modify the present system of distribution has been widely acknowledged. In fact, the States of the Punjab, Gujarat, Uttar Pradesh have already removed the inter-district restrictions on the movement of the sweet commodity.

GUR

In the Hapur Gur market, trading is poor, as only dry selected stuff is in demand. Stocks are estimated at 14,000 maunds.

Cane crop prospects are considered to be bright. As the supply of cane is not likely to show any increase as compared to last year, a rise in gur and khandari production is expected. Production in the new season is expected to commence early next month. Dry selected gur is quoted at Rs 16.25 a maund.

FOODGRAINS

The Hapur Foodgrains market exhibited steadier conditions during the week, following the reported damage to kharif crops. Wheat prices have improved fractionally to Rs 15 a maund for the average quality and Rs 16.50 a maund for the farm produce. The market for Rice is, however, ruling quiet following last year's bumper crop. Gram has recorded fractional gains at Rs 14.12 a maund for superior Punjab variety. Barley prices have sought higher levels. In Pulses, Peas rules steady on good Calcutta demand. Moong has drifted to lower levels on good crop reports from the producing areas of the South.

They Bombay market has also presented a steadier appearance.

Reports of inclement weather and sustained downpour in several States of the country are received by traders with concern. It is feared that if the weather does not improve soon the standing kharif crops may be affected adversely. Already, there are reports that the standing maize crop in Bihar has been adversely affected by adverse weather. Apprehensions are entertained also in respect of the jowar in Madhya Pradesh and the output of Bajra in Gujarat. Reports in respect of Gram production in Madhya Pradesh and the Punjab are also causing anxiety.

In the circumstances, the mood of depression, which characterised trading in the previous weeks, has begun to disappear from the market gradually. Traders are no longer very keen to unload supplies even at the lower levels. The general inclination is to await a clearer picture of the foodgrains output in the country.

CHEMICALS & DYES

Quiet conditions are witnessed in the Bombay Dyes and Chemicals markets. Operators are not very active and prices have tended to move down, influenced largely by the position of supplies.

Among Chemicals, the demand for Caustic Soda has tapered off with operators expecting fresh stocks from Japan through the State Trading Corporation. Camphor is moving narrowly between Rs 22 and Rs 22.50 due to seasonal demand. Menthol prices have registered small improvements over last levels due to the continued firmness of the Calcutta market.

The ready price in Calcutta has climbed up to a new level of Rs 158 per pound owing to a keen demand against meagre offerings. Stocks are believed to have been covered by some resourceful bulls at Calcutta. With the result, consumers are reported to be virtually at the mercy of sellers. An announcement regarding the new import policy is in the offing; but traders do not fear any further cut in the licences. Imports are at present are allowed on the basis of 2½ per cent for six months. This itself is considered to be inadequate in the context of the rising demand in the country.

In the Dyes section, a mixed trend is noticeable. Though turnover is fair, demand is confined to certain items only. Bases and Naphthols are easy owing to the revision of tariff values. Stockists are, however, unwilling to part with their holdings on the belief that imports will not be liberalised in the next licensing period.

NON-FERROUS METALS

Prices of Non-Ferrous Metals have generally displayed an easier tendency in the Bombay market. The Tin section rules quiet. Although the local stocks can by no means be considered adequate, the general feeling is that the situation may change for the better in view of the US decision to market a portion of its reserves.

Copper shows a two-way tendency.

23 September 1961

Zinc and Lead have not displayed much movements in prices. They are evidently affected by the behaviour of tin and copper.

GOLD & SILVER

Prices on the Bombay Bullion Exchange displayed a firmer tendency during the major part of the week. Both the metals advanced after a higher start following the improved trend in the ready section, thanks to buying by Madras and Bangalore operators. Later, however, most of the gains were erased due to the sale of about 500 tolas of gold by the Reserve Bank.

Gold was already poised for a rise on account of bull cornering and a brisk offtake. It was felt that the worsening international situation would tend to push up the demand for the metal and the smuggling would be restricted. Spot houses were not, therefore interested to part with their reserves except at sizable improvements in prices. Gold ready changed hands at Rs 124.50 to Rs 124.75, while Sovereign ruled steady at Rs 96.00. Arrivals amounted to 3,500 tolas against an offtake of as much as 6,500 tolas.

After initial firmness, prices of Silver generally showed an easier tendency. Arrivals were higher at 17 bars as against an offtake of only 8 bars. Silver (below .996) changed hands at Rs 202.70 to Rs 202.90.

OILS & OILSEEDS

The trend of prices on the Bombay Oilseeds Exchange was generally irregular. Trading in Groundnut started on a firm note in the hope that the Government would offer extra incentives for exports of groundnut oil; but the deliberations of the Export Promotion Advisory Council failed to justify the hopes. However, the market rebounded sharply due to renewed trade support, inspired by fears that the latest adverse turn in weather conditions in some of the major producing areas might affect the new crop adversely. A section of the trade felt that the extent of the damage would not be large enough to warrant a drastic revision of the earlier crop ideas. In an event, sellers were inclined to be cautious. Groundnut Bold ready was quoted at Rs 48.25 and Groundnut Oil at Rs 20.50.

In the Castorseed section, trading was featured by consistent strength in the maturing contract, as tenders continued to be very small. Shippers claimed that the bulk of the 1,200 ton shipment afloat for the week had been sold at \$114 per ton; but fresh demand from that country continued to be small. There were no enquiries from the US or any of the Communist countries.

In view of the change in the supply and demand position, the world over, some of the market circles are inclined to believe that India may hardly be able to export 25,000 tons in oil in 1961 as against about 52,000 tons exported last year. Indian exports can improve only if the prices come down in line with those of Brazil. Meanwhile, Castor ready was quoted at 33.37 and Castor Oil, commercial quality, at Rs 13.46.

The continued shortage of ready supplies characterised trading in the Linseed section. While arrivals were relatively small, crushers were in the market for their immediate requirements. Linseed ready was quoted at Rs 39.50 and Linseed Oil at Rs 16.85.

The erratic trend in the Madras groundnut and oil market again cropped up after the middle of last week, when the Calcutta interests trying to buy at lower levels suddenly withdrew. The prices of both the commodities came down. Many of the upcountry buyers are confident that more and more of the kernel stock will be available during October and therefore, their stopping to buy created an uncertainty. It is possible that there can be no more rise in the price of groundnut and oil for some weeks more in Madras oil market. Pollachi markets received good supplies at the rate of 12,000 bags of unshelled nuts. It is possible that this supply would continue for many more weeks. Equally so are the arrivals in the South Arcot centers where at present 300 tons

daily are reported. Arrivals of groundnut in Madras remained at about 30 tons daily. Here only small crushers availed of the stocks in the market. In groundnut oil the volume of oil trade was not much. Even in distant deliveries no sizeable business was reported. Bigger crushers turned their attention to South Arcot for the present. Not only arrivals here were good but the quality of seeds is also reported to be far better than that obtainable in the City.

At Pollachi market the price of groundnut kernels continued to be high though the arrivals were good. Red variety was quoted at Rs 240 per candy of 531 lbs. Salem also registered good arrivals last week. In view of these good market stocks, crushers are obtaining their needs from these centres.

A review of the market rates prevailing in groundnut oil during last week shows that the price was consistent upto last week-end. Per 100 kgs the price of groundnut oil was quoted at Rs 196.20 last week (Wednesday). There was a bit of uncertainty when the week pro-

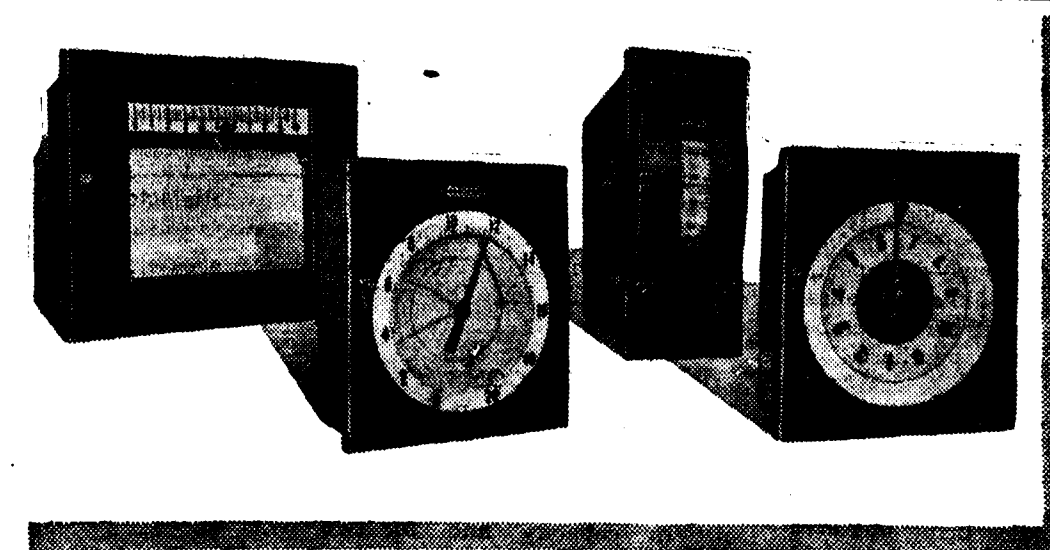
gressed, and when the market opened Monday the price had fallen to 194. The possibility of further decline is not ruled out.

HIDES & SKINS

This week the tanned cowhide market in Madras was firm with good clearance. Good business was reported in the c.i.f. section with agreement at workable prices among buyers and sellers. For example in premium marks transactions took place at 81d, 71d and 60d for 5/5½ lb, but in semi premium marks settled price was at 76d, 66d, and 56d. In the middle weight section fifth commanded a fair turnover. Also good demand was reported in 8/8½ lbs.

In tanned cow calf arrivals were poor. There was no change in tanned buff calf. Prices of these remained unchanged.

For tanned goatskins there were good inquiries from both UK and USA. There was good demand for top marks. For sheep skins, there was also good trade.



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The Kinnison Jute Mills Company Limited

Guaranteed Supply of Raw Jute, Only Lasting Remedy

Serious Threat to Sacking Exports from Pakistan

Sir Walter Micheltore, on the Future of Jute Industry

The following statement has been circulated to shareholders of The Kinnison Jute Mills Co. Ltd., by the Chairman, Sir Walter Micheltore.

Dear Sir/Madam,

Last year for the first time a statement by the Chairman was enclosed with the Accounts and I am again issuing a statement this year with a view to providing to all Shareholders of the Company more detailed information in regard to the Company and the Industry as a whole.

It will be seen from the Directors' Report and Accounts that profits for the year ended 31st March 1961, show a reduction from those of the previous year—a feature which is common to the majority of Companies in the Birds/Heilgers Group—due partly to the extremely difficult trading conditions in October/December 1960, when Jute purchased at advantageously cheap prices was not delivered until long after contract due dates. It is regretted that the improvement in the overall efficiency of the Mills and the number of spindles being operated per loom from June 1960 was not maintained up to the end of the financial year and this also militated against profits reaching the level of the previous year.

PROSPECTS

The current year could well be the most critical the Jute Industry has encountered in its long history. The disproportionately high price of raw jute has involved Mills in crippling losses on simultaneous trading up to the time of writing. Block closures of one week each month in June and July 1961 and curtailment of production in August and part of September due to shortage of raw material have added their burden in the shape of lay-off compensation to the labour force and increased costs consequent on the reduced volume of goods produced.

The drastic curtailment of the electrical power supply between the hours of 6.00 p.m. and 10.00 p.m. from February 1961 called for a rearrangement of shifts in your Mill and Factory, but it is pleasing to record that the flow of production was not interrupted.

News of the 1961-62 crop both from India and Pakistan is heartening in regard to expected output—although quality may not be up to normal due to shortage of

steeping water. It is hoped that ample supplies of fibre will be available at a price which will permit Mills to do simultaneous business without incurring a loss.

MODERNISATION

Apart from a small quantity of additional machinery on the fine side still to be received, the modernisation programme of the Preparing and Spinning Sections of the Mills is completed for the time being. The Spinning and Preparing Machinery installed in No. II mill in 1949 still continues to give excellent service.

In pursuance of the policy of developing and extending the most modern techniques in machinery, your Directors have placed orders with Messrs. James Mackie & Sons Limited for 24 'Onemack' Weaving Machines. Application has been made for the relative import licence.

WIDE LOOMS

The wide looms installed in No. I Mill have contributed their share to the year's profits. It was not, however, found possible to work looms to capacity and for two periods during the year one shift had to be cut back in order to adjust supply to demand. It is becoming increasingly apparent that the scale of installation of additional wide looms is such that supplies will tend to be in excess of demand and the competition arising from this situation will inevitably result in a shrinkage of profit margins.

LABOUR

The Wage Board for the Jute Industry set up by the Government of India, while considering the issues involved, made an unanimous recommendation as to the grant of Interim Relief to all categories of workers involved, and this was accepted by Government. The extent of the Relief amounted to:—

- Rs. 2.85 monthly per worker from 1st October 1960 to 31st December 1960.
- Rs. 3.42 monthly per worker thereafter.

While there can be no doubt of the desirability of raising the income and standard of living of agricultural and industrial labour in the country as a whole, including the Jute Mill industry, regard must, nevertheless, be had to the competitiveness of the industry,

not only in relation to other countries which produce jute goods, but also in relation to alternative packaging (or non-packaging) media such as paper and bulk handling. Unless, therefore, higher remuneration and standards of living can be related to productivity, which might be achieved by the extension of piece-rates and the system of payment by results, indiscriminate wage increases can only be to the long-term detriment of this vital export industry.

RAW JUTE

The quality of the 1960-61 crop was better than that of the previous season and could be considered as being above normal. The quality of deliveries to the Mills was satisfactory.

The period covered by these accounts was characterised by an acute shortage of raw jute, which dominated market trends. The small 1959-60 crop, resulting mainly from the low prices prevailing at the time of sowing in the early months of 1959 and unrelieved by the relatively small imports permitted from Pakistan, was followed by another short crop in 1960-61. On this occasion the crop failure was caused by the unseasonably dry weather during the period February/May 1960 which delayed sowings so long that eventual area put under jute restricted, while in certain areas the young plants died and a scarcity of seed handicapped re-sowings. The Industry, therefore, started the new season in July 1960 with the by no means large carry forward of 12½ lac bales and faced the prospect of another season of reduced supplies. Unfortunately the situation was aggravated by the fact that licences for the import of Pakistan Cuttings were not issued in time for them to be a factor in preventing jute prices from reaching uneconomic levels.

Despite these corrective measures, the Industry's jute stock position showed no signs of improving and it became increasingly evident that the available supplies were even less than anticipated, and that the final crop figure would be somewhere in the region of 52 lac bales, including Mesta. With stocks continuing to dwindle, the Indian Jute Mills Association approached the Central and State Governments in May on the need for further production cuts to conserve jute, and agreement was finally reached on a block closure of the Industry for a week in June and a week in July. Even these measures have proved insufficient to bridge the gap until new crop became available in quantity, and from the beginning August Mills individually have taken steps to adjust their output in accordance with their jute supplies in each case.

The Indian Jute Mills Association was under no illusions as to the seriousness of the outlook for the Industry and, in addition to making representations for a greater liberalisation of fibre imports, urged upon Government the need for a controlled restriction of output in order to conserve jute and avoid the complete dislocation of the Industry when supplies started to fall off towards the end of the season. From early June 1960 the Association permitted its member Mills to seal looms voluntarily on the understanding that the loom

hours lost would be recoverable after 1st November, although, as it so happened, this recovery became largely impossible owing to the persistent deterioration in the jute supply position. In October 1960, the Association introduced a jute purchase quota system designed to control buying and ensure an equitable distribution of available fibre supplies. This arrangement has been successfully maintained to end August 1961 and has levelled out Mills' stocks.

Early in December, after consultation with Government, the voluntary sealing scheme was abandoned in favour of a total compulsory sealing, under the Working Time Agreement, of 17% of the total looms. Towards the end of the month, again with the approval of Government, this arrangement was replaced by a reduced working week of 45 hours with a 12% loom sealing, in order to permit a greater number of the labour force to obtain employment. From the end of January 1961, the working hours were further shortened to 42½ per week.

Despite these corrective measures, the Industry's jute stock position showed no signs of improving and it became increasingly evident that the available supplies were even less than anticipated, and that the final crop figure would be somewhere in the region of 52 lac bales, including Mesta. With stocks continuing to dwindle, the Indian Jute Mills Association approached the Central and State Governments in May on the need for further production cuts to conserve jute, and agreement was finally reached on a block closure of the Industry for a week in June and a week in July. Even these measures have proved insufficient to bridge the gap until new crop became available in quantity, and from the beginning August Mills individually have taken steps to adjust their output in accordance with their jute supplies in each case.

It is now abundantly clear that the initiative taken by the Industry in regulating production from October 1960 was instrumental in saving the Industry from complete disaster.

Every possible effort must be made to ensure there is no recurrence of this unfortunate set of circumstances and it would seem the only lasting remedy possible is a guaranteed supply of raw material at reasonable and stable

23 September 1961

prices. This entails a substantial increase in the yield per acre by the adoption of modern agricultural practices and the creation of an organisation to ensure that prices do not fall to levels unremunerative to the Jute cultivators. The association has forged ahead with its plan for supplementing the jute development work of the Central and State Government. Three intensive cultivation blocks have been started in each of the three different zones in West Bengal with the object of demonstrating to the growers the advantages of using improved seeds, fertilizers and mechanical implements. A seed multiplication scheme has also been worked out in detail envisaging financial assistance from the Government of India for the purpose of improved seed multiplied by registered growers and its sale at subsidised rates to the cultivators.

Your Company held substantial stocks of jute in the first six months of the period under review and was, therefore, spared the disastrous experience which befell a section of the industry at a time when jute prices were entirely out of parity with those of finished goods.

JUTE GOODS

The policy of selling up and down the market in small lots was continued throughout the year with generally satisfactory results.

Trading conditions were far from satisfactory throughout the period under review and, latterly, have been as difficult as the industry has experienced for many years. The root cause of the trouble has been, of course, the abnormally high prices of jute which in February 1961 reached the level of Rs. 67.00 per maund, a price which bears no relationship to normal conditions in the international market for jute goods and which, if maintained, would gradually lease the Indian jute industry all of its export business. That overseas buyers have been antagonised by the high prices is unquestionable, and business has been slack as a result. Buyers have deliberately followed a policy of digging into their stocks and replacing only to a limited extent, waiting for a levelling off of prices at lower levels. Consumption has also been restricted in a number of markets: in the U.S.A. alone, it has fallen by 60 million yards in the first seven months of 1961 compared with the corresponding period of 1960.

Owing to this limited purchasing activity, and with Pakistan capturing the greater share of the business that has been offering, the prices of Indian jute goods while still high by normal standards have not been in parity with jute prices. It is for this reason that the Mills have suffered severe financial losses in recent months. Business was also retarded by the stringent controls imposed by the Forward Markets Commission in November

1960 on trading in Transferable Specific Delivery Contracts, controls which were designed to curb speculation but which necessarily affected genuine traders as well. The further restrictions introduced by the Reserve Bank of India to limit credit facilities by scheduled banks against stocks of jute and jute goods had the same effect.

A healthy finished goods market will not be possible until the industry's raw jute supply problems have been solved: and in the long term the expanding jute industry in Pakistan will become even more of a force to be reckoned with unless means can be devised of strengthening the Indian Mills' competitive position.

Buyers generally are becoming increasingly quality conscious and with a view to improving the products of your Mills and supporting Export Promotion further progress has been made in Statistical Quality Control.

COMPETITION FROM PAKISTAN

I feel that pointed attention must be drawn at this juncture to the very serious threat posed by Pakistan to Indian exports of sacking goods. In recent months Pakistan has been under-cutting India to the extent of Rs. 8/- or Rs. 9/- per hundred bags, and as I write their prices are approximately Rs. 5/- per hundred bags below our market prices. It follows, inevitably, that they take first cut of the business of any importing country and it is only when their manufacturing capacity is fully booked that the foreign buyers turn to India for the balance of their requirements. In the result no less than 80% of the recent Australian business in cornsacks was placed with Pakistan, whose mills have also made serious inroads into the markets of Cuba, Africa and Burma and of other countries which have traditionally been the prerogative of India.

So much for the present, but if the present position in which India—the home of the jute trade—finds itself is most unhappy, the prospects for the longer-term future are even more bleak. Pakistan is understood to be placing orders for an additional 6,000 looms, to be installed over the next few years, and these looms are expected to be operative by 1965. It is anticipated that of this total, 5,000 looms will be for the manufacture of sacking, and assuming an average of two and a half shifts per day, production would be of the order of 30,000 tons monthly. In recent years India's exports of sacking have averaged 32,000 or 33,000 tons monthly, so it will be readily seen that if the present price differential remains and Pakistan continues to be able to take priority in all export markets, then by 1965 India's export trade in sacking goods will have vanished entirely, leaving it only to satisfy its indigenous demands.

The reasons why the Pakistan mills can undercut the Indian are three-fold: first, Pakistan mills can normally buy better quality jute and at cheaper prices than the Indian mills; second, wage rates in Pakistan are appreciably lower than in India; third, the export bonus scheme operating in Pakistan has the effect, in present conditions, of adding approximately Rs. 200/- per ton to the trading profits of Pakistan mills. Even allowing for the fact that efficiency is lower and power costs higher in Pakistan I estimate that there is at present a price advantage of approximately Rs. 300/- per ton in their favour. In the result, while undercutting Indian mills to the extent necessary to sell their entire production they can still make substantial profits—and will continue to do so at India's expense.

In these circumstances it is vital that Indian mills be given the earliest opportunity of competing on even terms with Pakistan; the longer action in this matter is delayed the more difficult it will be to regain the markets lost. The jute industry being the premier export industry of the country, and its highest dollar earner, the consequences of a serious decline in it can be nothing but a disaster to the general economy of the country.

SUBSIDIARY COMPANY—THE STANDARD JUTE CO. LTD.

This Company continues the manufacture of goods on a limited scale. Last year it was mentioned that fairly substantial funds had been accumulated and while these were being loaned to Kinnison at a rate advantageous to both Companies, it was hoped to utilise them in a diversification of interests outside the jute industry.

Your Directors have now to advise it has been decided to invest:—

- Rs. 6 lacs in the purchase of 6,000 Equity Shares of Rs. 100/- each, at par, of McNally-Bird Engineering Company Private Limited;
- Rs. 6,75,000/- in the purchase of 9,000 Equity Shares of Rs. 10/- each in Coates of India (Private) Limited.

Approval of these investments was obtained in General Meetings of the Company held on 12th July, 1961 and 12th August 1961, respectively.

The McNally-Bird Engineering Company Private Limited is a new Indian company formed and registered in relation to a collaboration between Bird & Company (Private) Limited and the McNally Pittsburg Manufacturing Corporation of Pittsburg, Kansas, U.S.A., and will establish a manufacturing undertaking at Kumardhubi.

Coates of India (Private) Limited is an Indian Company formed and registered in 1947 to take over the Indian business of Coates

Bros. Co. Ltd., London, manufacturers of inks for the printing and packaging trades, and has established factories in Calcutta, Madras and Bombay.

Chartered Bank Building, Calcutta-1, 11th September, 1961.

The above statement is not a report of the proceedings of the Annual General Meeting, which will be held in Calcutta, on September 27, 1961.

THE PUNJAB NATIONAL BANK LIMITED,

Registered Office: Parliament Street, NEW DELHI:

CLARIFICATION

The Board of Directors have issued 7,50,000 shares in the Capital of the Bank for which Letters of Offer have already been posted to the Registered Shareholders as on 2nd September, 1961. In response to enquiries it is hereby clarified that these shares are parri passu with the existing shares save and except that they shall carry right to dividend at one-fourth of the total dividend that may be declared at the next Annual General Meeting for the whole of the year, 1961 including Interim Dividend of Re. 1/- per share already paid.

By Order of the Board of Directors, A. M. WALKER, General Manager

Dated: 18th September, 1961.

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED

(Incorporated in England)

Notice is hereby given that the Board of Directors of this Company have decided to recommend to stockholders at the forthcoming Annual General Meeting that a Final Dividend for the year ended 31st March 1961 on the Company's Ordinary Stock at the rate of 24 per cent net (Tax applicable at 7s. 9d. in the £) be paid on the 11th November 1961 to those stockholders whose names are registered in the Company's Stock Register on the 24th October 1961.

Applications for transfers received in this office before 12 O'clock noon on Tuesday, the 24th October 1961, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above Dividend.

By Order of the Board H. C. BOWKER, Agent

Victoria House Calcutta, 19th September 1961.

Indian Finance

Company Reports

United Breweries Fare Well

THE United Breweries Limited has done well in the year ended 31 March, 1961 with an increase in sales from Rs 39.74 lakhs to Rs 45.93 lakhs. The various units in which the company is interested have also worked satisfactorily. Production has increased considerably and this trend continues during the current year.

The net profit, before providing for Depreciation and Taxation, has increased to Rs 25.98 lakhs from Rs 20.32 lakhs. The amount set aside to Depreciation is Rs 2.14 lakhs against Rs 2.29 lakhs and Taxation Rs 10 lakhs against Rs 10.17 lakhs. After transferring Rs 7.95 lakhs (Rs 14.80 lakhs) from various accounts, the transfer to General Reserve is Rs 12.35 lakhs against Rs 15.10 lakhs. A final dividend of Rs 3.50 per share, taxable, is to be paid, making a total of Rs 6 per share, taxable, for the whole year (same in the previous year).

A large capital is ranking for dividend purposes now. During the year, there was an increase in the paid-up capital to Rs 20 lakhs from Rs 12 lakhs with the issue of new equity shares. It is now proposed to raise the capital further by another Rs 5 lakhs.

The new machinery, on order, have been shipped and it is expected to be installed in the next few months. This will enable the company to increase its production.

The issued and subscribed capital is Rs 20 lakhs divided into 2,00,000 equity shares of Rs 10 each. Against this, General Reserve is shown at as much as Rs 38.25 lakhs; Capital Reserve at Rs 20 lakhs and Development Rebate Reserve at Rs 1.75 lakhs. The gross block at Rs 60.37 lakhs is depreciated by Rs 21.00 lakhs, leaving a net block of Rs 39.37 lakhs.

Board of Directors.			
Year ended Mar.	1961	1960	1959
	Rs	Rs	Rs
Sales	4,593,292	3,973,780	4,272,437
Stocks	180,378	184,203	234,878
Net profit	3,393,507*	3,513,211†	1,901,083
Taxation	1,000,000	1,017,257	900,000
Depreciation	214,028	229,342	282,790
Reserve Fund	1,235,000	1,510,000	120,000
Development Rebate Reserve	15,000	40,000	99,900
Div. Amount:			
Ordinary	1,000,000	620,000	480,000
Carry Forward	53,924	124,443	27,831
Div. % Ord.	60T	60T	60S

(Annual General Meeting on 30-9-61 at 11 a.m.).
*After writing back Rs 717,076 being provisions made in previous years and including refund of Income Tax, Rs 53,349.

†Includes Rs 290,345 being Adjustment of Excess provision for depreciation in previous years and Rs 169,352 being amount written off on Investments in previous years written back.

‡Out of 60 per cent declared, 50 per cent will be by allotment of five new Equity shares of Rs 10 each.

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

Liabilities.	1961	1960	1959
	Rs	Rs	Rs
Capital Paid-up:			
7% C. Pref. 'A'	175,000	175,000	175,000
1% C. Pref.	190,150	190,150	190,150
Ordinary	1,225,600	1,225,600	919,200
Share Premium	12,500	12,500	12,500
Reserve Fund	333,997	368,089	340,000
Other Funds	104,885	...	...
Loans Secured	2,564,251	1,456,940	1,459,573
Loans unsecured	300,919	526,757	173,238
Taxation Provision	335,000	218,000	317,870
Debits	665,152	580,248	479,808
Carry Forward	...	17,727	8,576
Total	5,907,454	4,771,020	4,075,715

Assets	1961	1960	1959
	Rs	Rs	Rs
G. Block	6,036,994	5,948,867	3,658,720
Depreciation	2,100,050	1,886,024	2,958,716
Block (net)	3,936,944	4,062,843	700,004
Stores	91,323	70,439	48,751
Raw Materials	1,548,815	1,290,187	1,491,330
Stocks	180,378	184,203	234,878
Outstandings	138,852	344,910	79,828
Do More than 6 months	23,826	...	...
Mis. Deposits & Advances	147,664	55,792	1,298,732
Investments	5,531,357	4,637,151	3,530,543
Cash	50,921	36,407	34,822
Total	11,650,080	10,681,932	7,418,897

Rane (Madras) Repeats

Rane (Madras) Limited was originally incorporated as a private limited company in 1929 and was converted into a public limited company in 1936. These twenty-five years, the company was carrying on business as distributors of automobile spare parts and dealers in motor cars and trucks.

The year ended 31 March 1961 is a very important one in the history of the company, as the company has switched over to the manufacture of automobile ancillaries and the directors look forward to taking up more lines of manufacture very shortly.

The manufacture of Clutch Discs has been taken up in hand. Most of the machinery has been received and will be installed very shortly. The necessary sanction for power has been received from the Madras State Electricity Board.

While sales have gone up to Rs 1.49 crores from Rs 1.09 crores, the net profit, before providing for Depreciation and Taxation, is only slightly lower at Rs 4.70 lakhs against Rs 4.73 lakhs for the preceding year. Apart from providing Rs 1.05 lakhs for Development Rebate Reserve, the Depreciation is raised to Rs 97,216 from Rs 42,963. Taxation provision is, however, lower at Rs 1.17 lakhs against Rs 2.18 lakhs. The dividend on the Ordinary shares is just maintained at 14 per cent, taxable.

The subscribed capital is shown at Rs 15,90,750 divided into 2,45,120 equity shares; 38,030-6 per cent tax-free cumulative preference shares and 35,000 "A" class 7 per cent tax-free cumulative preference shares, all of Rs 5 each. Against this, General Reserve stands at Rs 3.34 lakhs; Share Premium Account at Rs 12,500 and Development Rebate Reserve at Rs 1.05 lakhs. The gross block amounts to Rs 15.97 lakhs; total depreciation to Rs 5.74 lakhs and the net block to Rs 10.23 lakhs.

Mg. Agents: Iyer & Co. (Private) Ltd.			
Year ended Mar.	1961	1960	1959
	Rs	Rs	Rs
Sales	14,623,132	10,920,745	7,583,129
Stocks	2,375,140	2,150,940	1,936,833
Raw Materials	270,324	...	...
Net profit	503,715*	472,598	395,186
Taxation	117,000	218,000	200,000
Wealth Tax	...	42,963	7,500
Depreciation	97,216	42,963	45,286
Reserve Fund	...	40,000	24,474
Development Rebate Reserve	104,885	...	...
Div. Amount:			
Ordinary	171,584	128,688	91,920
Preference	30,757	33,786	23,859
Carry Forward	Nil	17,727	8,576
Div. % Ord.	14T	14T	10
Div. % Pref.	9.1T	10T	7
Div. % 2nd Pref.	7.8T	8.5T	6

(Annual General Meeting on 30-9-61 at 11 a.m.).
*After transferring Rs 34,101 from General Reserve.

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

Liabilities.	1961	1960	1959
	Rs	Rs	Rs
Capital Paid-up:			
7% C. Pref. 'A'	175,000	175,000	175,000
1% C. Pref.	190,150	190,150	190,150
Ordinary	1,225,600	1,225,600	919,200
Share Premium	12,500	12,500	12,500
Reserve Fund	333,997	368,089	340,000
Other Funds	104,885	...	...
Loans Secured	2,564,251	1,456,940	1,459,573
Loans unsecured	300,919	526,757	173,238
Taxation Provision	335,000	218,000	317,870
Debits	665,152	580,248	479,808
Carry Forward	...	17,727	8,576
Total	5,907,454	4,771,020	4,075,715

Assets	1961	1960	1959
	Rs	Rs	Rs
G. Block	1,597,261	827,712	782,161
Depreciation	573,851	481,504	438,541
Block (net)	1,023,410	346,208	343,620
Cap. Exp. in progress	53,206	...	...
Stores	17,853	1,356	2,321
Raw Materials	270,324	...	...
Stocks	2,375,140	2,150,940	1,936,833
Outstandings	910,281	736,483	804,129
Do More than 6 months	77,890	...	...
Mis. Deposits and Advances	536,047	621,575	650,242
Investments	227,700	225,200	225,200
Deposits in Banks	287,880	280,000	...
Cash	127,723	469,258	113,370
Total	5,907,454	4,771,020	4,075,715

Profits Nearly Maintained by McLeod

McLeod & Company Limited has reported a net profit, after providing for Depreciation and Taxation, of Rs 19.34 lakhs for the year ended 31 December 1960 as against Rs 19.87 lakhs for the preceding year.

Apart from providing Rs 1.00 lakh for General Reserve and maintaining Convertible Notes Redemption Reserve at Rs 2.00 lakhs, Depreciation is raised to Rs 97,736 from Rs 83,153 and Investment Reserve to Rs 1.75 lakhs from Rs 1.00 lakh. Taxation provision is lower at Rs 5.20 lakhs against Rs 6.65 lakhs and Development Rebate Reserve at Rs 8,623 against Rs 23,158. The dividend on the ordinary shares is maintained at 15 per share, subject to deduction of tax.

The gross block at Rs 31.96 lakhs is depreciated by Rs 13.64 lakhs, leaving a net block of Rs 18.32 lakhs.

Board of Directors.			
Year ended Decr.	1960	1959	1958
	Rs.	Rs.	Rs.
Sales	27,215,450	26,221,523	31,518,411
Agency Commn. & Allowances	2,005,047	2,175,447	2,444,827
Interest Div. and Mis. Incomes	1,622,024	1,599,546	2,006,876
Stocks	1,009,776	900,290	4,452,923
Net profit	2,031,958	2,050,001*	1,954,586
Taxation	520,000	685,000	800,000
Depreciation	97,736	83,153	81,413
Reserve Fund	100,000	...	100,000
Development Rebate Reserve	8,623	23,158	672
Other Funds	375,000	300,000	200,000
Div. A'mt. Ord.	600,000	600,000	500,000
Div. A'mt. Pref.	304,400	335,714	250,000
Div. A'mt. Defd.	50,000	50,000	37,500
Carry Forward	218,917	242,718	249,742
Div. % Ord.	15T	15T	12*
Div. % Pref.	4.44T	5	5
Div. % 2nd Pref.	6.5T	5	5
Div. % Defd.	10T	10	7*

(Annual General Meeting on 29-9-61 at 4 p.m.).
*After transferring Rs 1,500,000 from General Reserve and writing off Goodwill Rs 1,500,000.

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

Liabilities.	1960	1959	1958
	Rs.	Rs.	Rs.
Capital Paid-up:			
5% TC Pref.	1,000,000	1,000,000	1,000,000
5% C. Pref.	4,000,000	4,000,000	4,000,000
Ordinary	4,000,000	4,000,000	4,000,000
Deferred	500,000	500,000	500,000
4% Convertible	...	...	...
Notes	4,500,000	4,500,000	4,500,000
Share Premium	186,900	186,900	186,900
Reserve Fund	3,800,000	3,700,000	5,200,000
Other Funds	3,892,991	3,523,830	3,200,672
Loans Secured	7,425,168	8,006,664	15,224,912
Loans unsecured	1,740,025	1,344,166	1,340,345
Taxation Provn.	588,826	935,375	735,280
Debits	5,041,729	5,019,440	4,668,338
Carry Forward	218,917	242,718	249,742
Total	36,894,556	36,959,093	44,806,189

Assets.	1960	1959	1958
	Rs.	Rs.	Rs.
G. Block	3,196,009	3,101,156	2,969,955
Depreciation	1,363,603	1,270,257	1,194,783
Block (net)	1,832,406	1,830,899	1,775,172
Goodwill	...	...	1,500,000
Stores	11,077	22,826	25,378
Stocks	1,009,776	900,290	4,452,923
Outstandings	3,296,077	3,639,761	5,180,032
Do More than 6 months	1,152,871	1,365,810	2,800,711
Mis. Deposits and Advances	2,665,378	2,225,309	2,516,586
Investments	26,384,693	26,391,283	26,409,454
Cash	542,278	582,905	345,923
Total	36,894,556	36,959,093	44,806,189

Anglo-India Jute Pays only 7½ per cent Against 20 per cent

The Anglo-India Jute Mills Company has produced disappointing results for the year ended 31 March 1961, reflecting the difficult conditions generally experienced by the jute industry. Although sales have risen to Rs 7.26 crores from Rs 6.45 crores, the net profit, after depreciation and taxation, amounts to only Rs 9.95 lakhs against as much as Rs 25.54 lakhs for the previous year. Apart from Depreciation which is increased to Rs 11.59 lakhs from Rs 10 lakhs, taxation provision is lower at Rs 5.25 lakhs against Rs 20.90 lakhs and Development Rebate Reserve at Rs 1.50 lakhs against Rs 6.60 lakhs. No provisions are made for Contingency Reserve and Investment Reserve against Rs 1.20 lakhs and Rs 5.00 lakhs respectively. The dividend on the Ordinary shares is substantially reduced from 20 per cent to 7½ per cent, subject to tax.

Mg. Agents:—Duncan Brothers & Co. Ltd.			
Year ended March	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	72,583,869	64,469,142	62,869,407
Stocks	3,715,301	3,510,621	3,070,854
Raw Materials	11,223,529	9,863,530	9,363,954
Stock in progress	1,480,926	924,173	877,734
Net profit	2,799,747*	5,644,334	4,364,319*
Taxation	525,000	2,090,000	1,878,000
Depreciation	1,159,498	1,000,000	1,200,000
Development Rebate Reserve	150,000	600,000	40,000
Other Funds	...	620,000	300,000
Div. A'mt. Ord.	369,053	948,140	615,087
Div. A'mt. Pref.	364,000	364,000	280,000
Carry Forward	374,363	142,167	215,974
Div. % Ord.	7½T	20T	12*
Div. % Pref.	9.1T	9.1T	7

(Annual General Meeting on 30-9-61 at 12 noon).
*After transferring Rs 120,000 from Contingency Reserve.
†After transferring Rs 200,000 from Reserve for Contingencies.

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

Liabilities.	1961	1960	1959
	Rs	Rs	Rs
Capital Paid-up:			
% TRC Pref.	4,000,000	4,000,000	4,000,000
Ordinary	4,920,700	4,920,700	4,920,700
Reserve Fund	5,000,000	5,000,000	5,000,000
Other Funds	3,571,000	3,541,000	2,261,000
Loans Secured	8,994,623	9,239,835	6,685,787
Loans unsecured	7,312,350	356,145	323,660
Taxation Provn.	2,615,906	2,090,906	1,950,972
Debits	3,498,409	5,011,202	5,992,141
Carry Forward	374,363	142,167	215,974
Total	40,287,351	34,301,956	30,650,234

Assets.	1961	1960	1959
	Rs.	Rs.	Rs.
G. Block	28,085,747	26,390,624	30,977,421
Depreciation	18,494,034	17,473,587	22,693,087
Block (net)	9,591,713	8,917,037	8,284,334
Capital Exp. in progress	...	...	8,980
Stores	783,050	687,475	723,365
Stocks in progress	1,480,926	924,173	877,732
Raw Materials	11,223,529	9,863,530	9,625,404
Stocks	8,715,301	3,510,621	3,109,404
Outstandings	4,561,464	2,731,078	2,840,425
Do More than 6 months	44,868	45,755	73,613
Mis. Deposits and Advances	2,646,997	3,062,986	379,835
Investments	5,806,816	4,140,786	4,133,118
Cash	432,687	418,515	29

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

Liabilities.	1961	1960	1959
Rs.	Rs.	Rs.	Rs.
Capital Paid-up	6,679,500	6,679,500	6,679,500
Reserve Fund	3,350,000	3,250,000	2,300,000
Other Funds	778,236	503,004	255,018
Loans Secured	6,594,648	6,922,325	5,565,109
Loans unsecured	502,973	500,000	500,000
Debts	4,547,869	4,667,426	4,328,889
Carry Forward	108,322	49,497	15,981
Total	22,561,548	22,571,752	19,643,497
Assets.	22,360,331	23,001,345	22,221,595
G. Block	11,931,974	12,185,728	11,701,456
Depreciation			
Block (net)	10,428,357	10,816,617	10,520,139
Stores	971,563	1,044,278	1,026,702
Stocks in Progress	828,309	335,341	354,570
Raw Materials	4,772,197	6,645,239	4,399,334
Stocks	1,572,656	630,462	714,635
Outstandings	2,670,806	1,761,356	1,581,015
Do More than 6 months	176,836	191,531	...
Mis. Deposits and Advances	463,828	410,627	163,339
Investments	441,736	441,636	439,970
Cash	235,260	292,165	343,793
Total	22,561,548	22,571,752	19,643,497

Agarpara Pays 2½ per cent Against 10 per cent

Although sales are shown higher at Rs 2.88 crores against Rs 1.97 crores, the net profit of the Agarpara Company Limited has declined sharply to Rs 3.10 lakhs for the year ended 31 March 1961 from Rs 12.61 lakhs. The Depreciation amount is raised to Rs 6.92 lakhs from Rs 6.00 lakhs and taxation to Rs 6.00 lakhs from Rs 5.40 lakhs, while Development Rebate Reserve is lower at Rs 84,196 against as much as Rs 530 lakhs. The dividend on the ordinary shares is only 2½ per cent, taxable, against 10 per cent, taxable, paid previously.

The 24 "One Mack" automatic weaving machines, which were on order, have been received during the current year. The looms have just been installed and are working satisfactorily.

Mg. Agents:—B. N. Elias & Co. (Private) Ltd.	1961	1960	1959
Year ended March	Rs.	Rs.	Rs.
Sales	28,801,491	19,719,006	16,994,191
Stocks	2,270,883	3,236,910	2,150,286
Stock in progress	1,286,388	468,567	214,045
Net profit	1,640,450	2,371,035	2,953,184
Taxation	600,000	510,000	395,000
Wealth Tax	...	...	63,000
Depreciation	692,486	599,972	434,994
Development Rebate Reserve	84,196	550,000	85,470
Other Funds	38,107	30,000	325,000
Div. Amount:			
Ordinary	150,000	600,000	300,000
Preference	91,000	70,000	70,000
Carry Forward	20,726	36,065	25,002
Div. % Ord.	24T	10T	5
Div. % Pref.	9.1T	7T	7

(Annual General Meeting on 29-9-61 at 12 noon).

*After writing back Rs 50,000 from previous for taxation.

†Includes Rs 971,500 being Refund of contribution to Pension Fund and interest thereon and Rs 93,317 being Refund of IT and BPT.

Liabilities.	1961	1960	1959
Rs.	Rs.	Rs.	Rs.
Capital P'up:			
7% C. Pref.	1,000,000	1,000,000	1,000,000
Ordinary	6,000,000	6,000,000	6,000,000
5½% Debentures	1,200,000	1,200,000	1,200,000
Reserve Fund	4,921,500	4,921,500	4,921,500
Other Funds	1,594,666	1,510,474	930,470
Loans Secured	7,100,029	4,843,079	...
Loans unsecured	...	450,000	...
Taxation Provn.	1,511,126	1,135,758	1,083,451
Debts	1,663,321	2,113,686	1,444,781
Carry Forward	20,726	36,065	25,002
Total	25,011,368	23,210,558	16,555,204

Assets.	1961	1960	1959
G. Block	15,212,754	14,743,249	11,727,488
Depreciation	5,666,142	5,081,902	4,526,971
Block (net)	9,546,612	9,661,347	7,200,517
Cap. Exp. in progress	246,528	43,641	34,567
Stores	1,200,634	1,154,826	920,143
Stocks in Progress	1,286,388	468,567	217,045
Raw Materials	6,162,350	5,259,047	2,378,296
Stocks	2,293,471	3,271,922	2,303,988
Outstandings	2,589,996	913,149	853,088
Do More than 6 months	35,476	23,955	...
Mis. Deposits and Advances	1,251,940	1,506,577	1,680,513
Investments	289,204	428,222	405,441
Cash	108,769	479,305	561,606
Total	25,011,368	23,210,558	16,555,204

Marked Rise in Hasting's Profit

Hastings Mill Limited, has reported a marked rise in sales from Rs 2.59 crores to Rs 3.40 crores and in the net profit from Rs 8.03 lakhs to Rs 13.77 lakhs for the year ended 31 March, 1961.

All allocations have been raised:—Depreciation from Rs 7.69 lakhs to Rs 8.14 lakhs; Taxation from Rs 6.25 lakhs to Rs 8.30 lakhs; General Reserve from Rs 2.50 lakhs to Rs 6.00 lakhs and Development Rebate Reserve from Rs 1.11 lakhs to Rs 2.71 lakhs. The dividend on the Ordinary shares is maintained at Rs 6 per share, less tax. In the previous year, the directors had to transfer Rs 9.00 lakhs from the Investment Depreciation Reserve to pay the dividends, both on the ordinary and preference shares.

The Carpet Backing Cloth plant has started production and quality of the cloth has been well received in the US market. To make this plant economical, the directors have decided to install further 20 looms.

Mg. Agents:—Bangur Brothers Ltd	1961	1960	1959
Year ended March	Rs.	Rs.	Rs.
Sales	33,965,490	25,917,126	24,151,524
Sales of Raw Materials	1,742,833	1,028,231	253,745
Interest, Div. and Mis. Incomes	365,428	327,166	...
Stocks	2,100,780	1,134,853	1,372,019
Raw Materials	4,235,822	5,132,688	4,365,194
Stocks in progress	525,510	443,662	381,304
Net profit	3,020,045	3,097,601	2,487,053
Taxation	830,000	625,000	934,000
Depreciation	813,538	769,324	444,463
Reserve Fund	600,000	250,000	300,000
Development Rebate Reserve	270,700	111,400	40,000
Other Funds	...	900,000	...
Div. A'mt. Ord.	240,000	240,000	240,000
Div. A'mt. Pref.	195,000	195,000	150,000
Carry Forward	375,747	304,940	298,063
Div. % Ord.	6T	6T	6
Div. % Pref.	7.8T	7.8T	6

(Annual General Meeting on 25-9-61 at 3-45 p.m.)

*After writing back Rs 100,000 being excess provision for taxation.

†After writing back Rs 900,000 from provision for depreciation and including Rs 108,227 being dividends forfeited.

‡After writing back Rs 100,000 being provision for taxation no longer required.

Liabilities.	1961	1960	1959
Rs.	Rs.	Rs.	Rs.
Capital P'up:			
6% C. Pref.	2,500,000	2,500,000	2,500,000
Ordinary	4,000,000	4,000,000	4,000,000
Capital Reserve	187,642	187,642	187,642
Reserve Fund	3,905,591	3,305,591	2,950,000
Other Funds	4,822,100	4,551,400	3,645,591
Loans Secured	5,517,667	4,633,026	3,833,560
Loans unsecured	...	200,000	...
Taxation Provn.	845,278	670,080	1,065,448
Debts	1,881,417	1,647,330	1,675,076
Carry Forward	375,747	304,940	298,063
Total	24,035,442	22,000,009	20,155,380

Assets.	1961	1960	1959
G. Block	14,506,782	13,364,146	13,825,777
Depreciation	8,276,808	7,647,196	7,598,466
Block (net)	6,229,974	5,716,950	6,227,311
Stores	1,157,080	1,014,464	987,350
Stocks in progress	525,510	443,662	381,304
Raw Materials	4,235,822	5,132,688	4,365,194
Stocks	2,100,760	1,134,853	1,372,019
Outstandings	3,134,129	2,249,985	2,097,228
Do More than 6 months	58,779	...	...
Mis. Deposits and Advances	1,705,658	1,433,395	976,371
Investments	4,629,186	4,634,976	3,590,465
Cash	258,544	239,036	158,138
Total	24,035,442	22,000,009	20,155,380

Fort William's Proposal to Raise Further Capital

To meet a part of the financial requirements for the Steel Wire Rope project, the company has arranged with the Industrial Credit and Investment Corporation of India for a loan in foreign exchange currency of Rs 7,35,000 equivalent to about Rs 35 lakhs. The company will also approach the shareholders to subscribe further capital to finance the project.

Meanwhile, the company has done well during the year ended 31 March, 1961. Sales have risen to Rs 2.97 crores from Rs 1.98 crores, while the net profit works out to Rs 7.39 lakhs as against Rs 6.60 lakhs. The depreciation amount is lowered to Rs 6.83 lakhs from Rs 7.37 lakhs and Development Rebate Reserve to Rs 31,052 from Rs 59,000. The Taxation provision is raised to Rs 8.20 lakhs from Rs 6.95 lakhs, while a sum of Rs 1.00 lakh is provided for General Reserve. The dividend on the Ordinary shares is repeated at Rs 2.25 per share, subject to tax.

Mg. Agents:—Bangur Brothers Ltd.	1961	1960	1959
Year ended March	Rs.	Rs.	Rs.
Sales	29,878,790	19,784,242	20,354,894
Stocks	995,478	900,240	353,866
Raw Materials	4,554,996	3,937,424	3,171,906
Stocks in progress	651,379	409,501	391,089
Net profit	2,242,182	2,091,302	1,448,337
Taxation	820,000	695,000	440,000
Depreciation	683,144	736,652	530,218
Reserve Fund	100,000	...	100,000
Development Rebate Reserve	31,052	59,000	22,948
Div. A'mt. Ord.	472,500	472,500	315,000
Div. A'mt. Pref.	91,000	91,000	70,000
Carry Forward	248,385	203,899	166,649
Div. % Ord.	224T	224T	15
Div. % Pref.	9.1T	9.1T	7

(Annual General Meeting on 25-9-61 at 3-30 p.m.)

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

Liabilities.	1961	1960	1959
Rs.	Rs.	Rs.	Rs.
Capital P'up:			
7% C. Pref.	1,000,000	1,000,000	1,000,000
Ordinary	2,100,000	2,100,000	2,100,000
Reserve Fund	2,000,000	1,900,000	1,900,000
Other Funds	113,000	81,948	22,948
Loans Secured	7,096,420	5,632,435	6,148,984
Taxation Provn.	816,769	695,956	443,078
Debts	1,641,037	1,516,281	980,303
Carry Forward	248,385	203,899	166,649
Total	15,015,611	13,130,519	12,761,872

Assets.	1961	1960	1959
G. Block	13,543,410	13,223,393	12,775,074
Depreciation	8,235,300	7,617,723	6,881,071
Block (net)	5,308,110	5,605,670	5,894,003
Capital Exp. in progress	16,589	...	10,045
Stores	789,375	679,721	667,296
Stocks in progress	651,379	409,501	391,089
Raw Materials	4,554,996	3,937,424	3,171,906
Stocks	995,478	900,240	353,866
Outstandings	2,123,789	1,056,860	1,569,480
Do More than 6 months	3,255	5,427	...
Mis. Deposits and Advances	290,980	273,087	199,639
Investments	115,998	126,862	132,413
Cash	165,662	135,719	172,185
Total	15,015,611	13,130,519	12,761,872

Quoted Shares

Preference Shares

CALCUTTA

NAME	Paid-up per Share.	Quotation as on 16-9-61 Rs pF
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Alahabad 6%	100	96.50
Behar 5%	50	16.00

COAL

Asso. K'pura 4½%	100	50.50
Bharat 5½%	100	32.00
Borrea 6½%	100	66.50
Burrakur 7%	100	101.00
Burrakur 6%	10	7.65
Equitable 6%	100	80.00
Ghushick & Mualia 5%	100	100.00
Kharangdi 5%	100	40.00
Kharangdi 5½%	100	53.50
Khas Kajora 5½%	10	6.95
N. Beerbhoom 7%	10	10.50
N. Churulla 5%	10	5.06
N. Huntodih 6%	100	45.00
Orndal 6½%	100	64.10
Parasea 5½%	100	44.50
United Colliery 5%	100	64.50

COTTON

Basanti 6½%	100	6.94
Bengal-Nagpur 7%	100	75.00
Bharat Commerce 9%	100	100.00
Bowreah 8%	100	94.60
Bowreah 7%	100	71.00
Elgin 8%	100	100.00
Elgin 5%	10	6.97
Jagatjit 5½%	100	80.08
Jiyajerao 5½%	100	88.50
J. K. Cotton 6%	100	86.60
J. K. Cotton 6½%	100	100.00
Kesoram 7%	100	94.00
Kesoram 6½%	100	82.00
Muir 6%	100	101.00
N. Victoria 3%	5	2.94
Orissa 5%	100	65.00
Shree Madhusudan 4½%	100	79.00
Shree Niwas 4%	100	48.80
Shree Bhawan 5%	100	69.00
Swadeshi 6%	100	70.00

JUTE

Agarpara 7%	100	91.00
Alexandra 7%	100	88.00
Alliance 6%	100	64.50
Anglo-India 7%	100	93.00
Auckland 5½%	100	69.50
Auckland 4½%	100	56.00
Bally 7%	100	93.00
Barnagore 5%	25	38.00
Bellvedere 7%	100	81.00
Bhola 5½%	100	53.00
Birla 7½%	100	86.00
Birla 5½%	100	83.14
Budge-Budge 7%	100	8

NAME	Paid-Quotation up per Share.	as on 16-9-61 Rs NP	NAME	Paid-Quotation up per Share.	as on 16-9-61 Rs NP	NAME	Paid-Quotation up per Share.	as on 16-9-61 Rs NP	NAME	Paid-Quotation up per Share.	as on 16-9-61 Rs NP
COAL											
Amalgamated	10	22.50	Auckland	100	147.00	Agra	100	139.00	Calcutta Silk	10	7.12
Asso. Karanpura	10	5.50	Bally	100	220.00	Aligarh	10	8.80*	Calcutta Trams	10	£1 11.81
Asso. Laikdi	10	5.50	Barnagore	100	127.00	Bareilly	5	12.87	Cambay Invest Corp	100	95.00
Bagdigi Kujama	10	6.50	Belvedere	100	150.00	Bareilly	5	12.87	Cherra Chhatk	5	5.30
Bengal	100	360.00	Bengal	10	10.50	Bareilly	5	12.87	Clive Row Inv	10	8.31
Bengal Bhatdee	10	3.48*	Bharat	25	8.12*	Bhagalpur	8	6.56	Darjeeling Rope	10	7.00
Bengal-Nagpur	10	20.19	Birla	10	25.50	Calcutta	21	15.00	Duncan Bros.	100	150.00
Bhagalora	10	5.00	Budge-Budge	100	124.00	Cuttack	10	8.50	Dunlop Rubber	10	53.94
Bharat	10	3.28	Calcutta	10	10.50	Dharwar	50	41.80*	East Anglia Plastics	5	13.31
Bhowre Kankanee	10	7.94	Caledonian	100	142.00	Dishergarh	100	95.00	Eastern Invest.	100	140.00
Bhulanbararee	10	7.40	Champdany	100	115.00	Jubbulpore	10	11.50	Elec. Const.	10	13.81
Bokaro & Ramgur	10	17.44	Cheviot	10	14.44	Jhansi	10	5.92	French Motor	20	38.50
Borra	10	23.69	Chitavalsah	10	10.25	Mirzapore	9	7.00	Ganges Rope	100	216.50
Burrakur	10	18.19	Clive	10	9.00	Muttia	10	11.37	General Tyres	5	6.31
Central India	10	11.62	Dalhousie	100	97.00	Muzaffarpore	10	11.06	Gillanders	10	14.12
Central Kurkend	10	7.00	Delta	100	143.00	Patna	10	11.00	Godfrey Phillips	10	21.75
Churulia	4	2.50	Empire	10	15.37	Shahjahanpur	10	6.81	G. E. Hotel	250	233.00
Dhemo Main	10	6.25	Fort Gloster	100	297.00	Sluja Jheriah	10	9.37	Greaves Cotton	100	175.00
East Indian	£1	35.50	Fort William	10	27.00	United Provinces	100	122.00	Gwalior Rayon	10	47.50*
Equitable	10	30.12	Ganges Mfg.	10	11.75	Upper Jumna	10	14.65*	Hindus Alum.	10	14.09
Ghusick & Muslia	10	14.00	Gondalpara	10	35.00				Hindustan Develop.	10	7.37
Gourandi	10	8.50	Gourepore	100	372.00				Hindustan Gas	7	18.00
Guzdar Kajora	10	2.75	Hastings	100	119.00				Hindustan Ice	5	1.05*
Hurraladih	10	14.37*	Hooghly	10	10.25				Hindustan Lever	10	48.00
Jainy Central	24	0.44	Howrah	10	24.94				Hindus Motors	5	19.56
Jogta	10	1.75	Hukumchand	74	17.25				Hind. Nat. Glass	10	8.33*
Karanpura	100	165.00*	India	124	15.12				Hindus Pilkington	10	26.62
Katras Jheriah	10	48.25	Kamarhaty	100	122.00				Hindustan Twyford	5	10.69
Khas Kajora	10	18.70	Kamarhaty (B)	100	127.00				Hindustan Wire	10	5.37
Kuardi	10	8.75	Kankannarrah	100	84.00				Hoare Miller	10	6.50
Lakurja	10	14.00	Kankannarrah (B)	100	68.50				Impl. Tobacco	10	12.69
Mahabir	10	11.00	Kedarnath	10	8.62*				Indian Alum.	10	34.75
Mundulpore	10	2.62	Kelvin	100	150.00				Indian Cable	10	37.12
Nazra	10	6.87	Khardah	10	17.12				Indian Oxygen	10	40.19
New Beerbhoom	10	23.25	Kinnison	100	160.00				Indian Plastic	10	9.56
New Churulia	10	5.25	Lansdowne	100	89.00				Indian Rayon	50	51.00
New Huntodi	10	5.75	Lawrence	100	158.00				Indian Rubber	10	16.44
New Manbhoom	10	13.69	Mahabir	100	85.00*				Indian Wood	10	30.25
North-West (F.P.)	10	20.09	Magna	10	10.56				Issac Holdens	10	20.00
North-West (F.P.)	74	17.87	Nalhati	100	64.00				Ivan Jones	2	1.22
Oriental	10	8.70	Nakarpura	10	8.94				James Wright	5	2.75
Ondal	10	14.40	National	10	17.87				James Wright Defd.	1	0.43
Parasea	10	18.00	Nellimarla	10	9.62				J. Henderson	100	67.00
Pench Valley	10	20.06	New Central	10	17.25				Jeevanlal	10	9.25
Pure Sitalpore	10	9.87	North Brook	10	26.37				John Paterson	10	9.25
Raneegunge	10	15.44	Nuddea	50	50.00				Kalimpore Rope	10	1.90
Rewa	10	30.50	Presidency	5	4.31				Kettiewell Bullen	100	128.00
Samla	10	8.08	Rameshwara	10	6.62				Khandelwal Ferro		
Searsole	28	0.78	Reliance	10	5.06				Alloys	50	86.00
Seebore	7	44.00	Shree Ambika	10	22.69				Kishore Trading	100	65.50*
Sendra	10	8.19	S. Luchminarayan	10	7.00				Kusum Products	10	10.00
Shree Mahakali	10	3.25	S. Luchminarayan	5	5.25*				Macfarlane	5	8.19
South Karanpura	10	8.44	Soorah	10	19.44				Macfarlane Defd.	1	1.75
Standard	10	14.00	Union	100	144.00				Macneill & Barry	100	104.00*
Union	10	11.12	Waverley	1	3.75				Madhya Pradesh Ind	10	10.50
United Collieries	10	12.00							Martin-Burn	10	28.12
Western Bengal	10	9.58	MININGS AND MINERALS								
West Ghusick	10	14.09	Assam Silimanite	10	10.12				Mahindra	10	19.19
West Jamuria	10	7.00	Assu. Mining	10	9.37				Marwar Trading	100	149.50*
West Laikdi	10	5.81	Asso. Mining Defd.	5	4.90				McLeod & Co.	100	213.00
COTTON											
Basanti	10	8.07	Bisra Stone Lime	10	45.75				Metal Box	10	54.00
Bengal Fine Sp.	10	6.25	Burma Mines	10	5.53				Moradabad Water	10	5.21
Bengal Laxmi	10	26.50	Christian Mica	10	11.00				N. I. Cables	10	38.00
Bengal-Nagpur	40	27.31	Christian Mica Defd.	5	6.69				National Pipes and		
Bharat Commerce	10	27.00	Indian Copper	35h	4.80				Tubes	10	28.62
Birla Cotton	10	33.25	Kangra Valley	100	89.00*				National Rolling	10	22.44
Bowreah	5	8.69	Karanpura Devel.	10	17.06				Nat. Rubber Mfg.	10	12.37
Cawnpore Textile	100	587.00	Metal Corporation	10	11.12				Nat. Tannery	10	7.00
Century Spinning	10	30.62	Orissa Minerals	10	46.00				Nat. Tobacco	10	17.25
Dadar	10	19.94	Sutra Stone Lime	10	18.25				Nav Bharat Vanija	10	7.50
Elgin	10	22.50	CEMENT, POTTERY & FIRECLAY								
Jagjit Cotton	10	16.50	A-B. Cement	10	4.81				New I. Invest	75	44.50
Jayashree Textile	10	11.93	A-B. Cement Defd.	1	0.62				Pearl Invest	10	7.00
Jiyayerao Cotton	10	11.93	Ashoka Cement	10	9.12				Phillips Carbon	74	19.25
J. K. Cotton	100	70.00	Bengal Pottery	24	7.00				Phillips India	10	33.00
K. K. Rayon	10	19.06	Dalmia Bharat	10	11.19				Publicity Society	4	21.81
Kesoram	10	29.25	Dalmia	24	1.87				Ralls	100	155.00
Maharaja Shree	100	161.00	Dalmia Defd.	1	2.12				Raymond Woollen	100	123.50
Umaid	100	101.00	Jaipur Udyog	10	11.50				R. B. Rodda & Co.	10	3.40
Muir	24	1.56	Kalyanpur Lime	100	106.00				Rohas	10	15.87
New Victoria	10	9.40	K'dhubi Fireclay	10	18.45*				Sahu Properties	5	2.45
Orissa Textiles	10	10.94	Reliance Firebrick	10	23.00				Sen Raleigh	10	24.75
Rampooria	1	2.50	Reliance P.P.	24	8.81				Shaw Wallace	10	23.08
Rampooria Defd.	10	14.50	Orissa Cement	10	15.69				Spence's Hotel	2	1.00*
Shree Madhusudan	100	265.00	Sone Valley	5	4.94				Spencer & Co.	10	18.60
Shree Nitya	10	8.37	CHEMICALS								
Shree Shyamani	10	95.00	Alkali	10	38.56				Star Co.	100	80.50
Singh Cotton	10	11.00	Bathgate	5	0.91				Star Trading	25	80.00*
Swadeshi Cotton	10	9.12	Bengal Chemical	100	104.00				Sirilik	10	8.31
Swadeshi (P.O.)	10	9.12	Bharat Starch	10	8.00*				Union Co.	100	76.00
Victoria Cotton	10	17.76	Burma Lime	10	8.90				Union Carbide	10	51.75
JUTE											
Azarpura	10	10.00	Calcutta Chemicals	10	17.62				Union Tobacco	10	6.25
Alexandra	100	238.00	Dharangdhara	100	115.00*				Union Tobacco Defd.	6	2.09*
Alliance	100	84.00	Frank Rose	6	3.19				Usha Martin Black	5	6.82
Anglo-India	100	171.00	Phosphate Co.	100	830.00				Walfords	1	3.22
			Smith Standstreet	5	15.25				Walfords (P.O.)	1	2.10
									W. Stockholder	1sh	1.40
ELECTRICS											
									OILS		
									I. B. Petrol	10	35.06*
									Tide Water Oil	10	20.50
									*Nominal. 12h-Dividend. 10am-Dividend		

NAME	Paid-Quotation up per Share	as on 16-9-61 Rs NP	NAME	Paid-Quotation up per Share	as on 16-9-61 Rs NP	NAME	Paid-Quotation up per Share	as on 16-9-61 Rs NP	NAME	Paid-Quotation up per Share	as on 16-9-61 Rs NP
PAPER MILLS											
Ballarpur	25	38.75	Brooke Bond	10	16.12	North-West Cachar	100	200.00	Coffee Lands 5%	100	71.08
Bengal Paper	25	99.00	Dejoo Valley	10	30.12	Pathemara	10	7.25	Cons. Coffee 6%	25	20.87
India Paper	10	17.62†	Dessai and Purbat	100	155.00	Roopacherra	10	15.69	Coonor Tea 6%	100	83.14
Mysore Paper	10	29.87	Uneiakhat	10	19.06	Runagamattee	50	50.00	Coorg Tea 7½%	5	4.14
Orient Paper	10	36.30	Ununseri	10	14.37†	Sonai River	10	9.12*	Cottanad 7½%	10	9.60
Seshasayee	10	8.56	Dibrugarh	10	37.75	Tea Producing Co.	10	10.37*	Devon 7½%	100	82.00
Shree Gopal	10	25.19	Dimakuri	10	25.75†	Tilkah	10	10.00*	Heileyburia 5%	100	68.58
Sirpur Paper	10	16.25	Dufflaghur	10	31.12†				Highland 6%	10	7.25
Star Paper	10	12.12	East India	10	19.44	Chittagong Gardens			Kadur Coffee 6½%	10	6.04
Straw Products	10	9.75	Gillapukuri	10	26.37	Kodaia	10	9.25	Karikode 6%	10	6.99
Titaghur P.O.	2½	3.79	Gohpur	10	16.94	Kornafuli	10	8.06	Kil Kotagiri 7%	10	8.37
U. I. Couper	100	50.00	Groo	5	9.87	Oodaleah	10	8.00	Kurchermalia 6½%	10	5.88
West Coast	100	171.00	Hapjan Purbat	10	13.50				Malabar Agri. 6%	20	14.93
			Hoograjuli	10	25.25	Sylhet Gardens			Manimala 5%	10	9.00
			Hoolingoorie	100	185.00	Baitakhal	10	6.69†	Mer. Rubber 6%	10	7.10
			Jayshree	10	18.31	Chundecherra	10	24.94	Midlands 6%	10	7.30
			Joonkollie	10	20.50	Dauracherra	10	8.40	Miamallay 7½%	25	24.25†
			Jutibari	10	36.00	Hattikhira	10	9.69	Mysore Amal. 6%	10	6.25
			Kyang Tea Seed	100	167.00*	Kaliti	10	7.75	Mysore Plan. 6%	10	7.00
			Kingley Golaghat	10	11.00	Lackatoorah	10	18.25	Neelamalai 5%	10	6.10
			Krishnabehari	10	18.87	Loobah	10	4.50	Nelliampathy 6%	10	7.38
			Ledo	10	13.00†	New Samanbagh	10	19.25†	Nemmeny 7%	10	8.86
			Maud	10	11.50	Patrakko	100	163.00	Nilambur 6%	10	6.10
			Methoni	10	7.56	Rajnaray	10	9.56	Nilgiri Tea 6½%	5	3.80
			Moheema	10	445.00	Tellapara	100	112.00	Peermade 6%	100	87.59
			Mothola	10	24.50				Pullangode 6%	10	7.57
			Murphulani	10	22.24	South Indian Gardens			Rajagiri 6%	10	6.45
			Murphulani P.O.	10	19.58	Kotamullai	5	10.50	Rajendra 6%	10	6.94
			Naga Hills	10	13.05†				Rajendra 5½%	10	6.48
			Namburnadi	10	90.00	Teral Gardens			Sangameswar 7%	10	9.75
			New Cinnatollah	100	19.60	Atal	10	7.37†	Talayar Tea 6%	10	7.05
			New Monkhooshi	7½	26.62	Belgachi	10	21.12	Teekoy 6%	10	6.80
			Rajgarh	10	21.00	Gungaram	100	158.00	Thamarapally 6½%	5	3.50
			Sapoli	10	25.31	Hansqua	10	16.37	T. R. & T. Co. 6%	10	8.95
			Teloljan	10	35.00†	New Chumta	10	34.75*	Udayagiri 7%	10	8.50
			Tengpani	10	15.69	New Terai	10	30.62	Velmalai 7%	10	8.20
			Tezporo	10	6.44	Pahargoomiah	10	26.50	Waterfalls 6%	10	8.40
			Tongani	10	33	Putinbarree	10	45.00	Woodcote 6½%	5	2.94
			Tyron	10	33.31	Tirrihannah	10	55.00†	Woodlands 6½%	10	7.45
									Woodlands 6½%	10	7.22
SAW MILLS AND TIMBER											
Andaman Timber	10	9.7*									
Assam Saws	3	2.53									
Bengal Timber	100	14.00									
SHIPPING											
B. A. Steam	100	104.00									
Calcutta Landing	10	13.94									
Calcutta Steam	10	12.37									
Fraser & Co.	10	10.06									
I. G. Navigation	£10	67.00									
India Steam	10	7.28									
Port Shipping	10	10.50									
SUGAR											
Balmampur	2½	2.50									
Belsund	8½	11.06									
Bharat	10	10.30									
Basti	100	105.50*									
Carew	10	13.06									
Cannore	10	13.06									
Champaran	10	16.69									
Darbhangha	10	12.00x									
Deoria	10	8.71									
Dyer Meakin	5	34.50									
Ganesh Sugar	10	19.22*									
Jarwant	10	5.25*									
Mohini	2	2.03									
Nawabganj	100	60.00*									
New India	10	32.00									
New Navan	10	5.68									
Punjab	100	50.00*									
Purnabore	10	11.65									
Ramnugger Cane	10	30.69									
Sahas	10	1.45*									
Kaza Buland	10	11.19									
Ryam	10	12.12									
Sarnastipur	10	10.44									
Shree Ananda	10	10.50*									
Sitalpur	10	6.44									
South Behar	10	3.00									
South Behar (Defd.)	2	0.25*									
Sri Hanuman	10	15.75									
S. K. Gyanoday	10	10.94									
Shree Sitaram	10	7.12									
Tulsipur	5	6.09									
Upper India 'A'	100	102.00*									
Upper India 'B'	25	8.75*									
Upper Ganges	10	77.00									
United Province	10	15.50									
TEA											
Assam Gardens											
Amiuckie	10	25.94									
Anand Assam	10	16.80*									
Ananda Bag	10	23.50†									
Baghmari	10	18.56									
Barduar Tea	6	8.56									
Basmatia	10	26.06									
Bateli	5	19.08									
Beljan	10	31.50†									
Bishnauth	10	26.00									
Bokakhat	10	13.70									
Bornha Jan	10	19.94									
Borpukhuri	10	14.56									
Darjeeling Gardens											
Bloomfield	10	4.06									
Chamong	10	8.81									
Darjeeling	100	142.00									
Dilaram	100	108.00									
Ghile	10	10.50									
Lingia	10	16.00									
Longview	10	11.00									
Margaret's Hope	10	13.00									
Mim	103	191.50									
Nagri Farm	10	29.12									
Okayti	100	600.00*									
Pashok	10	20.00*									
Poobong	10	7.37									
Pussimbing	10	8.75									
Runglee Rungliot	100	385.00									
Seeyok	10	10.00									
Singell	100	37.25									
Singtom	10	5.67									
Soom	10	45.00									
Sungma	10	13.69									
Taesta Valley	10	13.75									
Tukvar	10	7.50									
Dooars Garden											
Banarhat	100	307.50†									
Baradighi	10	26.56									
Bhatkora	10	19.75									
Birpara	100	173.00									
Caroon	100	145.00									
Choonabhutti	100	238.50									
Ellenbarrie	100	176.00									
Engo	100	186.00									
Etheibari	10	8.36									
Gairkhatta	100	185.00†									
Gopalpur	25	19.62									
Hantapara	100	121.00									
Hasimara	10	32.87									
Hill Tea	10	7.37									
Jalidibari	10	31.44									
Jaybirpara	10	15.12									
Kadamhini	15	18.00									
Kalkoti	10	19.75									
Malhati	10	21.12									
Manabbarie	10	54.25									
Nagaisurree	100	181.00†									
New Dooars	100	297.00†									
Oodlabari	10	15.50									
Phaskowa	100	127.00									
Rajabhat	10	15.00									
Ranicherra	10	19.25									
Ryadac	10	28.50									
Saragao	10	32.00†									
Cachar Gardens											
Arcuttipore	10	7.00									
Central Cachar	100	72.25									
Eastern Cachar	10	2.94									
Kallimpong Property	100	102.00									
Kalkinuger	100	87.00									
Kunchanpore	10	3.94									
Preference Shares											
MADRAS											
BANKS											
Canara Bank 5%	50	36.84									
Canara Bank 10%	50	47.47									
Canara Bank 4½%	50	45.54									
Canara I. and B. 6%	100	85.54									
Canara I. and B. 5%	10	8.89									
ELECTRICS											
Berhampur 6%	10	8.45†									
Kumbakonam 6%	10	8.20†									
Negapatam 6%	10	8.25									
Salem Erode 6½%	1st	7.80†									
South Madras 5½%	10	7.95†									
South Madras 6½%	10	8.24									
T. N. Tuticorin 6½%	10	6.28†									
Vellore 6%	10	5.74†									

[illegible]

NAME	Paid-up Share	Quotation as on 15-9-61 Rs NP
1axmi Starch	100	170.00
Muthya Pradesh Ind.	10	14.50
N. I. Fisheries	100	105.00
New India Indus.	100	388.00
Ogale Glass Works	5	5.72
Permanent Magnet	50	86.50
Phillips Carbon	7 1/2	19.24
Rohas Indus.	10	16.00
Selected Satgram Col- leries	100	116.00xrt
Supreme Industries	100	155.00
Synthetics & Chemis.	100	187.00
Thacker & Co.	50	40.00

Ordinary Shares (Cleared) COTTON TEXTILES

Ahmed Advance	100	182.75
Apollo	2	1.88
Azam Jahi	100	71.00
B. R. Cotton	100	45.00
Bombay Dyeing	25	66.30
Central India	100	123.50
Century	100	563.00
Edward Textile	200	305.00
Elphinstone	50	87.00
Finlay	100	319.00
Gokak	100	191.50
India United	10	15.28
India United (Defd.)	1	1.90
Indore	100	160.00
Khatau	100	465.00
Kohinoor	100	284.00
Minerva	100	80.00
Morarjee	100	386.00
Mysore	50	67.00
New Great	100	226.00
Omanshahi	100	71.00
Padar	100	136.00
Shrinivas	100	268.00
Simplex	50	165.50
Standard	50	1200.00
Svadeshi	100	257.50
Swan	100	611.25
Tata	25	64.00

ELECTRICS

Ahmedabad	100	90.80
Andhra Valley	100	1030.00
Bombay Suburban	100	98.50
Tata Hydro	100	108.50
Tata Power	100	1117.50

CEMENT

Andhra B	10	11.64
A-C-C	100	162.25
Orissa	10	15.64
Shree Digvijay	100	174.50

STEEL

Indian Iron	10	24.32
Mukund	10	27.60
Tata	75	142.50

ENGINEERING

Alcock	100	294.00
Cooper	100	181.50
Larsen and Toubro	10	38.50
Tata Engg. and Loco- motive	100	340.50
Texmaco	10	17.24
Volta	100	282.50

SHIPPING

Great Eastern	10	13.60
Scindia	20	12.88

SUGAR

Belapur	50	272.00
Bhopal	10	24.80
Phaltan	50	140.00
Shree Chandeo	12 1/2	23.92
Walchand	100	163.00

MISCELLANEOUS

Bombay Burmah	125	593.00
B. B. Petrol	14sh	1.18
Hindustan Motor	100	19.60
Indian Copper	2sh	4.82
Ind. Inv. Trust	100	74.00
National Rayon	100	330.00
Pelton	100	164.25
Premier Auto	100	155.00
Premier Const.	30	186.00
Shivrajpur	10	96.50
Sirpur Paper	10	15.64
Tata Chemical	10	17.24
Tata Oil	25	70.00
Wimco	100	277.00

For the Investor

INVESTMENT GOSSIP Improved Tone

The stock market has staged a late rally after ruling dull most of the week. The unusual stringency in the money market is not being conducive to an expansion of bull activity. Moreover, what with the publication of the Congress Election Manifesto, the complicated international situation, the renewed apprehension that there may after all be some restriction, albeit self-imposed, on stock market activity and the forthcoming Puja holidays in Calcutta, bullish fervour does not get much encouragement.

It is perhaps wrong to say that market men have been unduly disturbed by the Congress Election Manifesto. It is true that there has been no serious disturbance to the price levels following its publication. This is evidently because there is nothing new in it as far as the stock market is concerned. Limitation on urban income is advocated along with lessening of concentration of economic power. That the Congress Party stands for these objectives is well known and it may even be said that the stock market has digested these long ago. Even so, the manifesto has served as a reminder of the possible shape of things to come.

There is no doubt general satisfaction that Government has not chosen to impose restrictions unilaterally on the stock market. But the fact remains that the responsibility of ensuring the proper conduct of business on the stock market has now devolved on the authorities of the stock markets themselves. Since it is not claimed that unhealthy practices are non-existent, there may be need for imposing certain reforms voluntarily. Presumably market men feel that the new Stock Exchange Committee may have something to say in this regard soon enough.

The improvement in sentiment noticed in later dealings seems to have stemmed more from bear covering on Dalal Street on the eve of settlement than from a revival of bullish fervour. The present up-trend may not gather momentum in coming weeks in view of the fact that next month Lyons Range will remain closed for a fairly long period for the Puja holidays, but it does not also seem possible that bears can hold sway for any length of time. For, hereafter the stock exchanges whenever they are obliged to initiate some measure or other calculated to meet particular situations at particular markets, will be working in close cooperation so that operators will have no chance of continuing in another centre the same type of activity which is sought to be curbed. The emphasis on export promotion and the realisation on the part of Government of the need for maintaining industrial production by per-

mitting adequate import of raw materials are bull points which may come to exert considerable influence on market sentiment in course of time.

NEW ISSUE NOTES Trianthrene Dyes, Drugs & Chemicals

Trianthrene Dyes, Drugs & Organics Limited, Bombay, is expected to place its public issue of Rs 40 lakhs on the market in the near future. It has an authorised capital of Rs 100 lakhs, divided into one lakh equity shares of Rs 100 each. Out of the issued capital of Rs 50 lakhs, the promoters, directors and their friends and associates have taken up Rs 10 lakhs. The balance of Rs 40 lakhs in 40,000 shares will be offered for public subscription. The terms of payment will be Rs 25 per share each on application and allotment and the balance of Rs 50 per share will be payable in two identical calls of Rs 25 per share. Each application will have to be for a minimum of five shares or multiples thereof. The company has not created any mortgage or issued any debenture or debenture stock and has no other loan capital. The company will manufacture and deal in indigenous dyestuffs, synthetic dyestuffs and organic chemicals.

Rajasthan Spinning

The list for public subscription to the capital issue of the Rajasthan Spinning & Weaving Mills Limited will open on 29 September and close on 10 October or earlier, but not before 5 October 1961. The company proposes to issue 1,95,000 equity ordinary shares of Rs 10 each and 6,000-9 per cent cumulative preference shares of Rs 100 each. Of these 4,000 preference shares and 20,000 ordinary shares will be allotted to the Rajasthan Government. The balance of 2,000 preference shares and 1,75,000 ordinary shares are being offered to the public. The entire preference issue has been underwritten by the LIC. The company's mill, which will be set up at Bhilwara, Rajasthan, will have an installed capacity of 18,000 spinning looms and 450 looms. In the first instance, the company proposes to install 13,200 spindles and put them in production by August 1962. The capital cost of the first phase of the project is estimated at Rs 60 lakhs. This will be financed by the capital issue of Rs 30 lakhs and a loan of Rs 30 lakhs from the Industrial Financial Corporation of India.

Globe Auto Electricals

The response to the recent issue of shares to the public by Globe Auto Electricals is reported to be encourag-

ing and the issue has been oversubscribed.

Madras Cements

A call of Rs 50 per share on the 17,211 equity shares and 9,559 redeemable cumulative preference shares allotted on 16 February 1961, 1 March 1961 and 29 March 1961 on and from 1 October 1961, has been made payable on or before 30 November 1961.

Andhra Sugars

Andhra Sugars Limited has proposed to issue 1,00,000 equity shares of Rs 10 each, at par, at one equity share for three equity shares held to holders as on 25 October 1961, ranking for pari passu with the existing equity shares in all respects except for dividend. The new shares rank for proportionate dividend from the date of payment.

Sakthi Pipes

Sakthi Pipes Limited, Madras, has been granted consent to the issue of capital of Rs 70 lakhs, divided into 56,000 equity shares of Rs 100 each and 14,000 cumulative redeemable preference shares of Rs 100 each carrying a dividend of 8.57 per cent (free of company's tax, but subject to deduction of taxes at source) for cash at par. The new company will undertake the manufacture of Spun Cast iron pipes.

Sodepur Engineering

The Sodepur Engineering Company Limited, proposed to be incorporated in West Bengal, has been granted a consent to the issue of capital of Rs 30 lakhs, divided into equity capital of Rs 25 lakhs and cumulative redeemable preference shares of Rs 5 lakhs. The capital is required for undertaking manufacture of refractory plant, jaw crushers, coal crushers, etc. The Factory is to be established at Sodepur, 24-Parganas. Messrs Kusum Engineering Company Limited, of Calcutta are the promoters of the company.

Kota Strawboards

Kota Strawboards (Private), Limited, has been granted consent to the issue of capital of Rs 25 lakhs, for cash, at par, divided into 18,000 equity shares of Rs 100 each and 700 cumulative redeemable preference shares of Rs 1,000 each, carrying a dividend of 7 1/2 (free of company's tax but subject to deduction of all taxes at source). The proceeds will be utilised for the manufacture of strawboards and pulp.

Sturdia Chemicals

Sturdia Chemicals Limited, Bombay, has been granted consent to issue capital of the nominal value of Rs 30 lakhs in equity shares of Rs 10 each for cash, at par. The proceeds will be utilised for establishing and the manufacture of precipitated and activated calcium carbonate, in collaboration with Messrs John E. Sturge Limited of Birmingham, UK, who will be offered shares of the value of Rs 9 lakhs, partly for cash and partly for consideration other than cash.

23 September 1961

Zenith Lamps

Zenith Lamps & Electricals Limited, Madras, has been granted consent to issue capital of Rs 25 lakhs consisting of equity shares worth Rs 20 lakhs and 9,286 per cent cumulative redeemable preference shares of the value of Rs 5 lakhs. The proceeds of the issue will be utilised for setting up a factory for the manufacture of Fluorescent Tubes and Glass Tubes.

Trichy Steel Rolling

Trichy Steel Rolling Mills (Private) Limited, Madras have been granted consent to the issue of capital of Rs 30 lakhs in the form of equity shares of Rs 100 each, for cash at par privately. The new company will undertake the manufacture of steel re-rolled products including wire-rods.

Bengal Paper

For financing its expansion and modernisation scheme, the Bengal Paper Mills Company, Limited, Calcutta, has been granted consent to issue capital of Rs 57 lakhs as under: (i) Rs 9 lakhs as bonus shares divided into 1,80,000 equity shares of Rs 5 each to be issued in the ratio of one bonus share for every five shares held; (ii) Rs 18 lakhs divided into 1,80,000 equity shares of Rs 10 each for cash at a premium of Rs 12 per share to be issued to the existing shareholders in the ratio of one equity share of Rs 10 each for three equity shares of Rs 10 each. (iii) Rs 30 lakhs in 6 1/2 per cent taxable loan stock of Rs 250 repayable after ten years, with a right of conversion into equity shares at specified rates. The existing equity shares of Rs 25 each and the bonus shares would be consolidated and divided into equity shares of Rs 10 each. Bengal Paper Mill Company Limited, Calcutta, has a paid-up capital of Rs 71 lakhs (preference capital of Rs 26 lakhs and equity capital of Rs 45 lakhs).

Hind Rectifiers

Hind Rectifiers Limited, Bombay, has a paid-up capital of Rs 5 lakhs in equity shares of Rs 100 each. It has been granted consent to issue capital of Rs 20 lakhs in equity shares of Rs 100 each for cash, at par. The proceeds of the issue would be utilised for the manufacture of rectifier apparatus.

Menora Hosiery

Menora Hosiery Works (Private), Limited, Bombay, having a paid up capital of Rs 1,60,000 and engaged in the business of the manufacturing knitted hosiery goods in woolen, nylon and cotton, has been granted consent to issue bonus shares of Rs 40,000 divided into 40 equity shares of Rs 1,000 each to be allotted in the ratio of 1 bonus share for every 4 equity shares held.

INVESTMENT NOTES Chemicoat

Excellent response has been received from the public for the shares

of Chemicoat Limited. It is learnt that the issue has been oversubscribed nearly 25 times. In consultation with the Bombay Stock Exchange authorities, the Board of Directors of the Company has fixed the basis of allotment of shares.

East India Distilleries

The Reserve Bank of India has given the formal consent to the East India Distilleries to accept transfers of the 1,88,112 right shares of £1 each, issued on the London register in September, 1960 to the Madras register after 18 September, 1961.

LIC Investment

The next meeting of the Investment Committee of the LIC will be held on Wednesday, 27 September at 3 p.m. at Bombay. Offers for the consideration of the Committee should reach the Executive Director not later than 3 p.m. on Tuesday, 26 September. Offers received thereafter will not be considered.

STOCK EXCHANGES A State of Indecision

Watch-Dog Writes:

STOCK markets are now in the grip of indecision, with both bulls and bears resorting to stonewalling tactics. Although the Congress election manifestoes do not seem to have any marked effect on sentiment, the undertone of the markets remains somewhat quiet.

Dull conditions prevailed on the Calcutta Stock Exchange where price movements were confined to narrow limits.

The Bombay Stock Exchange finished the week on a steady note. Although selected shares continued to receive support in the Textiles section, the volume of business on the Madras Stock Exchange remained small.

CALCUTTA

Calcutta, Friday Evening.

APART from a few firm features, price movements on the local stock exchange were insignificant during the week under review. This was mainly due to cautious buying at the lower levels and profit-taking at the bulges. The main contributory factor to the cautious buying was the absence of any pressure from bears, who found nothing in their favour to depress the market.

Some of the shrewd operators were, however, inclined to be cautious and book profits at the higher levels on the fear that the question of imposition of margins might be thrashed out at the first meeting of the Committee of the Presidents of the different stock exchanges, to be held at Bombay early next month. It was also feared that the coal policy, announced recently by the Government, might have its impact on certain industries in regard to production and quality.

Above all, market circles felt that the future outlook was somewhat

clouded by the various measures proposed to be adopted in the implementation of the socialistic policy of the party in power. The emphasis on curbing the growth of monopolistic tendencies and the concentration of economic power was interpreted bearishly. In the circumstances, it was thought that any sustained recovery in equity prices would not be possible, barring occasional rallies on technical considerations.

Gilt-edged securities ruled quietly steady. Despite fair demand for the short and medium-dated stocks, business was limited due to shortage of sellers. The new State Loans were easier and some of them were reported to have been offered at discounts. 3 per cent 1988 Conversion Loan moved between Rs 72.80 and Rs 73.05 to finish at the former level.

Bank shares remained practically unchanged in the absence of fresh activity. United Commercial moved narrowly between Rs 90.50 and Rs 91, while Punjab National were nominally quoted at Rs 18.56.

Although Jute shares came in for selective support following the LJMA's decision to raise the working hours from 25 September, turnover remained restricted due to the fear that the mills might have suffered substantial losses so far. Birlas changed hands at Rs 25.31 to Rs 25.75; Howrah at Rs 20 to Rs 20.25; Megna at Rs 11.56 to Rs 11.65 and New Central at Rs 17.12 to Rs 17.50. Champdany were enquired up to Rs 126 from Rs 116 with Fort Williams hovering narrowly around Rs 11.62.

Coal shares were rather sluggish. Despite the World Bank having agreed to give a loan to the industry for meeting the necessary foreign exchange expenditure of the expansion programme, investors were inclined to be cautious for two reasons. First, it was thought that the transport shortage might hamper production. Secondly, the price of coal was considered to have become uneconomic in the light of increased production costs. Equitable were on offer at as low as Rs 27.25 against Rs 34.12; New Beerbhoom at Rs 22.31 against Rs 23.25; Amalgamated at Rs 21.44 against Rs 22.50 and Burrakur at Rs 18.06 against Rs 18.25. The only steady feature were Western Bengal at Rs 9.56.

Except for the sustained support lent to a few selected shares, the Tea section remained generally neglected. Apart from the lower prices obtained at the auctions, there was a general feeling that the industry might face a glut due to over-production during the current year. Hasimara had buyers at Rs 32.19 to Rs 34.37; Dheklakhat at Rs 19.25 to Rs 19.31; Basmatia at Rs 26 to Rs 26.25; Huldibari at Rs 31.50 to Rs 31.81 and Jay Shree at Rs 18.12 to Rs 18.31.

Sugar shares were practically neglected. Operators seemed to be worried about the reports that stocks with the factories had been accumulating, especially when the new crushing was likely to start within a few weeks. There was an anxiety to know whether the necessary finance would be forthcoming for the increased output. Belsund moved

narrowly between Rs 11 and Rs 11.19; SKG between Rs 10.87 and Rs 11; and Cawnpore between Rs 13.25 and Rs 13.31. Dyer Meakin came in for sustained enquiry up to Rs 35 from Rs 34.37, to close finally at Rs 34.50 due to profit-taking.

Textile shares continued to receive good support although higher levels were not retained till the close due to general profit-taking. Jay Shree were at one time taken up to Rs 16.94 from Rs 16.50 (Rs 16.62); Cawnpore up to Rs 8.56 from Rs 8.44 (Rs 8.41); Bowreah up to Rs 32.62 from Rs 32 (Rs 31.87); Dunbar upto Rs 30 from Rs 29.69 (Rs 30); Kesoram up to Rs 30.25 from Rs 29.87 (Rs 28.87) and J. K. Rayon up to Rs 19.25 from Rs 19 (Rs 18.87). Figures shown within brackets were the week's closing rates.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons. Against the week-end closing of Rs 24.28, Indian Irons opened higher at Rs 24.40 and, after touching a low of Rs 24.18, recovered again towards the close to Rs 24.46. In sympathy, TEXMACO moved down at one time to Rs 16.45 from Rs 17.40 (Rs 16.90); Guest, Keen, Williams to Rs 38.50 from Rs 40.37 (Rs 38.50); Jessop to Rs 19.37 from Rs 19.50 (Rs 19.50); Jay Engineering to Rs 28.87 from Rs 29.19 (Rs 28.87) and J. K. Steel to Rs 20.87 from Rs 21.31 (Rs 21.12).

The Miscellaneous section provided a few firm spots, as will be clear from the following price trends of a few selected shares:—

	Week's High	Week's Low	Week's Closing
Orient Paper	37.15	36.30	36.90
Shree Gopal	26.56	25.12	26.56
Sirpur	16.12	15.31	16.06
Goodyear	37.87	37.25	37.50
Asso. Battery	35.81	35.25	35.50
British Paints	27.37	27.00	27.12
Isaac Holden	20.00	19.12	19.25
Rohas	16.50	15.75	16.50
Dunlop Rubber	54.37	53.00	53.31
H. Motor	19.75	19.06	19.50
I. Cable	37.75	37.44	37.69
I. Oxygen	40.25	39.50	39.50
I. Aluminium	35.81	35.00	35.44
I. Steamship	7.53	7.22	7.53
I. Copper	4.83	4.78	4.81
General Tyres	6.31	5.25	6.25
BIC	8.12	7.41	8.12

BALANCE-SHEET BRIEFS

The Talayar Tea Company has reported a net profit of Rs 5.35 lakhs for the year ended 31 March, 1961 as against Rs 3.04 lakhs for the previous year. The dividend on the Ordinary shares is raised from 8 to 10 cent, taxable.

The net profit of the Be Be Rubber Estates Limited has increased from Rs 1.22 lakhs to Rs 2.06 lakhs for the year ended 31 March, 1961. The directors have proposed a taxable dividend of 5 per cent as against nil.

The Mysore Chemical Manufacturers Limited has reported a decline in the net profit from Rs 6.18 lakhs to Rs 5.21 lakhs for the year ended 31 March, 1961. The dividend on the Ordinary shares is, however, maintained at 20 per cent, subject to tax.

INDEX NUMBERS OF SECURITY PRICES (1952-53=100)

Week ended	10.9.60	2.9.61	9.9.61
Government and semi-government securities—All-India			
TOTAL	101.2	101.2	101.2
Government of India	101.0	101.1	101.1
State Governments	102.6	102.2	102.2
Municipal, Port Trust, etc.	100.0	99.6	99.6
Debentures of Joint Stock Companies—All-India			
TOTAL	100.8	101.4	101.4
Preference shares—All-India			
TOTAL	87.0	83.7	83.6

Variable dividend industrial securities—All-India			
TOTAL	174.2	175.8	176.0
Agriculture and Allied Activities	170.4	165.1	164.7
Total	163.9	160.3	159.7
Tea Plantation	210.8	172.9	173.1
Coffee Plantation	172.9	173.2	173.3
Rubber Plantations	153.7	156.7	156.7
Mining and Quarrying: Total	182.8	175.0	173.4
Coal	172.4	170.4	170.4
Other Mining	189.0	188.9	189.4
Processing and Manufacturing:	189.4	196.0	196.0
Textiles (Food stuffs, etc.)	192.4	199.1	199.1
Sugar	155.6	168.7	170.0
Cotton Textiles	93.4	93.2	92.0
Jute Textiles	106.6	111.0	110.2
Silk & Woollen	106.6	111.0	110.2
Processing & Mfg. (Metals, Chemicals, etc.)	300.4	195.6	195.0
Iron & Steel	165.4	161.9	161.4
Transport Equipment	409.7	378.5	374.4
Electrical Machinery	137.0	160.5	160.0
Machinery Other than Transport and Electrical	312.7	205.3	203.1
Basic Industrial Chemicals	225.7	205.7	205.1
Processing and Mfg. (Others):	146.0	154.0	156.5
Total	145.0	140.8	142.5
Cement	230.7	200.5	202.2
Other Industries: Total	110.3	108.1	108.5
Electricity Generation and Supply	81.0	81.9	81.1
Trucking	115.3	111.8	113.4
Shipping and other Transport	106.4	91.9	92.0
Construction	323.4	285.0	285.0
Financial Total	173.3	200.0	214.0
Banks	193.4	137.7	145.3
Insurance	132.7	143.5	145.3
Investment Trusts	87.3	80.0	80.0

Variable dividend industrial securities—Bombay			
Bombay	180.0	182.2	183.2
Calcutta	134.1	162.5	161.0
Madras	193.9	193.1	193.3
Delli	140.6	129.2	129.1

*Including "Miscellaneous"
*Including "Edible and Vegetable oils."

SHORT-TERM MONEY RATES

(Per cent per annum)

	9.9.60	2.9.61	9.9.61
Call Money—			
From Banks—			
Bombay	3.58	2.00	3.06
Calcutta	3.77	1.93	3.74
Madras	3.17	1.98	4.02
Deposits at notice of 7 days—			
Bombay	3.00	3.00	3.00
Calcutta	3.00	3.00	3.00
Madras	3.00	3.00	3.00
Fixed Deposits—			
3 Months—			
Bombay	3.50	3.50	3.50
Calcutta	3.48	3.50	3.50
Madras	3.47	3.50	3.50
6 Months—			
Bombay	3.49	3.75	3.75
Calcutta	3.48	3.75	3.75
Madras	3.48	3.75	3.75

*No Transaction.

BULLION PRICES

Week Ended	16.9.60	8.9.61	15.9.61
GOLD—			
Spot—			
Highest	116.89	124.10	125.21
Lowest	115.20	123.05	123.75
Average	116.02	123.42	124.55
1st Settlement—			
Highest	117.13	124.70	125.55
Lowest	115.69	123.40	124.05
Average	116.36	123.71	124.86
SOVEREIGN—			
Average	87.31	95.30	95.80
SILVER—			
Spot—			
Highest	194.29	203.10	203.95
Lowest	193.01	202.00	201.90
Average	193.64	202.69	203.14
1st Settlement—			
Highest	195.00	203.15	204.60
Lowest	193.86	202.60	202.40
Average	194.40	203.32	203.75

GOVERNMENT OF INDIA TREASURY BILLS

Week ended	9.9.60	1.9.61	8.9.61
Amount offered	2.00	2.00	...
Amount tendered	2.00	2.00	...
Amount sold by tender	2.00	2.00	...
Of which against maturing Treasury Bills	...	...	...
Intermediate Treasury Bills	...	...	...
Bills sold	...	90	1.28
Total sales	2.90	2.90	3.28
Average rate of discount for auction sales	2.540	2.400	...
Sold in favour of Reserve Bank of India	19.85	33.71	30.61
Total amount outstanding	1,135.67	1,047.32	1,051.35

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From	To
Belgium	Fca. to Rs. 100	1041	1042
		1042	1041
Netherlands	Guilder to Rs. 100	75.60	75.70
		75.75	75.80
Italy	Lira to Rs. 100	12995	13000
		13000	13005
Denmark	Kroner to Rs. 100	144.59	144.60
Sweden	Krona to Rs. 100	108.70	108.50
		108.00	108.50
Japan	Yen to Rs. 100	7614	7610
		7610	7614
U.S.A.	Ra. to \$ 100	476.88	476.88
		476.88	476.88
Canada	...	464.25	464.50
		464.50	464.00

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	9.9.60	1.9.61	8.9.61
Forward Contracts—			
Purchases	£ ('000)	1.65	1.965
Sales	£ ('000)	2.2	2.62
Debit—	£ ('000)	...	...
Purchases	£ ('000)	...	...
Sales	£ ('000)	2.45	2.175
Against forward contracts—	£ ('000)	33	2.90
Purchases	£ ('000)	60.5	190
Sales	£ ('000)	81	39
Sales	£ ('000)	...	...

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	16.9.60	8.9.61	15.9.61
34% 1961	99.80	99.90	99.90
31% 1962	99.75	99.95	99.95
34% N.P.B. 1967	99.45	99.10	99.10
5% Dev. 1970-75	99.70	99.93	99.93
34% 1974	99.65	99.54	99.54
5% (Cons.) 1986 or later	73.92	72.70	72.80
Running yield			

INDEX NUMBERS OF WHOLESALE PRICE BY GROUPS AND SUB-GROUPS

(Base: 1952-53=100)

Group and Sub-Group	2.9.61	2.9.61	2.9.61	2.9.61
Food Articles				
Cereals	123.2	124.2	124.1	124.1
Pulses	88.5	89.9	91.7	93.4
Fruits & Vegetables	160.8	165.5	158.5	154.1
Milk & Ghee	118.7	118.4	118.9	120.1
Edible oils	153.7	158.4	160.9	147.1
Fish, Eggs & Meat	137.3	142.1	141.2	130.1
Sugar & Gur	124.3	123.8	123.1	140.0
Others	180.4	185.7	183.5	168.1
Liquor and Tobacco	100.0	100.0	100.1	104.1
Tobacco	96.5	96.5	96.6	102.1
Coal, Paper, Light & Lubricants	131.5	131.6	121.6	119.1
Industrial Raw Materials	138.7	138.8	150.5	137.1
Fibres	125.1	121.9	152.4	135.1
Others	160.6	163.9	162.9	145.1
Manufactures	94.8	94.8	95.3	98.1
Intermediate Products	126.5	126.6	127.0	125.1
Finished Products	124.7	124.5	127.5	123.1
Textiles	140.7	141.0	141.8	129.1
Cotton	123.1	121.7	123.2	122.0
Jute	108.3	121.8	127.9	124.7
Woolen	126.6	126.6	126.6	121.7
Silk & Rayon	118.0	118.0	118.0	108.8
Chemicals	147.1	147.1	147.1	146.8
Metals	113.0	113.0	111.9	104.6
Others	144.3	146.1	146.7	128.8
Machinery & Transport Equipment	112.8	112.8	112.8	111.9
Others	120.9	120.9	120.9	110.8
All Commodities	125.5	125.0	128.6	125.1

* Estimated.

† Revised.

RESERVE BANK OF INDIA ISSUE DEPARTMENT: (In 000's of Rupees)

	15-9-61	8-9-61	16-9-60
LIABILITIES:			
Notes in Banking Dept.	19,28,38	8,92,64	21,65,23
Notes in Circulation	1889,46,43	1898,86,47	1792,59,77
	1908,74,81	1907,79,11	1814,25,00
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76,03	117,76,03	117,76,03
(b) Outside India	...	...	...
Sterling Securities	116,86,07	116,86,07	123,00,89
Total of A	234,62,10	234,62,10	240,76,92
(B) Rupee Coin	125,48,13	124,60,51	131,76,00
Rupee Securities	1548,64,58	1548,56,50	1441,72,08
	1908,74,81	1907,79,11	1814,25,00

	15-9-61	8-9-61	16-9-60
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long-term Operations) Fund	50,00,00	50,00,00	40,00,00
National Agricultural Credit (Stabilisation) Fund	6,00,00	6,00,00	5,00,00
Deposits—			
(a) Central Govt.	78,52,81	63,49,75	81,73,41
(b) Other Govt.	38,16,33	31,94,54	35,50,14
(c) Banks	78,66,80	75,85,49	99,61,79
(d) Others	158,02,72	159,28,44	93,36,57
Bills Payable	23,07,86	22,17,68	16,85,32
Other Liabilities	14,25,32	13,24,51	15,53,46
	526,71,24	507,00,41	471,49,39
ASSETS:			
Notes	19,28,38	8,92,64	21,65,23
Rupee Coin	2,17	2,01	1,47
Subsidiary Coin	3,25	3,73	6,00
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Serv. Treasury Bills	24,98,96	18,26,15	22,15,75
Balances held abroad*	17,76,01	18,72,83	23,44,47
Loans & adv. to Govt.	49,44,54	49,11,11	28,67,00
Other Loans & Adv.	136,96,41	134,74,78	137,10,91
Investments	261,16,47	261,15,95	226,37,31
Other Assets	17,06,05	17,01,21	12,01,25
	516,71,24	507,00,41	471,49,39

	15-9-61	8-9-61	16-9-60
LIABILITIES:			
Capital Paid-up	3,00,00	3,00,00	3,00,00
Reserve Fund	4,15,00	4,15,00	4,15,00
Rural Credit Fund	1,00,00	1,00,00	1,00,00
Deposits—			
(a) Central Govt.	15,06,53	18,31,14	20,31,11
(b) Provincial Govts.	7,31,20	2,91,43	5,75,17
(c) Banks	17,49,45	17,84,84	17,18,90
(d) Others	115,47,65	115,99,31	95,23,63
Bills payable	40,21	38,75	17,21
Other Liabilities	14,58,61	15,66,06	19,35,60
	178,48,65	177,16,53	155,15,62
ASSETS:			
Notes	15,73,80	12,38,56	14,23,65
Rupee Coin	77	75	46
Subsidiary Coin	63	57	48
Bills purchased & disc'd.			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. Treasury Bills	16,40,93	16,16,26	25,15,75
Loans & Adv. to Govts.	1,93,00	1,88,00	5,04,00
Provincial Governments	45,34,85	46,26,16	9,38,23
Debtor Balances	89,64,81	91,01,33	93,60,76
Other Loans & Advances	9,49,86	9,45,01	8,72,30
Investments	...	...	...
Other Assets	...	...	...
	178,48,65	177,16,53	155,15,62

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Indian Finance

Indian Finance

Saturday

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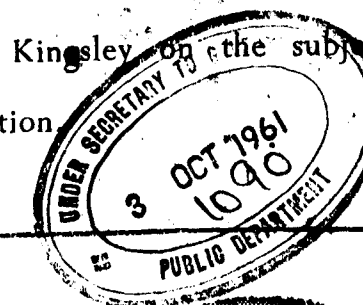
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Selwyn Lloyd's little budget has already begun to pay off.

Read John Kingsley on the subject in the Leading

Articles section



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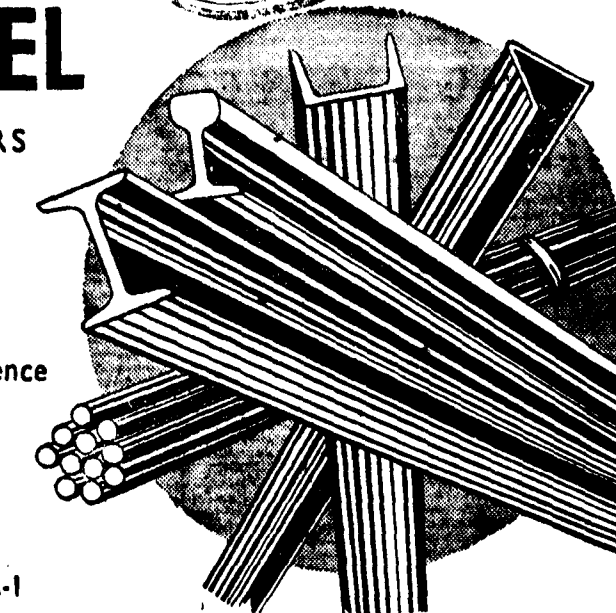
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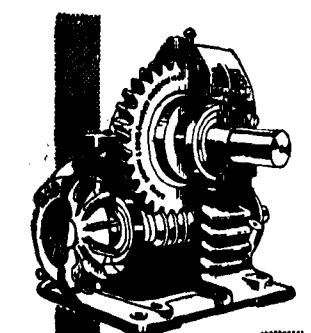
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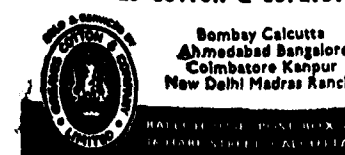
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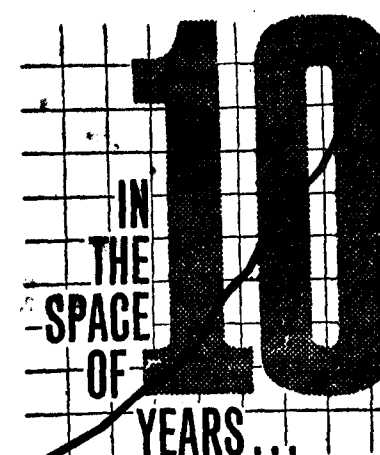
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30 September 1961

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Fifty Years of Public Service

THE Southern India Chamber of Commerce celebrating its Golden Jubilee this week can look back with pride and satisfaction on half a century's substantial service to the cause of commerce and industry in the southern Peninsula. In his address of welcome, Kumararaja Muthiah Chettiar explained in detail the achievements of the Chamber between the Silver Jubilee in 1935 and the Golden Jubilee (delayed for unavoidable reasons) celebrated this week. Looking ahead, he indicated that the Chamber was pledged to further progress in consonance with current expectations. The jubilee celebrations were preceded by an exhibition meant to let the public know how achievements have measured up to anticipations and how the Chamber's acceptance of State regulations was derived from its own appreciation of the public weal. The most valuable insurance for the continuance of a progressive and responsible private enterprise is the democratic character of the political system in which we live.

The rapid progress of Madras in industrialisation in recent years has been the result of close co-operation—verging on an amiable conspiracy against doctrinaire faddists of the left and the right—between the Madras Government and the entrepreneurs in Madras represented by the SICC. It is worth recalling that the idea of progress under planning was accepted by the SICC long before it became the cliché it is today. At a conference held under the auspices of the SICC when the late Dr Alagappa Chettiar was its President, the idea was explored in some detail. It was then argued that a bold policy of industrialisation to develop resources must figure in post-war reconstruction and the revenue reserves built up during the war must be applied to advantage. Indeed the Chamber then provided a pre-view of planning by listing probable industries eligible for tariff protection, and, indicating lines of assistance. This early acceptance of the inevitability of planning is worth recalling today. For, criticism of some of the more onerous and iniquitous burdens imposed by planning and of the mistakes and errors of judgment in the course of execution of the plan has often been misunderstood as opposition to the idea of planning itself.

The Jubilee occasion provides an opportunity for a review of the industrial evolution of South India in the last 50 years. The souvenir issued by the Chamber provides such a review and records its own impressive part in this evolution. The Chamber has been responsible for securing improvement of the harbour, extension of railway communications and the growth of road transport. It has also drawn continuous attention to the industrial potentialities of the State, and the need for a healthy banking system attuned to the requirements of growth. Hopes for the future in Madras are largely tied up with the new complex of heavy industry that is slowly taking shape. The four-fold increase in power output between 1950 and 1960 has not removed doubts about limitations of power

supply. That is why the new Neyveli Thermal Station is regarded as more important than even the fertilizer project. The steel project, for which there is a keen public desire locally, depends on the success of the tests that are currently being made. The boiler plant proposed to be set up near Tiruchirapalli, the automobile and bicycle industries that are making rapid progress and the aluminium project that will help both the aluminium utensil industry and the engineering enterprises that need metal are instances of the new industrial orientation of the South. The paper, rayon, chemical and other enterprises launched in recent years will be supplemented by new efforts for making plastics. Cement, sugar and textiles have increased output. Many light engineering and small-scale industrial units have come into being in very quick succession in recent years. Madras has interested outside entrepreneurs also in its industrial development. New enterprises like rubber manufacturing and fertilizer production have brought outside investors. Above all the State Government has adopted a responsive attitude towards all promising schemes. For its part the Chamber has ably assisted the State Government in bringing about this meaningful practical interpretation of the idea of a mixed economy.

The justification of the SICC and, for that matter of any Chamber of Commerce lies in its serving the public as a discriminating supporter or critic of the Government and as an exponent of the views of trade and industry. Happily, the atmosphere in Madras is such as to make this function of the Chamber easy and automatic. For the rest, the existence of controls makes inevitable organisations to explain the non-official point of view. War-time experience suggests that the Chamber in performing its tasks earns the gratitude of others besides its members. The support given by many members—associations and affiliated bodies to the SICC is one reason for assuming that an organisation devoted to regional advancement remains useful, especially when the State Government is also committed to the view that an early and proper distribution of industries in the country is necessary to remove economic disparity.

On the Jubilee occasion, the permanent establishment of the SICC has received as many appreciative references as the elected office-bearers. This is as it should be. As the Annual Report for 1960 suggests, the Secretariat of the SICC has been kept continually busy by the increasing pace of the economic activity in the South. Since at least 1935 the SICC has relied on a keen and growing staff to serve its members and in the last few years, their tasks have broken the bounds of routine duties. It is gratifying that the Chamber's Secretariat has been found equal to the demands made on it.

SAVINGS

Reserve Bank Study—I

Savings have been the subject of two notable studies in recent times. The Reserve Bank of India undertook a study of the subject and published its findings in the March 1960 issue of its Bulletin, which covered estimates of savings for the period 1950-51 to 1957-58. Meanwhile, the National Council for Applied Economic Research also took up a survey of urban savings and at the same time made a study of the subject based on the statistical data provided from various

governmental and institutional agencies. The results embodied in the study were published in May 1961. The Reserve Bank has now again come out with another study of savings the findings of which are published in the August issue of its Bulletin. The latest study by the Reserve Bank extends the coverage of its estimates of savings and investments up to 1958-59. This, however, is not the only point of difference between its earlier and latest studies of the subject. In the latest study, the earlier estimates are stated to have been revised in the light of fresh data which have become available and also certain changes in the estimation procedures. The following table gives the volume and pattern of savings in the aggregate as also sector-wise being the results of the latest study by the Reserve Bank.

VOLUME AND PATTERN OF SAVINGS

		(Rs crores at Current prices)									
		1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59		
Government Sector	93.84	192.30	88.39	70.99	82.22	69.92	128.92	114.42	103.00		
Domestic Corporate Sector	...	32.15	56.49	4.29	22.87	38.88	54.33	53.69	17.20	34.27	
Household Sector	509.88	254.76	492.62	504.88	561.64	785.98	810.36	686.55	837.57		
(a) Urban households	...	319.95	59.78	305.79	298.64	392.69	610.42	595.96	481.47	595.21	
(b) Rural households	...	189.93	194.98	186.82	206.24	168.95	175.56	214.40	205.08	242.36	
Total	...	635.88	503.55	585.29	598.74	682.74	910.23	992.97	818.17	974.84	

Some interesting points emerge from the data contained in the table. Most significant is that relating to the proportion constituted by savings in the household sector to total savings. Savings in this category may be seen to account for the major portion of the total savings. At constant prices, savings from this sector had amounted to more than 80 per cent of the total savings for the entire period from 1950-51 to 1958-59. The corporate sector is of relatively insignificant size to have any large share in the total. Within the household sector it is the urban household sector, which is the larger source of savings. Its relative share is more than double the share of the rural household sector. It is also worthy of note that a substantial portion amounting to more than 80 per cent of savings in the household sector is in the form of physical assets.

Total savings for the whole period at current prices have risen from Rs 635.88 crores in 1950-51 to Rs 974.84 crores in 1958-59. At constant prices, the increase is from Rs 591.0 crores to Rs 902.0 crores. For the entire period, the household sector's share of total savings amounts to 81.4 per cent at constant prices, and that of the Government at 13.9 per cent. As a proportion of the National Income, savings have increased from 6.7 per cent in 1950-51 to 7.7 per cent in 1958-59. The percentage is higher for some of the intervening years being 9.1 per cent for 1955-56 and 8.8 per cent for 1956-57.

AVERAGE SAVING-INCOME RATIOS: AGGREGATE AND SECTOR-WISE (PER CENT)

	Period I (50-51 to 52-53)	Period II (53-54 to 55-56)	Period III (56-57 to 58-59)	First Plan Period	Three Years of Second Plan (56-57 to 58-59)	50-51 to 58-59
Government Sector	13.5	7.4	8.2	10.3	8.2	9.7
Domestic Corporate Sector	34.2	41.0	32.4	37.0	32.4	35.8
Household Sector	4.3	6.3	6.7	5.3	6.7	5.8
Rural Household Sector	2.6	2.6	2.7	2.5	2.7	2.6
Urban Household Sector	9.5	16.0	16.9	12.6	16.9	14.1
Aggregate Saving	5.9	7.3	7.9	6.6	7.9	7.1
Aggregate Marginal Savings Income Ratio	...	19.1	14.2	...	17.3*	...

*Calculated with reference to First Plan period.

The Reserve Bank study is also important for its estimate of the average savings/income ratios both in aggregate terms and sector-wise. The calculations regarding the average savings/income ratios are made for three

This draws attention to the fluctuations from year to year in the total savings both at current prices and constant prices that are noticeable in the figures given in the Reserve Bank study. The fluctuations are marked for almost every sector, though it is clear that in the household sector there is a recognisable trend toward increase in the total volume of savings over the whole period. While the variations in the savings in the household sector may be explicable in terms of the variations in the different components contributing to the total savings in the sector, the variations in the savings in the other two sectors are not explicable in a similar manner. And the Reserve Bank study has also not sought to assign particular reasons for such variations.

It is the fluctuations in the domestic corporate sector that are really intriguing. There was a sharp fall in savings in this sector during 1952-53 when it dropped to Rs 4.0 crores (at constant prices) from Rs 51.0 crores in 1951-52. Though during the subsequent years, savings in this sector staged a remarkable recovery standing at Rs 57 crores in 1955-56, there was again a sharp fall in 1957-58 when it went down to Rs 17.0 crores from Rs 52.0 crores in 1956-57. The variations in the savings in the Government sector have also been of a similarly pronounced order. From Rs 176.0 crores at constant prices in 1951-52, savings in this sector fell to Rs 85.0 crores in the next year.

year periods rather than for each year. The justification for this grouping of years is stated to be the unreliability of the figures from year to year while the figures for a set of years are assumed to be more meaningful.

The aggregate savings/income ratio risen from 5.9 per cent during period I to per cent during period II and further 7.9 per cent during period III, the average ratio for the whole period being 7.1 per cent. The savings/income ratio is the highest in the domestic corporate sector and lowest in the household sector. Further there is clearly discernible trend in the ratio except for the household sector in respect of which there is noticeable increase over the year. The ratio has however gone down during period III for both the Government and corporate sectors as compared to period I.

The Government sector's average savings/income ratio declined from 13.5 per cent in period I to 7.4 per cent in period II but rose to 8.2 per cent during period III. The average ratio for the domestic corporate sector on the other hand after rising to 41 per cent in period II from 34.2 per cent in period I, went down to 32.4 per cent in period III.

Indo-British Trade in 1960

An analysis of trade between India and the UK in 1960 comes opportunely at a time when the future of Indian exports is exercising the minds of both Authority and the Public. The detailed notice made available in the Journal of Industry and Trade refers, of course to the unfavourable balance of trade in spite of a reduction in India's own imports last year. From the statistical information in hand it may be inferred that the major rival in regard to tea is Ceylon. And in regard to jute manufactures, it is Pakistan, not Belgium, that is the trade rival at present. The fall in UK imports of hides and skins was in part due to supplies from Elre, Australia and France. The strong position in regard to carpet wool has been also modified by Pakistan's entry but then India sells carpets more than wool at present. The UK demand for bristles is up and India has gained from the demand noted at the auctions. China is the main source, but India has a better chance, if clean white bristles, properly graded, are offered for sale at the auctions.

It is in regard to manganese ore that the decline in Indian exports to the UK in 1960 is obvious. Both South Africa and Soviet Russia increased their shipments but the outlook is to be gauged by a reference to the rise of 24 per cent in value last year. The record makes it clear that while India remained supreme as the source of mica and shellac, she failed to benefit from the increase in UK imports of coffee. On the other hand, the imports of tobacco were up, though Rhodesia holds a lead over India as before.

The most important development of the year was the sharp rise in the UK's takings of groundnut oil from Nigeria. It is clear that India is handicapped increasingly by high prices at home. As the major supplier of linseed oil in the Commonwealth, India was not badly placed but it should be noted that the Netherlands and the Argentine are also regular suppliers of both linseed and linseed oil. The ECM arrangements would obviously help Argentina. As for groundnuts, India is naturally out of the picture at present. The UK gets what she wants mainly from West Africa. In respect of castor oil the position of India is definitely better, as also in regard to oilcake.

The review indicates that in regard to pepper, this country is a minor supplier in spite

of the rise in UK imports in 1960, but cardamoms from India, were definitely preferred though it is evident that Scandinavia draws supplies from the London market. The jump in India's exports of cashew kernels last year is reflected in the UK trade returns. The experiments in processing raw nuts imported from Tanganyika was not successful. Mention may be made of similar efforts made earlier in Kenya and Uganda to process cashewnuts from Portuguese East Africa which is still a major source of raw nuts for Indian cashew factories which are being expanded in expectation of regular, larger exports in future.

The review emphasises the fact that India is the principal source of grey cloth for finishing in the UK, though Spain increased her share of the UK market. This may not damage India's long-term interests if Hong-kong limits supplies as expected. The future of textile exports is governed by agreement among the importers. But the first need is to limit the rise in raw cotton prices in India by regulating exports or other means.

The more important consideration after the Accra talks is that the common tariff in Western Europe would apply to supplies drawn from Africa as well as India in the case of groundnut oil, textile manufactures or hides and skins. But in the ECM itself tariffs have been gradually reduced and the UK as a shipper of spices, leather or oilcake may be at no disadvantage if the entrepot trade is kept up as usual. Far more important in the long run for the UK is the maintenance of her invisible exports from shipping, banking and insurance so as to permit larger imports from the Commonwealth especially, of agricultural commodities, though British farmers might enter objections after long experience of both tariffs and subsidies. The re-export of items like tea, tobacco and castor oil would not be prejudiced by the imposition of tariffs and for the maintenance of textile exports by the UK, the continuance of cloth supplies from India is certainly necessary. On the view that India like Australia after the war has changed the pattern of trade, it is open to the UK to argue that her prospective adherence to the Treaty of Rome is an unavoidable contingency.

The end of Empire Free trade, fashioned by Tariff reformers in Britain, is the consequence as much of British disinvestment during the war as the evolution of a new Commonwealth that looks to the USA for both trade and aid. All that could be claimed in the face of industrial development in the Dominions making them serious trade rivals to Britain (not only in the case of butter or meat) is that quotas should be set for UK imports from outside the Commonwealth. That too may have an effect on Commonwealth trade with the USA though in regard to tin or rubber from Malaya, or copper from Rhodesia, there should be hardly any change. One may add justifiably that British manufacturers are exposed to a degree of competition and the ECM too may be disposed to increase its imports for the sake of keeping up capital exports in the future.

End of Speculation Against Sterling

BY JOHN KINGSLEY

THE new economic programme introduced by the British Government in late July is already yielding results. In August, the drain of funds from London that had been

proceeding at an alarming rate in earlier months was not only checked, but actually reversed.

The figures are somewhat involved. The actual rise in the central gold reserves in August was £369,000,000, carrying them to £1,245 million. There was a large special injection from the International Monetary Fund, of £518,000,000—leaving some £17,000,000 of Britain's drawing for a later month. Against this, some £200,000,000 was repaid to Continental central banks to extinguish the greater part (though not the total) of the credits granted by these banks earlier in the year. In addition, £10,000,000 was paid to European countries on account of standing obligations to repay Britain's debt to the old European Payments Union (EPU).

On balance, this left a net injection of £308,000,000—and the reserves rose by £61,000,000 beyond that. One last distorting influence was provided by purchases of sterling by France for its own EPU payment to Britain, of £27,000,000—but it is understood that the purchases of sterling during the month were significantly less than this. Thus the true increase in the reserves appears to have been £40,000,000 to £50,000,000.

A GOOD BEGINNING

This clearly is only a beginning—unofficial estimates of the drain in the first seven months of 1961 range as high as £600,000,000 to £650,000,000—but it is a creditably good beginning. Sterling, as a leading international currency, has been adversely affected in this period by the deterioration in the international situation, even though the Berlin crisis has, this time, affected the mark rather more. Funds are now moving out of Germany, partly in response to political fears, though also as a counterpart to the ending of speculation against the pound.

At the same time, no new wave of hot money has so far made its appearance in London. The additions to the reserves represent mainly the unwinding of speculative positions by operators who had left themselves very short of sterling to cover commitments, or who had postponed making purchases in sterling, in the hope that it would be depreciated.

Although short-term interest rates in London are now outstandingly attractive on international standards—Treasury bills yield 6.7 per cent and seven-day deposits with local authorities 7½ per cent—there are few signs of international funds coming in any large volume, as they did in 1960.

For this, London observers detect two main reasons. One is the general shock administered first by the fact of the German revaluation in March, and then by the fear (unfounded as it turned out) of devaluation of sterling this summer; faith in exchange stability has inevitably suffered. Secondly, there is no doubt that the growing fear of war also discourages international arbitrage of this kind. Instead, operators have been turning to gold—though so far the Bank of England, through prudent management, has succeeded in preventing any drastic break-away in the gold price in the key London market.

LONG-TERM PLANNING

A number of the proposals mentioned by Mr Selwyn Lloyd, Chancellor of the Exchequer, for long-term improvements were too lightly dismissed in early public comment, and the Chancellor has now made it clear that they form an integral part of his programme.

This is especially true of long-term economic planning. People in every quarter in Britain—employers, trade unionists, and Whitehall officials—have been impressed with the experience of France in implementing an ambitious, and at points detailed, national economic plan by co-operation and persuasion rather than by controls and coercion.

There is widespread agreement that Britain has something to learn from this French experience. During August, the Chancellor saw delegations from the employers and the unions and discussed the matter with them, in a deliberately tentative way. The Government has not yet formed a definite view about the form the planning machinery should take. It is anxious to hear views from both sides of industry—and fairly quickly. The ambitious aim is to have the national economic council (as it may be called) in being by the end of the year.

The Government has, however, a provisional view, and it puts this to the representatives of industry. It sees the advantage of the plan as twofold—the sense of national purpose derived from setting targets for economic growth; and the revelation of inconsistencies and priorities in the economic and industrial structure. The possible disadvantage, to be guarded against, is a belief that the existence of the plan itself will solve the problems.

TWO-TIER COUNCIL

On organization, the Government is clear in its mind—and there is almost universal agreement on this—that the key decisions must still be taken by Ministers: there can be no question of a second authority on the political level. But there need not necessarily be an extreme choice between a 'planning commission as a separate administration and one fully integrated in the Government machine.

The halfway house, which the Chancellor appears to favour at present, is a two-tier council. The "policy" element would consist of representatives of employers and trade unions and officials of the Treasury and Board of Trade, presided over by the Chancellor. This council would be 20 to 25 in number.

Beneath would be an "office" for the formidable work of detail—doing the calculations on national income, keeping contact with individual industries, collating and correlating. This office need not necessarily be staffed by existing civil servants, though it could, of course, draw on the Government's statistical services and the like.

In this way, it is hoped, a planning authority with a real weight of its own would emerge, fully geared into the process of Government. Industrialists as a whole are strongly in favour; trade unionists, while they naturally at present have their own worries over the wages pause, are strongly in favour of a planning organization in principle.

Surplus Manpower and Planned Development

By TARLOK SINGH

In varying degrees many of the less developed countries share the problem of surplus manpower. In India, it exists in an acute form for the country as a whole and, even more, in certain specified regions which are noted for an imbalance between population and resources. To a large extent the surplus

of manpower expresses itself as under-employment or disguised unemployment although, with economic development, an increasing proportion of the surplus may take the shape of open unemployment and a steady influx into urban areas. Nevertheless, owing to the rapid increase in population, the relief to rural areas is not significant, and a large labour surplus continues to characterise the rural economy.

The view that manpower is capable of being used as a resource for rapid economic development has been held for many years. Not enough is known yet of the conditions under which this objective may be achieved and its precise place and timing in the scheme of development or of its dependence on a variety of institutional factors. The general proposition still remains to be worked out systematically or on a large enough scale. The rural works programmes which have been recently initiated in India and is to be expanded in the course of the Third Plan to provide work for about four months in the year to some 2.5 million persons will provide an opportunity to develop the idea in many areas, and enable us to assess its practical possibilities and limitations more precisely. Even at this stage, a few preliminary observations based on the actual course of development, specially in India, may be of some interest.

In the first phases of development, commonly the main stress is on the building up of productive capacity in industry and agriculture, development of economic overheads and of essential social services, and the strengthening of the apparatus for administration, training and research. The expansion of employment opportunities, although always recognised as important, is in practice accepted as a by-product of economic and social development, rather than as an aim directly sought or achieved. The use of manpower as a resource does not therefore emerge as a distinct priority. In the main the interests of employment are safeguarded through the adoption, wherever feasible, of labour-intensive techniques in construction and of protective measures for traditional industry. These devices are not strong enough to check the economic trends and cannot take the place of a positive drive to use manpower as a resource in so far as this may be feasible. Moreover, any extended use of manpower itself, except at the very lowest levels of technology, requires the very services which development seeks to establish and involves claims on resources which would otherwise go into development. Thus, it may well be that despite the wide acceptance of the case for effective utilisation of manpower for development, the stage at which manpower may be deployed both more fully and more efficiently may often be reached after the process of development has got under way. Such a stage would appear to have now arrived in India. It is not of course suggested that under certain institutional conditions—different from those actually witnessed in India and many other countries—there could not be a somewhat different sequence.

RURAL WORKS PROGRAMME

It is mainly in the rural areas that manpower resources could be used intensively for development. Beyond the ordinary processes of agriculture and rural industry and services, additional work opportunities flow from the development programmes undertaken in an area, such as, irrigation, soil conservation, distribution of fertilisers etc. A proportion of the opportunities arise directly; but to a much larger degree and on a continuing basis, indirect and private employment, which the completion of development programmes

makes possible, is even more significant. It follows that any programme for rural works for the further use of manpower should look beyond direct to indirect employment. This consideration also suggests the need for much closer knowledge of the employment impact of different activities than is at present available and of the real employment needs of each area.

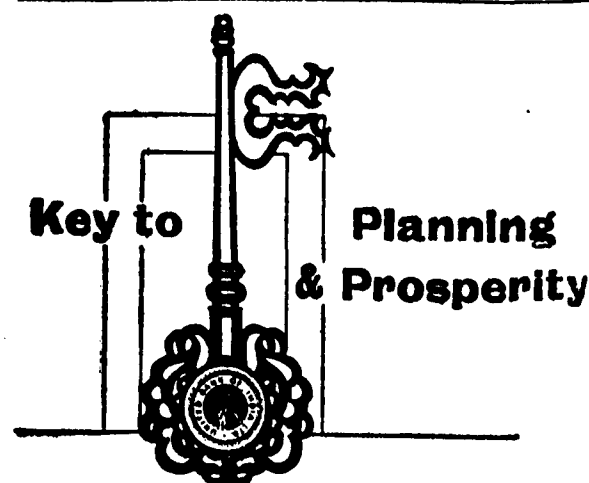
The earlier suggestions concerning the use of surplus manpower perhaps failed to stress one aspect of practical importance. There is a vast difference between employing the mechanism of rural works (a) where these are the principal means for providing employment, and (b) where they serve as a marginal additional addition to an existing and reasonably well-knit scheme of development. In the second situation, which generally holds in India, what is attempted is a purposeful expansion of the development programme, a broadening of the prevailing pattern rather than something fundamentally new. The problems of organisation, even of motivation, and the underlying assumptions, are somewhat different in the two circumstances. It is obvious that in an area where a rural works programme supplements the existing effort, the latter must itself be fully oriented towards expansion of employment opportunities, both direct and indirect. In other words, its greatest concentration must be on production and on organisation for the better harnessing of manpower resources, for instance, through various forms of co-operatives. Without these steps, a large part of the value of supplementary programmes which may be taken in hand may be easily lost. Thus, the objective of utilising manpower on which a programme of supplementary works focusses attention, brings with it a challenge not merely to the manner in which development is organised, but also to some of the concepts on which it is based. Among the issues to be considered are:

- How far can peasant agriculture be adapted to the dynamics of large-scale utilisation of manpower for development;
- To what extent will be additional employment opportunities for slack agricultural seasons, such as rural works are likely to provide, meet the requirements of the rural economy even during the transition?

Peasant agriculture has the ability to carry on with a large labour reserve. To the extent the surplus labour continues to be retained in agriculture, despite some increase in the intensity of operations, the gains in living standards and in productivity may be limited. Invariably, lack of capital resources impedes growth in productivity and, even with greater facilities from co-operative agencies, the limitation is likely to persist. Moreover, while there are various ways open to the peasant family to increase its income and production from land, progressively the larger gains will accrue from works affecting a wider area and calling for labour on the part of substantial numbers of persons. In other words, if the more effective use of manpower is to be secured in the context of peasant agriculture, besides co-operative organisation of credit, supplies and marketing and labour co-operatives, techniques have to be developed whereby groups of workers and farmers can carry out improvements over whole blocks of land as part of a wider scheme of development. Individual holdings have to fit into such a scheme and those who benefit have to accept certain obligations or liabilities, but over a growing range of activities, development plans have to be formulated and carried out on the basis of areas, villages and groups of villages rather merely in terms of

choice and preference on the part of individual farmers. Naturally, methods of persuasion and consent and the approach of mutual interest have to be adopted to the greatest extent possible, but these will not be sufficient.

The combined effect of the growth of population and the improvement of agriculture may be to throw up more and more of surplus labour such as will require full-time work rather than work only during the slack agricultural seasons. This is at present in the nature of a guess. The most important aspect of the organisation of rural works now being undertaken is, therefore, to arrange for the precise study of the types of surplus labour which exist in different areas the scope for integrating works programmes such as can be undertaken in the slack agricultural seasons with the operations and needs of the agricultural economy, and the scale on which, as part of the development programme, full-time opportunities must be brought into existence from year to year. As a first approach, it is highly important and essential that additional work opportunities for the less busy agricultural seasons should be rapidly developed. The more difficult problem is to meet the demand and to train the labour force for full-time employment. The crux of the problem of transforming the rural economy remains what it has been for a long time—establishment of a progressive and efficient and essentially cooperative system of agriculture and the expansion of small and medium-sized industries based on agricultural raw materials as well as others, at the level of the small town and in rural areas generally. The rural works programme, while serving an urgent need, is also likely to create conditions under which these basic processes of reconstruction will have to be greatly speeded up.



Individual well-being is linked with national prosperity and only planned efforts can ensure both in the shortest possible time. And planning, for its success, largely depends on savings, individual as well as national. Saving in the form of Bank Deposits provides resources for the National Plan.

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World of Finance

RBI REPORT

Strengthening the Banking System

MENTION may be made here of two proposals formulated by the Reserve Bank, one for strengthening the capital funds of banks and the other for increasing the cash reserves and liquidity requirements of banks. Briefly, the first proposal seeks to establish the relationship to Deposits as the criterion of minimum adequacy of a bank's capital funds, and also to increase the minimum capital required for setting up a banking company.

—Report of the Central Board of Directors, Reserve Bank of India, page 29.

The other proposal seeks (i) to relate the cash reserve requirements as well as the liquidity ratio of banks to total Deposits, instead of to total liabilities, (ii) to abolish the distinction between demand and time liabilities observed at present in calculating reserve requirements, (iii) to raise somewhat the reserve and liquidity requirements, and (iv) to ensure a raising of the liquidity requirements pari passu with every increase in the reserve requirements.

—Ibid, Pp. 29-30.

There has been a furore about the capital plus reserves link with Deposits. It would appear that the suggestion put forward by the Reserve Bank places the relevant ratio too high—so high indeed that the objective is practically impossible of achievement. The Indian Banks' Association and the Exchange Banks' Association have reportedly considered the proposals, and the former is understood to have suggested that the percentage should be somewhat lower than the 7½ per cent of the draft proposals. There is no gainsaying the fact that bank Deposits have in recent years grown so fast and vast that capital and reserves as a ratio of Deposits have been rendered perhaps unreasonably low. But the intention to make statutory provision for transfer to reserve and/or raising of capital is fraught with difficulties. If banks are required to set apart a certain fixed percentage of the published profit for reserve, then the distributable surplus will be reduced, dividends will suffer—and the prospect will be downright bleak for any approach to the shareholder in the form of a rights issue. It is conceded that the Reserve Bank itself has acted in manner to ensure that banks' profits will increase; to that extent banks' capacity to transfer to reserve will have improved. But bank Deposits are not static, and cannot be static; and the rate of increase is likely to be such that even after the maximum possible transfer to reserve out of profit for the best that banks may be able to hope for would be that the ratio to be steady, the danger being that it might deteriorate. In any case we do not greatly favour at the present moment and in the light of existing conditions any such

* Exclusive of inter-bank transactions and 'other' liabilities.

restrictive kind of formula. Instead we would concentrate upon the building up of inner reserves—after all losses can be met from inner reserves, it would be impolitic and impractical to use published reserves for the purpose. Maybe the link should be between inner reserves and risk assets, with banks encouraged to put by to inner reserves until specified ratios of particular kinds of risk assets are achieved. We gather that in Canada such strengthening of inner reserves is encouraged, the relevant transfers (up to specified limits) being tax-free. In India too the feasibility of allowing such a tax concession should be considered. New industry here gets the benefit of Development Rebate, apart from tax holidays and the rest; if banking is being called upon to undertake new forms of service, some at least of which hold greater risk potential, it is but fair that they should be compensated in the form of tax-free strengthening of inner reserves.

The second proposal is unobjectionable; and it is to be hoped that the Reserve Bank will where necessary use the more powerful monetary weapon it will be possessed of.

The pattern of distribution of bank credit has also undergone a change, for there has been a growing participation of banks in industrial finance; banks are now venturing into new lines of activity such as term-lending to industry and underwriting of shares involving a greater risk element.

—Ibid, page 29.

"Greater risk element": precisely, and more reason why attention should be paid to strengthening of inner reserves. Term-lending, however, is not exactly a new activity; in 1956, whether the banks knew it or not, they were so extending accommodation to constituents. In that year the capital market was shy, and existing industry quite often put to medium-term use the short-term accommodation it got from banks. It is good that banks are increasingly taking upon themselves the chore of underwriting; apart from the fact that such sponsorship enables relatively new entrants to industry to secure their capital needs, the fact is that the banks themselves by so extending their activities improve their earning potential.

Other measures proposed for strengthening the banking structure include a general tightening of the Bank's inspection machinery and the introduction of Deposit insur-

ance. . . . It has . . . been decided to introduce an element of surprise in the inspections conducted by the Bank, to inspect each bank at least once a year and the weaker ones more than once, and to inspect a larger number of branches of banks than hitherto. Government have also decided to introduce a scheme of Deposit insurance as a measure of protecting the interests of depositors and as an aid to banks in mobilising Deposits.

—Ibid, Pp. 46-47

The Palai Central failure did not occur because the Reserve Bank's inspections were not rigorous enough; it was because the advice of the central banking institution was not heeded or acted upon. In principle there is everything in favour of surprise checks and checks at branches. But we are not sure that the Reserve Bank has done right in informing the general public that "weaker" banks will be inspected "more than once" a year. However secretly and discreetly inspections may be conducted, information in this regard leaks out; and in the light of the Reserve Bank's intention to peer into weaker units' working more than once a year, it will amount to Reserve Bank labelling of banks so inspected as weak. Will this engender confidence? Or will it set off jitters just when they should be avoided?

Hail, Deposit insurance, watered down though it is!

The main source of the increase in income during the year was the rise in earnings under interest resulting from increased holdings of rupee securities consequent on purchases from the State Bank of India in accordance with the revised procedure for the placement of PL 480 counterpart funds, and the funding of ad hoc Treasury Bills for a further amount of Rs 50 crores in January 1961, in addition to Rs 150 crores funded in December 1959.

—Ibid, Pp. 49-50

Not to speak of the funding of Rs 300 crores of Treasury Bills, in the year previous, by the creation of a special issue of non-marketable 4 per cent 1973. The Reserve Bank's income in the year to 30 June 1961 went up by Rs 4.50 crores, and the net profit payable to the Centre rose by Rs 2.50 crores. The funding operation of January 1961 was comparatively speaking a small affair, and will not have greatly contributed to increase in profit. Then, the increased earnings arising from the funding operation of December 1959 could have—or should have—been taken into account while framing the Central Budgets since then. We are consequently led to believe that a not inconsiderable factor attending the enlarged earnings is the receipt of counterpart funds. If this conjecture is correct, then the windfall profit enjoyed by the State Bank since the first accrual of counterpart funds must have been sizable—and well in excess of published figures.

PROGRESS OF 1961 SLACK SEASON

		(In Rs Crores)	
		Latest Week*	Change
Reserve Bank	28-4-61	1,868.70	—113.73
Active Note Circulation	...	84.31	+ 6.15
Banks' Deposits	...	135.89	+ 10.42
Other Loans & Advances	...	9.50	— 11.59
Adv. Against Usance Bills	...		
State Bank			
Deposits (see note)	...	524.46	— 25.24
Cash inc. Money at Call	...	31.44	+ 3.58
Giltedged Investments	...	250.27	+ 12.80
Total of Advances	...	242.69	— 24.64
Other Scheduled Banks			
Net Deposits	...	1,412.65	+ 45.61
Cash inc. Money at Call	...	151.63	— 1.55
Giltedged Investments	...	354.42	+ 29.43
Total of Advances	...	985.73	— 39.05

* Week ended 22 September for Reserve Bank and State Bank.

Week ended 15 September for Other Scheduled Banks.

Note: State Bank figures are distorted by Rs 24 crores loss in Deposits owing to repayment of counterpart funds.

BANK RETURNS

Balances Held Abroad Higher

After the considerable currency expansion owing to Puja disbursements, Active Note Circulation has, during the week ended 22 September and as disclosed in the latest returns of the Reserve Bank, contracted by Rs 20.77 crores to Rs 1,863.70 crores. Also, there has been inflow of Rupee Coin in the considerable amount of Rs 1.80 crores. Foreign Securities are unchanged at Rs 116.85 crores, and currency has been contracted against Rupee Securities for Rs 20 crores, the latter now being placed at Rs 1,528.73 crores. In the result, the Reserve Bank's cash in the till has improved slightly by Rs 2.71 crores to Rs 21.99 crores.

The return for the Banking Department indicates that there have been inter-governmental transactions. Balances of State Governments are lower by Rs 16.80 crores at Rs 21.36 crores, on top of a fall of Rs 3.91 crores to Rs 45.53 crores in their ways and means borrowings from the Reserve Bank; and these two changes suggest some element of repayment of loans, etc., to the Centre. The Centre, in its turn, with cash balances adequate, has instituted reverse ad hoc for Rs 20 crores, as represented by the fall in Rupee Securities in the Issue Department. In the event, the Centre's balances have declined by Rs 18.48 crores to Rs 55.05 crores. There may also have been a special transaction, with Other Deposits rising by Rs 14.63 crores to Rs 172.66 crores.

A somewhat easier banking position can be inferred from the rise of Rs 5.64 crores to Rs 84.31 crores in Reserve Balances; also the Other Loans and advances of the Reserve Bank have moved down by Rs 1.07 crores to Rs 135.89 crores. On the other hand, advances against usance bills are nearly Rs 3 crores higher at Rs 9.51 crores.

Investments are unchanged, in broad terms, at Rs 260.61 crores. It would appear that Government also had a maturing commitment in respect of Treasury Bills purchased and discounted by the Reserve Bank in an amount of roughly Rs 6½ crores.

Lastly, it is heartening that Balances Held Abroad, which have been falling continuously without break, have recorded a small improvement of Rs 0.66 crore to Rs 18.42 crores; and foreign assets held by the Reserve Bank now just barely exceed the Rs 135 crore mark.

The return of easier conditions is revealed in the statutory statement of the State Bank for 22 September. The total of Advances has fallen by Rs 5.15 crores to Rs 242.69 crores,

and Deposits are up by Rs 0.58 crore at Rs 524.46 crores. The gilt-edged portfolio is largely unchanged at Rs 250.27 crores. But there may be an impending purchase of Government securities through the Reserve Bank tap, since Other Assets are higher by about Rs 4 crores at Rs 25.85 crores. As an end result, cash balances, including money at call, have risen fractionally by Rs 0.74 crore to Rs 31.44 crores.

The return of Scheduled Banks for 15 September reveals partly the impact of Puja bonus payments and the incidence of advance tax instalments. Net Demand Deposits it is true are higher by Rs 1.45 crores at Rs 820.14 crores, but net Times Deposits have fallen by Rs 4.40 crores to Rs 1,116.39 crores. Moreover the total of Advances has risen, though slightly, by Rs 1.40 crores to Rs 1,244.66 crores. In consequence there has been increased recourse to central banking credit, partly offset by reduction in the indebtedness to the State Bank. Borrowings from the Reserve Bank are shown to be Rs 2.27 crores higher at Rs 17.25 crores, whereas those from the State Bank are lower by a shade over Rs 1 crore at Rs 18.21 crores. Banks appear to have disinvested in gilt-edged for Rs 5 crores, with the portfolio showing such a drop to Rs 605.61 crores, but the State Bank is known to have sold securities for Rs 8 crores in that week. Hence, other Scheduled Banks added to their holdings by something like Rs 3 crores—relating of course to State loans. The cumulative result of all these changes is an improvement of Rs 2.50 crores to Rs 182.33 crores in cash balances, including money at call.

Treasury Bills

Tenders for Rs. 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 26 September 1961. Total amount offered was Rs 2,00,00,000. Tenders at Rs. 99.375 per cent were allotted in full. Total amount accepted was Rs. 2,00,00,000, the average rate of accepted tenders being Rs. 2.500 per cent per annum.

Tenders for Rs. 2,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to 11 A.M. on Tuesday, 3 October 1961. Successful tenderers should make payment on Friday, 6 October 1961. Other conditions are as usual.

During the week ended 22 September 1961 Government of India Treasury Bills for Rs. 52,98,00,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills sold from 20 to 23 September 1961 amounted to Rs. 55,00,000.

Resources of the IMF

By Paul Einzig

IT looks as if ambitious monetary reformers who want to reorganise the international monetary system for the sake of ensuring higher international liquidity will have to wait a little longer before their plans will materialise. For the time being the problem will be dealt with on the basis of the existing system through the addition of some \$6,000 million to the facilities which the International Monetary Fund is in a position to place at the disposal of member Governments. The amount is substantial and should go a long way towards meeting requirement in the near future. It should enable the International Monetary Fund to assist much more effectively in the defence of currencies which are subject to speculative pressure. From this point of view progress has certainly been achieved.

Before rejoicing over this progress it is necessary, however, to bear in mind two qualifying considerations. The one is that the additional resources promised to the Fund by various member Governments will not be unconditional. The Governments concerned are anxious to have a say in regard to the way their respective currencies are used for supporting other currencies. It is now no longer sufficient to convince the Fund itself that the application for assistance is justified. It will be necessary to convince also the Governments whose currencies would be used for the support of the currency that is subject to pressure.

The other consideration is that the international exchange situation is apt to change with disconcerting suddenness. So long as the dollar was obviously impregnable there appeared to be no risk for the United States to let the Fund draw on its dollar resources in support of other currencies. But recent experience has proved that today's hard currency is apt to become tomorrow's soft currency. The Government whose currency is used extensively for assistance through the Fund is exposed to difficulties if a sudden deterioration of the exchange position should occur. It may not always be easy to reverse the operations, so that the generosity of a Government in allowing its currency to be used by the Fund is apt to become a major source of difficulties.

In theory there is nothing to worry about, for if a currency is subject to selling pressure one or more other currencies are bound to be subject to buying pressure to a corresponding extent. This should mean that those Governments whose currencies are subject to buying pressure can afford to help the currencies subject to selling pressure to the extent to which that pressure is in relation to their own respective currencies. In practice, however, things are not always so simple. The Governments concerned may entertain doubts whether the buying pressure on their currency is of a sufficiently lasting nature to justify a decision to authorise the Fund to draw upon their currency.

However, even if the new facilities will not be easily available to anything like their full extent, the reinforcement is none the less welcome. It will tend to discourage speculators, at least to some extent, for the possibility of massive retaliation to their attack will exist. At the same time the fact that the assistance is not unconditional and automatic will tend to discourage Governments from relying on it excessively and from pursuing unsound policies on the assumption that in case of difficulties large-scale support will be available as a matter of course. Copyright.

Notes

LABOUR STATISTICS

Dubiety in Figures

An article in the July issue of the Tata Quarterly discusses the content and character of the statistics relating to labour under various heads such as factory employment, employment exchanges, wages and earnings, absenteeism and consumer price indexes. The data presented in respect of all these are shown to suffer from serious deficiencies and shortcomings which inevitably detract from their value as reliable tools of economic study. The common defects of the economic data presented under all these heads are their obsolescence and their lack of exhaustiveness. In respect of employment, for example, the data are collected from the annual returns submitted by industrial units. It is shown that a number of industrial units do not comply with this provision and that in such measure, the statistics of industrial employment remain incomplete. This incompleteness naturally affects the usability of the data for purposes of comparison between different States and between different times. The long time lag after which the figures become available is a fac-

tor that renders them useless for current studies. (For example, the latest available Provisional All-India figure of factory employment is for 1959.) The territorial change that have followed the merger of the former princely States and the States Reorganisation scheme, have further vitiated the comparability of the figures of industrial employment and there has been no attempt at reconciliation or revision of the data to cover the same area to make them useful for comparative purposes. It is also shown that the figures presented for industrial employment refer not to the number in employment, but to the number which attended work. This tends to underestimate the actual employment in view of the possibility that the number which attended work cannot take into account the numbers absent.

The data in respect of wages and earnings also continue to be incomplete and somewhat unreal for the same reasons as failure on the part of employers to submit annual returns—in 1958 only 71 per cent of employers submitted returns—and the calculation of employment on the basis of the number which attended rather than the number in actual employment. That the actual situation in respect of wages and earnings should in the circumstance fail to be reflected in the figures furnished by the Government departments is, therefore, inevitable. There is also lack of uniformity over a period of time in the figures that are collected and presented. (Upto 1957, the data relate to employees earning upto Rs 200 p.m. and thereafter upto Rs 400.) To aggravate all this, there are serious gaps particularly in respect of data needed for inter-industry comparisons.

The most serious defects are noticeable in respect of the statistics relating to employment exchanges. For reasons of the small number of people availing of the employment exchanges for new jobs and of the lack of compulsion on employers to recruit candidates through the employment exchanges, the statistics provided by the employment exchanges serve as poor basis for estimation of the employment opportunities and unemployment. The article points to the result of an inquiry conducted by the National Survey in 1953 which showed that nearly 75 per cent of the unemployed in the urban areas did not register themselves with the employment

exchanges. Further dubiety in the figures is introduced by the fact that the registers of the employment exchanges include names of people already in jobs and further the figures tend to get deflated by the habit of people preferring not to renew their registration in the employment exchanges.

It is the consumer price indexes and the working class cost of living that offer the most glaring instances of obsolescence and unreliability among the whole mass of labour statistics presented by the Government. This is due to the fact that it makes no distinction between States and regions and also makes no allowance for the varying importance of the articles that enter into consumption at different times and in the different States. World War II has wrought the most pronounced changes in consumption habits, but the Indian consumer price index has not wholly taken into account these changes. It is fantastic that the price indices for important Centres like Bombay, Ahmedabad and Madras should continue to be based on pre-war standards which makes them utterly irrelevant for any worthwhile study. The assumption of an all-India pattern of consumption is also, as the article points out, extremely fictitious since the climatic conditions, character of production and habits of consumption differ very widely from place to place.

The defects in the statistics presented by the Government departments may thus be seen to be not only a matter of detail but basic. The use of such faulty statistics prevents precision in economic studies and analysis and further has dubious significance as reliable indicators of progress. While instances may arise where the use of such statistics may lead to erroneous conclusions, a worse result may be that Government's policies which are based on such data may fail to correspond to actual conditions and needs. An All-India consumer price index, officially admitted to be "of hardly any real significance" has yet been used for adjustments and wages. It was used by the Labour Appellate Tribunal (1954), the Bank Award Commission (1955) and the Pay Commission. The propriety of such use is questionable. Improvement necessarily rests with the Government and the cooperation of the industrial and other interests. Arming Government with more powers to elicit information from industrial units may serve to fill only part of the breach. What is more essential is that the apathy of the Government should be broken. Official admission of deficiencies should be followed by corrective action. Something is being done. For instance, the results of the family budget inquiries conducted in 1958-59 at 50 centres are expected shortly. This should make possible a more meaningful consumer price index.

MAHARASHTRA State Cooperative Bank's Golden Jubilee

That the Cooperative Movement has taken deep roots in Maharashtra is borne out by the remarkable progress that has been achieved by the newly constituted Maharashtra State Cooperative Bank. It is true that the Bank is this year celebrating its golden jubilee by virtue of the fact that it is a part of the old Bombay State Cooperative Bank. But strictly speaking the Bank in its present name came into existence only on 1 May 1960 following the bifurcation of Bombay into Maharashtra and Gujarat. Recently the Vidarbha Cooperative Bank has been merged with it. The Maharashtra State Cooperative Bank, as is to be expected, was hard put to it in the first six months of its separate existence to carry on smoothly. For as a result of the bifurcation, the deposits of banks and societies in Gujarat had to be transferred to the Gujarat State Cooperative Bank. At the same time commitments had increased because of the unchanged demand from cooperative sugar mills and the increased demand for loans from the agriculturists. Thanks to the timely help of the Government of Maharashtra to the tune of Rs 1 crore, the Bank was enabled to concentrate its attention on augmenting its funds by fresh deposits. Its effort in this direction was crowned with resounding success as before the completion of the first year of its working, it had deposits far in excess of the deposits of the

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parent Bank just before the bifurcation. A highly significant feature is that the Bank has been able to attract increasing deposits at a time other commercial banks were experiencing a fall in their deposits.

Addressing the annual general meeting of the Bank, the chairman Prof. D. R. Gadgil, has pointed out that in spite of the strenuous efforts put forth by the Bank to raise funds, the Reserve Bank of India had to continue to render substantial assistance. The Committee on Cooperative Credit headed by Mr. Vaikunthbhai Mehta which submitted its report in May 1960 had recommended provision of agricultural credit on a more liberal basis. The Mehta Committee recommendations have been generally endorsed by the conference of State Ministers for Cooperation held at Srinagar in June 1960 and the Reserve Bank has also accepted these recommendations in principle. The co-

operative movement has no doubt made commendable progress in Maharashtra and because of this demand for funds has considerably increased. The Cooperative credit structure is not able to cope with the situation unaided. Perhaps some time in the future, it would have grown strong enough to go it alone but under existing circumstances, it needs assistance and the sooner such help is made available, the better will it be able to serve the needs of the rural population.

★ CAUSTIC SODA The Protective Umbrella

The past decade has been conducive to the rapid growth of the caustic soda industry as to many other industries. Thanks to the rapid progress of industrialisation

in the country, the demand for caustic soda, a basic material used in a number of industries such as soap, textiles, paper, vanaspati, rayon, aluminium and ancillary chemicals, has increased considerably. The indigenous caustic soda industry could therefore expand its production to meet the increased demand as it has been adequately protected from competition from imports by tariff protection since 1955. During the past six years of protection, the industry has expanded considerably. In 1955 there were twelve units engaged in the production of caustic soda of which seven produce for sale and the remaining five for self-consumption. There are now eighteen units of which eleven produce for sale and seven for self-consumption. The rated capacity of the industry which stood at 39,946 tonnes in 1954 increased to 68,270 tonnes in 1958 and 131,630 tonnes in 1961. Production also shows a sizable in-

crease in the course of the past seven years. In 1958, production stood at 58,31 tonnes and it aggregated 97,402 tonnes in 1960. As against the Third Plan target capacity of 400,000 tonnes, licences so far granted for expansion of existing units and new units will bring the capacity of the industry to about 366,500 tonnes.

The position at present is that there is a shortfall in domestic production and it would appear that although the gap may progressively be narrowed in coming years, self-sufficiency may not be reached before the end of the Third Plan as demand is expected to rise to about 300,000 tonnes by 1964. The shortfall now made good by import which is the sole responsibility of the State Trading Corporation. The selling prices of caustic soda in all forms and its allied products are controlled since 1959. Protection is due to expire on 31 December 1961 and the industry has prayed for continuance of protection for a further period of three to five years beyond that date over and above praying for various measures of assistance such as, continuance of the policy of regulated imports, higher ceiling prices for caustic soda, facilities for transport of raw materials and finished products, exemption from the payment of electricity duty etc.

In opening the public enquiry a few days ago in Bombay Mr. K. R. P. Aiyangar, Chairman of the Tariff Commission, has pointed out that the industry is working under quite favourable conditions. Under the protection umbrella, it has made rapid progress during the six or seven years. The quality of its products is generally considered satisfactory. Thanks to the strict regulation of imports, foreign competition has been practically eliminated. Mr. Aiyangar has further said that in the context of the present acute shortage of foreign exchange in the country, import of caustic soda is not likely to be liberalised. The industry perhaps need not unduly worry about obtaining protection for a further period. For, as has been pointed out by Mr. Aiyangar, the industry will not be much bothered by excessive imports as Government is itself extremely stringent in allowing imports. While the industry can justifiably plead for continuance of protection and other facilities and concessions, it has a primary responsibility toward the consumer. The protection cover should not lull it to a sense of complacency. The consumer has a right to expect to the given supplies which are of the highest possible quality and at a reasonable price. It is also incumbent on the industry to strive to achieve self-sufficiency as expeditiously as practicable for here is involved not only self interest but the larger interest of the nation as well.

HARBOURS

Fair Progress

The National Harbour Board met at Ernakulam last week to review the development work at various ports. The proceedings have served to underline the trend of development work in various ports, which indicates fair progress in some of the major ports, particularly at Cochin and Madras. The work regarding the construction of four berths in the Ernakulam channel of the Cochin port is stated to be progressing satisfactorily and is expected to be finished by the middle of next year. The new wet dock scheme in the Madras port is also stated to be proceeding according to schedule and is expected to be completed by the end of 1962 or the beginning of 1963. It is the improvement of the Calcutta port that poses the most difficult problems. Dr. P. Subbarayan, the Minister for Transport and Communications who presided over the meeting of the Board, indicated some of the steps that are being taken for further development of the Calcutta port. These include purchase of dredgers and other craft required by the port, and extension of the King George's Dock to provide additional accommodation for vessels inside the dock. The problems thrown by the heavy silting of the Balari Bar also received special attention and in this connection, the assurance given by the Minister regarding the implementation of the Farraka Barrage scheme should be welcomed.

The decision in respect of legislation being passed for setting up of port trusts at Cochin, Vizag and Kandla which are presently under Central administration would also be welcomed. The potentialities of traffic growth at these ports are such as should call for a fairly flexible system of administration which only the creation of port trusts could ensure. With the completion of the present scheme for construction of four berths at the Cochin port, its capacity for handling larger freight tonnage would be enlarged. The Vizag port would also be called upon to handle a larger volume of freight traffic in view of the export potentialities of iron ore to Japan. By 1964 the annual traffic in this would be of the order of nearly 2 million tons, which is further expected to go up to 4 million tons two years thereafter.

The Board does not also seem to have arrived at any decisions in respect of the development of other important ports such as Paradip and Porbandar which would qualify for inclusion in the development schemes by virtue of the anticipated growth in traffic in these places. There is considerable difference of opinion between the Gujarat Government and the Central Ministries in respect of the prospective volume of trade

likely to be available at the Porbandar port and these differences were expected to be thrashed out at the Board's meeting. The Planning Commission would seem to favour the inclusion of only Tuticorin and Mangalore for development into major ports at present and a sum of Rs 10 crores had been provided for in the Third Plan outlay for port development for this purpose. The inclusion of the other ports within the scope of development envisaged in the Third Plan is contingent on the provision of more outlay for port development.

★ TANNING

A Public Utility

The decision of the Madras Government to declare the tanning industry (operating mainly in rural areas) as a public utility may well be due to its importance for the export trade. The change from raw hides to tanned leather has made the local tanneries important and since a large number of tanners depend on a small number of export outlets smooth working is required. The E.I. kip trade producing over Rs 20 crores in exports in a year is the major item in Madras at present as groundnut oil exports are virtually extinct. The hope of a large trade in chrome leather and finished leather is always there, but it is in regard to footwear that the outlook has improved with the arrival of orders from Eastern Europe for boots and shoes. That leather is needed for sportsgear like cricket pads or footballs may be a real link between one small industry and another big industry. But as is generally known, it is upper India that believes in leather and the S. I. tanning industry is more concerned over raw materials like goat.

That the joint stock enterprise is virtually unknown in the field may be due to the risks of the trade. The Mysore venture in chrome tanning has evidently not paid off and the poor start made by manufacture of sned leather is known to many. In any case, tanning is more of a trade than industry and the export houses are largely dependent on commissions paid. And the importance of the trade is not due to leather research but to the fact that it was the first industry in South India to get going in the first decade of this century. Not yarn, but hides and skins won attention when industrial education was planned and the European merchants thought of E.I. kips as the backing for their own export trade to offset fluctuations in import trade. The tanning industry is upset by the monsoon and wet spells imply only idleness. But in Madras it is not so much of a seasonal industry as cotton spinning or sugar and the most impor-

tant feature today is that Indian capital predominates.

Also new trade connections, for instance, with Japan have been built up in recent years by careful attention to the needs of export markets. There has been no attempt to draw imports of hides and skins from Australia and it is from S. E. Asia or Pakistan that the supplementary supply of hides and skins is drawn.

★ COFFEE To Join or Not to Join?

That coffee marketing has been a headache for the Coffee Board and that the planting community has had a period of anxiety during the past many months are known facts. One of the important reasons for the present difficulties is, that the coffee-growing industry has produced and is still producing a rapidly-growing crop, while there is world over-production and price decline in the commodity. The crop in India does not exceed 2 per cent of the world crop. But, when a sizable crop is to be marketed in the world market under the prevailing conditions of supply, India cannot but sell at prices offered there, especially when the world price of coffee has been dropping heavily since the middle of last year and the Indian coffee, sold for export, has also been fetching low prices.

In this context, the meeting of the board of directors of the International Coffee Agreement, currently in session in Washington, is of special interest. It is reported that the present Coffee Agreement will most probably be extended for a further period of one year. It is also expected that a sub-committee will be formed to draw up plans for a long-term agreement to include all the producing countries and the larger consuming countries. Fifteen countries, representing 93 per cent of the world's coffee exports, are now signatories to the Agreement. Proposals have now been made to widen the membership to cover all coffee growing countries of the world. The Latin American producing countries and the United States are reported to be agreeable on the provisions of a long-term agreement. It is felt that the successful implementation of such a scheme necessitates that membership embraces "all" coffee-producing countries without exception, as also the main consuming areas in the world.

Reports aver that the planters and the Government of India differ on the advisability of India keeping away from the Agreement. The planters feel that it will be advantageous for India to become a member of the Agreement in view of the mounting exportable surplus; while, according to the Government, the exportable surplus so far is a very fractional

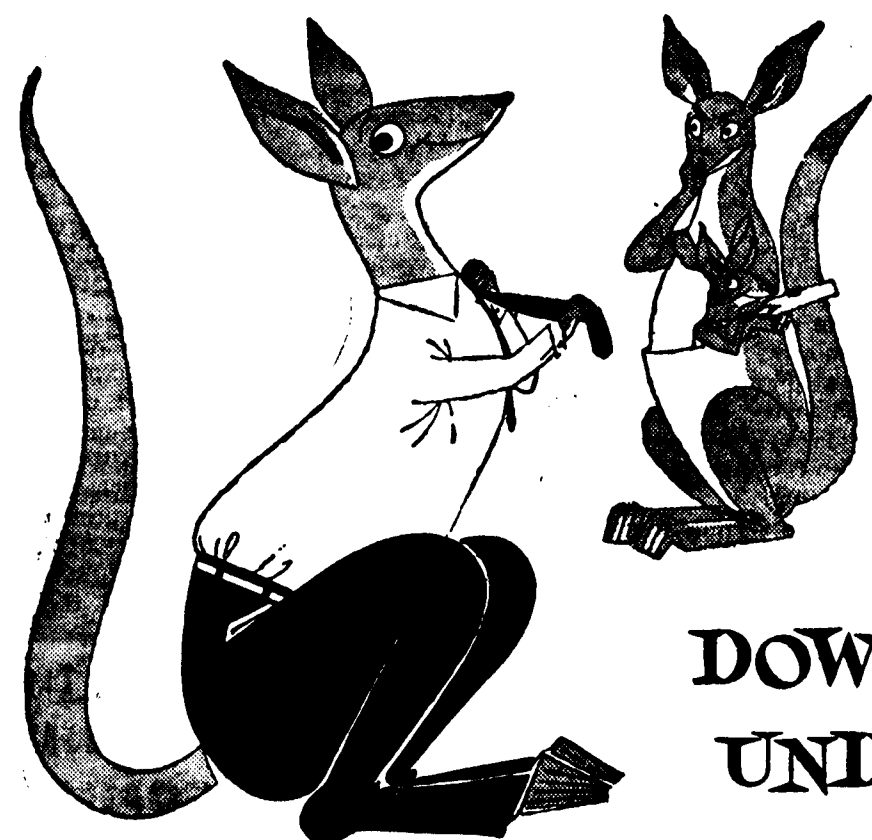
part of the world trade in coffee and, at present, the country may lose rather than gain by joining the International Coffee Agreement.

The argument between the Planters and the government is bound to be inconclusive in a situation where the imponderables are so many. And the analogy of sugar may not be strictly applicable. But the embarrassments of excess production are real enough for the question to deserve a close scrutiny before the idea is rejected out of hand.

★ REROLLING INDUSTRY Raw Material Difficulties

The problems faced by the re-rolling industry came for discussion at the annual general meeting of the Steel Re-rolling Mills Association held at Calcutta last week. Chief of the difficulties impeding the progress of the industry concerns the inadequacy in the supply of the main raw material namely billets. The fact that the steel mills set up in the public sector are yet to gather full steam, has affected the supplies of billets to the re-rolling industry. The formula which guides the production of billets—that is, for every one million tons of steel ingots, the optimum production of billets should be 15 per cent—has not been favourable to liberal production to meet the requirements of the re-rolling industry. It has been pointed out by Mr. B. P. Khaitan, Chairman of the Association, that on the present basis of production capacity in the industry, a production of nearly two million tons of billets would be required for meeting the needs of the re-rolling industry.

The industry has considerable potentialities of expansion on a dispersed basis. Considerations of balanced regional development of industries would warrant special encouragement being given to the development of the re-rolling industry. During 1960, the re-rolling industry has set up a new record of production at 91,000 tons which represents nearly one-third of the total steel production in the country. The Third Plan target for steel production at 10 million tons of ingot capacity, should open up new opportunities for the growth of the re-rolling industry and it is doubtful whether even with the prospects of greater supplies of steel ahead it would be in a position to meet the entire requirements. On the basis of the existing formula for the production of billets, it is estimated that the availability of billets would fall short of requirements by nearly one million tons. The need for the revision of the formula for the production of billets appears obvious. It is also necessary that the industry should adjust itself to the changing demand



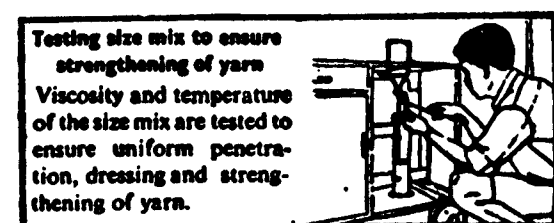
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for steel products. Sardar Swaran Singh, the Minister for Steel Mines and Fuel who presided over the conference drew particular attention to the change in the pattern of demand that has taken place in the course of the First and Second Plans as a result of which emphasis has shifted to flat steel. To satisfy the varying needs of the industry, Mr Khaitan has suggested specialisation in production in the steel plants that are to be set up in the country hereafter. It has been suggested that the Bokaro plant might concentrate on the manufacture of flat products while the fifth plant that might later be set up might specialise in the production of billets.

PARTY FUNDS

No Neutrality

Mr Nehru's remarks on donations to the Congress or other political parties may please investors

who have reason to fear that sheer generosity at the expense of shareholders by company directors would reduce transfers to Reserves in spite of some probable saving in tax. (The legal position regarding tax is doubtful and Mr Morarji Desai left the matter to the courts.) But Mr Nehru has, by implication, told companies that their idea of neutrality, reflected in donations to more than one party in the coming election, does not find favour with him. He has asked (in his blunt way) that those who approve Congress aims can donate but the Laodiceans need not pay up. This is rather hard on the other parties, for if a single donation to one party alone is to be the ideal, the Congress will easily outdistance all its rivals who may have to seek the help of individuals, not incorporated enterprises.

The Prime Minister's objection to indiscriminate donations is understandable. Those who dislike the Congress should not pay

because donations too must be inspired by sincerity and must not be a form of expiation. Mr Nehru also mentioned that it may be a form of insurance and a simultaneous hedge. Donors may thus hope to avoid trouble whoever is in power, forgetting that the permanent civil service dispenses more patronage. In any case, if imports are curtailed and exports are licensed freely, there is no point at all in looking for licences. Perhaps this factor may come to limit donations; so also the growth of the public sector in the future.

The Prime Minister appeals for small donations only from the humble. This might make donations unidentifiable, but the volume may be a welcome proof of solid support from the masses. The classes, of course, are free to assist other parties, as Mr. Nehru rightly pointed out at Kanpur. But it may be claimed that the Prime Minister in asking prospective voters to back their ballot papers by some donation—perhaps

even the widow's mite may help—has made it clear that faith must find practical expression and the Mandal committees must gather funds regularly for the party cause, instead of relying on donations from a few who pay mainly out of fear.

TURKEY

The Perfect Elimination

The Turkish State trials may be regarded by some as only completing the revolution. The Democrat party is broken necessarily but the constitution has been voted and the Army will retreat to barracks. The trials were held to justify the military authorities displacing the Menderes regime abruptly. It was also a plain hint to all politicians in the future that Ottoman tradition of perfect elimination was not forgotten, though no Selim or Murad is in power today. The Turkish people have been told that the regime of Beyar and Menderes has been erased completely by the sentences carried out. The Nuremberg trials which disposed of politicians in discredit was copied and the West cannot complain that forms were not respected at the island of Yassida. Bowstrings could not be sent for the adoption of suicide though that would constitute a valid confession of guilt. The suicides are a warning against graft which has made Turkey lose the advantages accruing from US aid. The people should be satisfied that the Leftists in the Committee were dealt with gently earlier this year, while the opponents alone were marked out for punishment. The Turkish regime is not likely to be challenged by the electors when they come to vote with these new parties out for their favours even if it be in favour of Ismet Inonu who remains a link with the Ataturk regime. The polling will mark a break with the past and the conservative Army officers will probably leave free enterprise room to grow. There has been no change in foreign policy and the anti-Soviet attitude will persist after the elections. To that extent, the USA should be satisfied that unlike Cuba, there is in Turkey no desire to seek new alliances that threaten security. The Turkish attitude to the West may bring her in line with the ECM for mineral or other exports must go to Germany or France and the Turks cannot look to Iran or Iraq as markets for cotton or fruit. The alignment of Turkey with Europe is in a way complete, though Islam still remains a force in the background. The cry of atrocities cannot be raised easily as Christian minorities have not been persecuted and the Turks have fashioned their own Commonwealth in the same way as Crom-

well. The Turks do not present a problem, as they have no territorial claims on others and their neutrality in the war has made them pro-Western, as the bases leased to the USA will suggest. Better crops and lower prices have broken domestic discontent and money is easier of late.

THE CHANGING TIMES

Palaces into Hotels

Col. Tod will perhaps be shocked by the report that the Maharana of Udaipur means to start a hotel for tourists. The lake and the palace are attractions to which Kipling's Letters of Marque—the best Indian travel diary to date—bear witness. The conversion may create tax problems, but the Central Government will probably approve the use to which superfluous residences are put by princes. The princes who have become company directors or entered business on their own are still few and those who are in policies are fewer. The advantages of business are obvious: more tourists will come in the cold weather, and the means to keep up old palaces in style will be obtained from visiting foreigners.

The Queen's visit to Jaipur may impel many princes to think of converting decayed towns into pleasure resorts and Indian capitalists may be ready to keep in creating new works of art a la Sinclair Lewis—the big hotel. The identification of Parsis as investors in hotels will probably be ended by the advent of palace hotels. The public companies that run hotels have import, staff and other difficulties: the new hotels may not encounter them because the servants and the equipment exist and a feudal tradition is anyway a guarantee against labour trouble similar to that experienced in Calcutta.

Opportunities of sport are probably meagre in Rajasthan for the tourists visit Rajasthan for the sights and sounds, not for blood sports. The civil aviation links may be extended soon as the tourist business will grow and the ex-ruler of Udaipur will start his first season with the advantage of some official publicity. While the tourist trade helps Monaco to survive as an independent State, Udaipur may create a new tradition of dependence on the friendly alien and oppose only the formalities that worry the foreigner who sees that India today is not cheap, as in the past, for the holiday-maker. But a crisis in Europe means more business for Asian countries and it is India or Japan that will attract US citizens seeking a change.

GAS PRICE

An Item for Ripley

Believe it or not, there is at least one commodity which is selling at below the price obtaining nearly 35 years ago. That is gas sold by the Bombay Gas Company. Speaking at the recent annual general meeting of the Bombay Gas Company, Mr B. L. Jalan, Chairman, has pointed out that while the price of every other commodity in the country has gone up during the past ten or fifteen years, the price of town gas in Bombay is pegged at a level lower than that of 1926. The price of coal has gone up from Rs 26.53 per ton delivered at factory in 1926 to Rs 52.36 per ton in 1960. Mr Jalan estimates that the wage bill during the same period has increased by about 60 per cent per thousand cubic feet of gas sold. The company has been asking for an increase in price for a considerable time now without any favourable response from the Government concerned. Meanwhile, caught between the Scylla of a rigid selling for its product and the Charybdis of ever increasing cost of production, its profit margin has narrowed to a point of invisibility.

It is not as though Government has set its face against any increase in the prices of basic commodities. The prices of steel, coal and many other basic raw materials like caustic soda etc., have been increased from time to time on the recommendations of the Tariff Commission. Several public utilities have also been permitted to increase the cost of their services and facilities. Even in the case of electricity companies which are not permitted to increase the cost of electricity supplied to consumers, a surcharge is allowed to be levied to cover the increased cost of fuel. Taking the gas industry itself, it will be seen that the selling price for gas allowed to be charged in Calcutta is much more than what the Bombay Gas Company is permitted to charge its consumers notwithstanding the fact that the producer in Calcutta gets its coal supply much cheaper while the Bombay Gas Company has to get its coal supply hauled over almost the entire breadth of the country.

A public utility such as a gas company will have an increasingly important role to play when improvements in living standards demand make a clean and convenient fuel like gas an indispensable amenity. Even as it is, all the demand is not being met. Gas production has to be increased considerably and the Bombay Gas Company is quite keen on expanding its present capacity by installing additional plant and equipment. But to make this possible, it must have adequate funds, which will become available to

the company only if it is enabled to make reasonable profit. And this in its turn under present circumstances, depends upon a reasonable increase in gas prices.

PARTY POLITICS

The Congress Manifesto

The approach of a general election compels a statement of aims on the part of politicians. The Congress Party, while it is disposed to stand on its own record for a decade, is also not reluctant to mould the future according to its heart's desire. While many will be surprised by the absence of a specific reference to socialism in the Working Committee's draft, it is patent that the Third Plan has coloured the ideas about taxing urban incomes for the sake of equality. The party's faith in planning is undimmed though the Fabians in Britain may be reluctant to think of control or extending the public sector at present.

The crux of the party manifesto is the criticism of concentration of economic power. How this can happen when the Government is in overall control is a separate issue. But the Congress, like the other parties, must condemn inequality and put in a word for panchayats. It is all according to plan—that the Congress must go to the country on its own record. The ginger group has done little between the Bhavnagar session and the latest meeting at Delhi to shape ideas. The old ideas about social change ending poverty, about neutrality producing foreign aid, are freely aired again.

The manifesto is surprisingly weak on the issue of national integration. Economic trends and developments can make India one by providing for the movement of men, money, and materials to confirm the fact of internal free trade by every means. The disturbances last year and this year are slurred over, (perhaps for diplomatic reasons) and the Congress Party in each State wears a different look. That too probably runs counter to the scheme of integration of emotions and it is not surprising that Congress relies on the weakness of many parties even more than on its own strength. The manifesto has said nothing at all about the President's constitutional powers or even who is going to be President next year. To that extent, the party leaves out the personality cult and it is evidently relying on measures, and not men, on its platform, and not its propagandists. That may be needed since the party list of candidates is not ready and the aspirants too must know in advance what the party wants of the elector.

PLASTICS

A Beneficiary of Import Control

As an industry identified with diversification and growth plastics in India enjoy special approval at present. The chances of chemical

manufacturers increasing the supply of raw materials are given special weight by those following the licences given for resins and fibres. As a post-war industry, plastics may be described as a real beneficiary of import control. An official review of development makes it clear that imported machinery, materials and more have helped the manufacturer who is, however, called upon to face rising domestic demand, while production facilities are limited.

The rise of competition within the plastics industry is, of course, related to the maintenance of competition. The Third Plan looks now for further expansion under plastics, if the average capital investment per annum is kept up at Rs 15 to Rs 20 crores. This involves higher skills especially if capacity is raised from 20,000 tons to 85,000 tons a year. Plastics, as substitutes for other materials, are bound to meet with a larger demand. Delegations to study some foreign markets cannot do much as compared with producers cutting costs and prices alike.

The first Plan hardly took notice of the plastics in industry's existence or prospects. But the Third Plan indeed looks for plastics production going up steadily to help cable-makers, furnishers and others. The uses of plastics are called infinite and the small scale sector too can hope for success, if it gets its supplies quickly. The production of synthetics should assuredly help, so also the shortage of metals and rubber in India which make for preference for plastics in place of glass, especially because plastic containers are not brittle. The advantage of cheapness is undeniable and the plastics producer is well-placed because the demand for leather cloth and other materials means that India's leather exports can be kept up easily. The industry's needs are known: its importance as a provider of jobs may be small, but it can nourish small enterprise over a wide area.

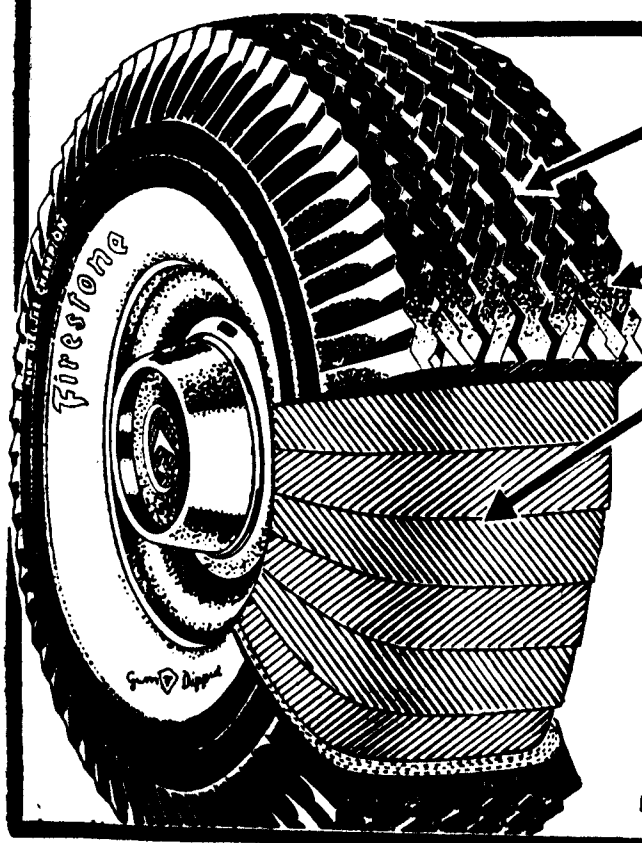
BRITISH RAILWAYS

Losses in 1960

The British Railways operate road services. The Transport Commission has its own coach-building works. The annual report of the Commission presented to the Minister for Transport refers to the cross-Channel steamer services. The ferry services for the Anglo-Irish routes are vital. The British Railways maintain docks and packet ports. The improvements carried out in 1960 at a cost of £5 million find mention. Swansea Port Talbot and Cardiff, where a new oil terminal was set up in 1960 stand out as ports under Railway control. Southampton was equipped with a new passenger terminal in addition to six electric quay cranes. Hull also is being improved because of its grain trade and the landing of fish. Grimsby is another fishing port being rapidly improved. The fishing ports' capacity to take tankers is enlarged. Grangemouth in Scotland is being improved and more important, the packet ports like Harwich are being provided with

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facilities for extra traffic to the Continent. The Canals in England are being strengthened on the banks and regular dredging, as in the ports, is being carried out. The development of waterways is being reinforced by the promise of berths at the main towns served. Some disused canals are to be closed and flood control is also attempted.

The B.T.C. report contains a reference to the Channel Tunnel by means of a road cum rail route costing £109 millions. The long

bruted venture has been approved. Whether the existing Channel steamers would suffer is not known but the former traffic with the London to Paris journey, covered in four hours by rail in future should be large in the BTCs view.

The report presented to Mr Ernest Marples refers to a loss of £100.19 million in view of interest charges in 1960 exceeding £64 million. The rise in wages also raised the operating deficit for 1960 despite a rise in income. One important feature of

the year was the rise in coal traffic on the waterways, on which tolls are collected. The receipts from road services showed no improvement despite a rise in passenger fares. A fall in holiday traffic was a major factor, as also labour trouble at the ports. The British Railways run the famous old haulage and delivery service of Pickfords. A forecast of more cars and congestion in the suburbs also is probably the reason for special car parks that collect a fee in London.

US AGRICULTURE A Case Study in Success

Agriculture in the US has been described as a case study in success. The abundance of its output and the productivity of its yield are too well known to require another round of detailed discussion here.

Suffice it to say that the American farmer, through his diligence and the help provided by his government, produces more than enough to supply the nation's 180 million people with a sufficiency and variety of foodstuffs. Enough is produced moreover, to help feed many of other lands, and still have something left in reserve for emergencies.

This is brought to mind by the latest crop report for 1961 by the US Department of Agriculture. It shows that good weather and growing conditions during August helped raise US crop production prospects for the year by 2.6 per cent over earlier estimates. The volume of all crops for 1961 is now estimated at 106 per cent of the 1947-49 average.

While this is not a record—last year's output came to 121 per cent of the base period—it still represents a bumper crop. It is being achieved, moreover, in the face of efforts by the government, with the voluntary cooperation of the farmers themselves, to stabilise the output of several key farm products by reducing the acreage under production. As in the recent case of wheat, these acreage restrictions are put into force only when accepted by a majority vote of the farmers affected.

This dilemma of rising output despite acreage controls is underscored in another part of the Agriculture Department's report. It shows that the crop yield per acre this year promises to set a new record of 144 per cent of the 1947-49 average, compared with 143 per cent last year, attesting once again to the efficiency and productivity of American agriculture. All this is being accomplished furthermore, with a farm labour force that has been declining steadily over the years, feeding more and more Americans for other productive work in industry, trade, commerce, the professions and service establishment.

In the face of this record, it is somewhat strange to find Soviet leaders constantly boasting that within a short time the USSR will surpass the United States in agricultural production. But the farm problem of the USSR is diametrically opposite that of the United States. The major US agricultural problem is the stabilization of output to keep burgeoning farm production and reserves under control. The Soviet Union, on the other hand, is struggling to meet basic food requirements, and shortages often occur.

In an effort to ascertain just where the two systems—that of the US and that of the Soviet Union—stand in relation to one another, the Agriculture Department recently drew up a detailed series of comparisons. They make interesting reading.

They show that over-all, the US produces on the average about 60 per cent more in annual farm output than does the Soviet Union. Yet the Soviet Union has one and a half times the sown cropland of the US, and its farm labour force is some seven times of the US seven million. In the US, only 10 per cent of the total labour force is engaged in agriculture, while in the Soviet Union the figure is about 45 per cent.

To a large extent, these differences reflect differences in the resources and organizational structures used to achieve the respective levels of farm output in the two countries. Resource-wise, the US uses less labour and land, but far more in the way of capital investment, including tractors, motor trucks, grain combines and fertilizers. Its consumption of electricity on the farms also far outweighs that of the Soviet Union.

But it is the matter of organizational structure that may be at the heart of the differences. In the Soviet Union, land is nationalized, and agricultural production is guided by Central State Planning, operating through a complex of large-sized collective and state farms. US agriculture, however, is characterized by many individual farm units, free to make their own decisions and producing for a market economy.

RESEARCH Water Loss Through Evaporation

Successful experiments have been conducted recently under the aegis of the Council of Scientific and Industrial Research in preventing large-scale evaporation losses of water stored in open tanks and reservoirs. Studies conducted for two years successfully with cetyl alcohol at the Badkhal Tank, Faridabad, (Punjab) have shown that a layer of cetyl alcohol helps to restrict evaporation of water. Cetyl alcohol is insoluble in water and forms a film when spread on the water surface and thereby retards evaporation from the surface. The experiments revealed that larger doses of cetyl alcohol than normally required are necessary to maintain the film layer over the water during heavy rains or when a strong wind keeps on blowing. The method of spreading cetyl alcohol over the water in the form of an emulsion was found quite effective.

HINDUSTAN STEEL Agreement with Atlas Steels

An agreement was signed on 12 September at Ranchi between the Hindustan Steel Limited and the Atlas Steel Limited of Canada for supply of production know-

how and training services for the proposed Alloy Steels Plant at Durgapur. The agreement provides for the supply of production know-how and training services for the Alloy and Special Steels Plant being set up at Durgapur. The Plant will manufacture 48,000 tonnes per year of finished saleable products consisting of carbon tool steels, alloy tool steels, engineering and constructional steels, stainless steels, heat-resisting steels and various other qualities of special steels. About 35 per cent of the production will be in the form of stainless steel sheets.

The proposed Alloy Steels Plant at Durgapur is estimated to cost about Rs 40 crores and is likely to be commissioned by 1965. The plant will have a labour force of 4,000 and is expected to have an annual turn over of over Rs 20 crores.

WHOLESALE PRICES Small Decline

The official wholesale price index (with the year ended March 1953 as 100) declined by 0.6 per cent to 124.5 during the week ended September 9, 1961 as compared with 125.2 (revised) for the previous week. The index was lower by 2.7 and 0.6 per cent respectively, when compared with the corresponding week of the earlier month and that of a year ago.

The index for 'Food Articles' receded by 1.0 per cent to 121.2 as compared with 122.4 (revised) for the previous week due to a fall in the prices of Oranges (—22%), Jowar at Hyderabad and Gulbarga (—9% each), Rice at Gaya and Imphal and Fish (—6% each), Gingelly oil and Tea (—5% each), Masur and Groundnut oil (—3% each), Mung and Milk (—2% each and Bajara, Maize, Potatoes, Cashewnuts, Mustard oil and Black pepper (—1% each), although the prices of Onions (+15%), Rice at Contai (+8%), Jowar at Nagpur (+7%) and at Jhansi (+5%), Salt at Tuticorin (+6%), Gram and Coffee (+2% each) and Ghee, Eggs and Gur (+1% each) showed advances.

The index for the 'Fuel, Power, Light & Lubricants' group also remained stationary at the previous week's level of 121.5

Lower prices of Groundnuts (—5%), Cottonseed (—3%), raw Hemp (—2%) and Castorseed, Gingellyseed, Rapeseed, raw Hides, Tanning Materials and Lac (—1% each) brought down the index for 'Industrial Raw Materials' by 0.6% to 137.8. The prices of raw Jute (+4%), however, moved up.

The prices of Rayon yarn (+5%) and Copper (+7%) showed a rise, while those of Linseed oil, Coir yarn and Tin (—1% each) were marked down and the index for 'Intermediate Products' advanced by 0.4 per cent to 141.3.

The index for 'Finished Products' worked out to 122.6 as against 122.5 (revised) for the earlier week. The items which showed variations during the week were:—Handloom cloth (2%) and Oil cakes (1%).

NEWS IN BRIEF

The Government of India has announced the locale of the first seven major heavy industrial projects to be taken up in the public sector during the Third Plan period. The projects and their locations are as follows:

(i) Precision instruments project (for the manufacture of electrical and electro-magnetic instruments with Russian aid) at Kotah, Rajasthan; (ii) Precision instruments projects (for the manufacture of hydraulic, pneumatic and mechanical instruments with Soviet assistance) in Kerala; (iii) Heavy electrical equipment project with Soviet aid at Ranipur in UP; (iv) Heavy electrical equipment project with Czechoslovakian assistance at Ramchandrapuram in Andhra Pradesh; (v) High pressure boilers plant with Czech aid in Tiruchi area in Madras State; (vi) Heavy plate and vessel works and heavy structural works with British collaboration near Wardha in Maharashtra and (vii) Machine tool project with East German collaboration at Pinjore in the Punjab.

The above projects are estimated to cost Rs 125 crores involving a foreign exchange of nearly Rs 60 crores.

The Dominican Republic, which withdrew from membership of the World Bank in December 1960, applied for readmission in July of this year, and was readmitted to membership on September 18, 1961.

The Dominican Republic's subscription to the capital stock of the Bank is 80 shares with a total par value of £8,000,000. Its readmission brings the Bank's membership to 72 countries, and increases total subscribed capital to \$20,287,800,000.

Much of the Indian ocean bed consists of rocks of volcanic origin, and in the southern part there are large deposits of iron manganese ores containing up to 0.5 per cent of nickel, cobalt and rare metals. This was revealed by the Russian scientists from the research ship Vityaz, reporting to the International Oceanographic Congress held recently in Honolulu.

Philips India Limited has been awarded the first prize for the best presented accounts for 1959-60. Mr K. C. Reddy, Union Minister for Commerce and Industry presented the shield to Mr Vink, Chairman and Managing Director of the Company, at the recent annual meeting of the Council of the Institute of Chartered Accountants of India held in Delhi.

The number of cases in which majority capital participation by foreign collaborators was allowed in 1960 and in the first half of 1961 was 26 and 11 respectively. Considerations that govern permission for such participation have been officially stated to be as follows: As a rule,

Government prefer that the majority interest in ownership and effective control of an undertaking should be in Indian hands. Where foreign collaborators seek majority foreign capital participation in new enterprises, it is considered only when the following conditions are satisfied:

(i) the project has a high priority for fulfilment of Plan targets.

(ii) the main contribution of the project is in a field of technology where India has so far made little progress and where a great deal of additional development is essential and

(iii) when the amount of foreign exchange needed for the project is such that unless the foreigner is allowed to have a majority, Government will have to find a substantial amount of foreign exchange from their resources and when no alternative methods of long-term finance is found practicable.

The Suggestion Box Scheme has been introduced in the Bhilai Steel Project with a view to enabling the employees to cash in on their bright ideas. Cash rewards upto Rs 10,000 are offered for suggestions which will enable the project to reduce costs, waste and spoilage, maintenance expenses, hazards to health, possibilities of accidents, etc; to increase and improve the quality yield, or output of products, to conserve materials, energy, power or time of processes; to improve the product or its design, to rationalise works, materials or methods; to simplify practices, procedures etc; to promote sale of products; to improve civic problems, traffic, hygiene and cleanliness in the plant and town, and to economise in stationery etc. Every suggestion will be scrutinised by a high power committee comprising General Superintendent, Chairman, and Chief Mechanical Engineer, Chief Electrical Engineer and Chief Metallurgist Members.

A total sum of Rs 182 crores—Rs 122 crores provided in the Plan and Rs 60 crores expected from the LIC—will be available for various housing schemes. The scheme-wise break up of the provision of Rs 122 crores made in the Plan is as under: subsidised industrial housing scheme Rs 29.8 crores, dock labour housing Rs 2.0 crores, slum clearance improvement Rs 28.6 crores, low income group housing scheme Rs 35.2 crores, middle income group housing scheme (Union Territories) Rs 2.5 crores, village housing project scheme Rs 12.7 crores, plantation labour housing scheme Rs 0.7 crore, land acquisition and development scheme Rs 9.5 crores and experimental housing, research and statistics Rs 1.0 crore.

About 59,000 houses, tenements, shops and plots have been provided in Delhi to displaced persons from West Pakistan according to a survey carried out by the Union Ministry of Rehabilitation. There are now 73 new colonies and shopping centres for displaced persons constructed under the Ministry's programme to



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provide accommodation to them of different income groups.

Indians have been progressively replacing overseas men in Standard-Vacuum. Whereas 62 out of 118 senior management positions in Standard-Vacuum's Marketing Operations were held by overseas men in 1951, all but 23 were replaced by Indians in 1960. The total number of Indians in senior management positions in the Stanvac's Marketing Operations was 160 in 1960. 51 out of 60 old overseas men holding key positions at the time of the start-up of the refinery were replaced by Indians within the short span of six years. At the end of 1960 only 9 overseas men were employed in the Stanvac Refinery. The percentage of Indians in positions originally held by overseas staff in Marketing Operations which in 1951 stood at 46.6 increased to 90.1 in 1960. The corresponding percentages in Refining were in 1954 and 84.4 in 1960.

India exported cashew kernels of 40,638,800 lbs during the first five months of the current year as against 37,927,250 lbs in the corresponding

period in the previous year. The value earned by the exports of this item during the same period in 1961 totalled Rs 87,745,322 compared to Rs 76,902,489 in 1960.

The Government of India sanctioned foreign collaboration arrangements of 108 firms during the quarter April-June this year. Out of these 35 were British, 24 US, 20 West German, 9 Japanese, 6 Italian, 3 Dutch, 2 Swiss, 2 Polish, 4 French and one each from Canada, Luxembourg, and Czechoslovakia.

The central gold and convertible-currency reserves of the Sterling Area rose by £369,000,000 to stand at £1,245 million on August 31, the British Treasury announced in London on September 4. It is pointed out that the very considerable rise in the reserves during August is largely explained by the fact that, during the month, Britain received £518,000,000 of the announced drawing from the International Monetary Fund. But during August, Britain paid some £200,000,000 in settlement of special assistance from other central banks which had been received

earlier in the year—under "Basle agreement." There were also some other special factors during the month, including a payment by Britain of £10,000,000 in respect of the European Payments Union bilateral debts. Allowing for all special payments and receipts during the month, there was, therefore, a "true" rise in the central reserves during August of just over £50,00,000. The reserves are at their highest level since mid-1951.

The Nangal Fertilizer Factory, one of the major production units of the Fertilizer Corporation of India, has stepped up its production to two-thirds of its rated capacity of 1,176 tons of calcium ammonium nitrate a day.

One hundred and fifty-one more industrial training institutes will be set up in different parts of the country under the Union Labour Ministry's craftsmen training programme within three years from now.

Exports of razor blades during the first quarter of 1961 were valued at

Indian Finance

Rs 154,000 as against Rs 76,000 during the corresponding period of 1960. Chief importers of Indian razor blades were Pakistan (Rs 55,000) Kenya (Rs 51,000), Ethiopia (Rs 32,000) and Somaliland (Rs 11,000).

The Burmese Government has raised the customs duties on about 200 articles including consumer goods like milk food, fish, prawns, fruits, confectionary, coffee seeds and powder, groundnut and sesame oil, wines and tobacco to cover a deficit of Rs 96,600,000 in the State Budget for the next financial year. The rise ranging from 30 to 300 per cent also cover perfumery, cotton goods, building and engineering materials, stationery, newsprint of all sorts, jute manufactures, jewellery and other articles.

The Bank of Japan has decided to raise its official discount rate by 0.315 per cent to 7.3 per cent a year from 29 September with a view to curbing the continuous drain on the country's foreign currency reserve.

The bank's action was the latest in a series of financial measures which the Government of Japan has enforced to reduce mounting imports that threaten its programme of doubling the national income within ten years.

PERSONAL

Mr C. H. Bhabha and Mr R. M. Deshmukh have been unanimously elected directors of the Industrial Finance Corporation. Mr Bhabha will represent scheduled banks and Mr Deshmukh, the cooperative banks on the IFC Board.

Professor D. R. Gadgil, Director of Gokhale Institute of Politics and Economics, Poona, has left for the UK en route to Geneva to attend the first meeting of the Advisory Committee of the International Institute of Labour Studies sponsored by the International Labour Organisation.

Mr M. A. M. Muthiah Chettiar has been unanimously re-elected President of the Southern India Chamber of Commerce for a third term.

Mr Badhrisprasad Poddar, MLC, has been appointed a director of the Calcutta Tramways Company in place of his elder brother, the late Mr Anandilal Poddar, the first Indian director of the Company.

Mr M. Gopala Menon, leader of the Indian delegation to the International Supervisory Commission in Vietnam, has been appointed head of the Indian Investment Centre in New York. Mr Menon was formerly India's Con-

Clive Street Gossip

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

THROUGHOUT his life, Sir Homi Mody has made love to Life rather than bullied it in a chimerical pursuit of something else. This, I would venture to suggest, is the secret of his being, at eighty, as chirpy as a bird in spring. There is hardly an Indian now living who has touched public life at so many places and yet carried his burdens so lightly as he has. Excesses of any sort is distasteful to him and I rather think that he would have understood the word "Enthusiasm" in its eighteenth century sense. He had as keen a sense of the ridiculous as of style. And that is why he accepted gubernatorial honours when they were offered him. A lesser man with a tenth of his ability would have considered the office not large enough for his talents. During his tenure as during that of his predecessor, Mrs Sarojini Naidu (who was in many ways his soul-mate), the Government House at Lucknow, must have witnessed more laughter than ceremony. And I think that it may not be difficult to find legislators who would be prepared to swear that they distinctly saw Sir Homi wink when he read his address to the joint sessions of the two legislatures. A sense of humour is the saving grace of a public man who, for no fault of his, has much pomposness thrust on him. (It is rather like your getting sententious the moment you have a stenographer before you with his pen poised to take down what you say). Sir Homi had humour in abundance. There are innumerable stories of his having quelled rebellious shareholders at annual meetings by the witty word in season and of having reduced parliamentary opponents to helplessness by a quip. But he is no mere bon-vivant, as his resignation from Government in 1953 showed. He is a wise counsellor to all who go to him and J. R. D. Tata's oft-quoted tribute—"Sir Homi can consider himself for as long as he likes and as he thinks us worthy, to be the unofficial chief adviser of the Tatas"—is an accurate assessment of Sir Homi's indispensability. We have eminent centenarians among us and therefore Sir Homi must be considered young at eighty. A hundred shouldn't be too difficult for one who, as I said in the beginning, has a way with him when it comes to dealing with Life.

I must be extraordinarily insensitive to atmosphere, if what the Press says about the parlous state of Indo-British relationship is anywhere near the truth. True enough, some harsh and, as it turned out, incorrect things were said in Britain about what Indian troops—

and as Mr Menon reminded, it is better to remember that they are UN troops—did in Katanga. In India we were all angered by what we considered British equivocation over the mandate given to the UN in the Congo. But that these contretemps should be described as a crisis in Indo-British relationship seems absurd to me. Surely we are past that sort of childishness. What about all that mutual back-slapping about the unique manner in which power was transferred to India and our remaining friends, despite a bitter struggle spanning over at least a century? Surely if Indo-British relationship could have survived the Suez episode and we could have welcomed Mr Macmillan enthusiastically and done the Queen proud after that event, we can still remain friends after a difference of opinion on what is, when all is said and done, of only indirect concern to both of us? Incidentally, I must be reading the wrong papers or must not be reading them carefully enough: it is said that Indians have alleged British instrumentality in Mr Hammarskjöld's death. I have never heard or read any such accusation proceeding from Indian quarters. I am beginning to wonder whether there is not some interested queering of the pitch by people on both sides who have never reconciled themselves to the new relationship. At the risk of sounding somewhat complacent, I should mention that we have achieved a degree of political maturity that makes it inconceivable that we should go into sulks merely because the BBC put out a news report that we consider wrong and unfair.

The Board of Trade Journal which completed its seventy-fifth year on 15 September, deserves a fraternal salute from Indian Finance. Begun in September 1886, when A. J. Mundella was President of the Board of Trade, it met a felt need. Commercial rivalry abroad and import surpluses at home made commercial intelligence a desideratum which the Board decided to make good by a journal that was to be "dull by design". Though no gag book, (which is pretty dull anyway), the BOT Journal has never been heavy reading. As that redoubtable literary critic—he was much else besides—Abraham Lincoln once said of a book, "people who like this sort of thing will find this the sort of thing they like". The Journal is a standby for those anxious to follow tariff changes and quota regulations and it gives regularly news of big tenders. Its data on prices, production and finance are indispensable for those interested in the subject. It has also kept its eyes peeled for legal intelligence and

restrictive practices that need inquiry never get past its eagle eye. Interestingly, unlike our own Indian Trade Journal, which owes its inspiration to the BOT Journal, the latter does not give details of licences issued for new industries in the UK. Perhaps licences don't evoke such strong emotions of opposing kinds as they seem to do in India. But its surveys are thorough and well worth emulating. The 15 September issue contains a report on South Korea where economic trends have been confused by purges carried out by the Army. It keeps its eyes on trade and industry everywhere and at all levels—toys are reckoned as interesting as tractors or trade marks. Incidentally, the Fabian infiltration—that perhaps is the only word to describe the high-minded subversion of British economy by the Webbs—extended to the BOT Journals also. Indeed, the Board of Trade itself, a wail that the Privy Council had given birth to, but couldn't be bothered with, was made respectable only when Sidney Webb chose in 1924 to adopt it as his baby. Since then it has become, rather in the manner of labour politicians with humble origins, a force to reckon with in British economics. But by and large, the Board's policies have been shaped less by its Presidents than by its officials, one of whom was Sir Edward Marsh, the dry nurse of many an English poet. Though no Golden Treasury, the BOT Journal bears the imprint of men of such wide interests.

Count your blessings, as the preacher saith, especially if you are a patron of the turf: In the United States they tax race winnings. Over here, they wouldn't dare after a Madras High Court ruling in 1960 on the subject. In the US, however, it is quite legal. But there are several interesting practical angles to it and some of these are discussed in a recent note in Fortune. It would seem that, after jibbing at it for long, the Internal Revenue Service is buckling down to the job. It is asking race clubs to "require winners of 600 dollars or more on a two dollar daily-double tickets to identify themselves and fill a short tax form before they are paid." Therefore melancholy and preoccupied men hanging about paying counters in Belmont Park are not necessarily losers with a compulsive neurosis about tote counters. They may well be winners trying to do a quick sum about their tax liability: or, as is even more probable, they may be merely trying to think up a plausible enough fictitious name and address. As Fortune points out, a 600 dollar win for a man in the 90 per cent tax bracket is worth only 60 dollars and to a 20 percentor, it means only 480 dollars. But these men need not have worried themselves sick, for taking the rough with the smooth, it is hardly likely that, over a season, you will end on the right side of the ledger. At this point, I see the eyes of a certain kind of tax-payer light-

ing up with interest. But let him not make any mistake: a ready-made loss such as a season at the turf club can provide is not—repeat not—an answer to a tax-dodger's prayer. These American IRS men are every whit as smart as ours: like the stipulation in our tax laws to the effect that speculation losses are available for set off only against speculation profits, racing losses in the US can only be adjusted against racing profits. So trading in race losses (like trading in speculation losses, so fashionable some years ago in India,) to the mutual advantage of the buyer and the seller is not possible. Indeed, Fortune says that even the prospect of a set-off of a racing loss fails to cheer the winner since, in practice, there will be "trouble in establishing" such losses. I must confess this rather puzzles me since a running account with a bookie (no horse laughs, please) and payments by cheque should take care of the evidentiary aspect of the matter. In any event, the "short form" one has to fill on winning, may also provide a column for losses, though I can visualise the practical difficulties in this procedure with thousands of punters clamant for the form.

Fortune has also commented on another rather ingenious tax angle. Re-counting a true story, it gives details of an interesting proposition that was made to a businessman (in the fifty per cent tax bracket) who had won a 630 dollar bet and was waiting to collect his loot. It seems a furtive individual in a black sweater approached him and explained that he had, for reasons that need not be gone into, never paid any tax. Nor did he propose to start doing it now. So if the businessman could part with the winning ticket for 530 dollars in cash, the transaction could be to the advantage of both. The ethics and even the legality of the thing did certainly bother the god-fearing and law-abiding businessman, (as they had every reason to). But what was decisive of his refusal was his uneasy but unlocated feeling that he was being played for a sucker and was being taken for a ride. On the latter point however, he was wronging the man in the black sweater. As Fortune explains it, apart from the ethics of the thing, the man in the black sweater was right. Against his gain of one hundred dollars, the businessman gains 215 dollars, being the difference between 530 dollars that was offered him and his take-home winning on a 630 dollar win. All I can say on this transaction is that it is a small world. For knowledgeable people would tell you how deals in winning treble tote tickets are often struck during Indian race meetings. Since race winnings are exempt, a well-authenticated stroke of luck at the races is an useful thing to have up one's sleeve when one's tax man shows an ungentlemanly curiosity about mysterious accretions to one's wealth. A few hundred rupees of commission—or arbitrage as Fortune calls it—paid to the real winner is well spent considering the tax saved and the painless way in which, as the expressive saying goes, black money has been made white.

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DALMIA ENTERPRISES IN THE NATION'S SERVICE

Olympus

COOPERATIVE HOUSING Great Expectations

THE symposium on cooperative housing, inaugurated by Dr B. Gopala Reddi, Union Minister for Works, Housing and Supply, last Monday, has helped to focus attention, not only on the different aspects of the main theme, but also on the problem of housing in general. The housing shortage in urban areas at the end of the Third Plan, after allowing for the new construction envisaged during the Plan period, is estimated at 4 million houses. In rural areas, the magnitude of the problem defies any precise calculation. It has however been roughly estimated that about 50 million rural houses are unfit for human habitation and have to be replaced. While the problem has a forbidding aspect, its solution is indissolubly bound up with the general economic development of the country, for it is not possible to conceive of any improvement in levels of living, in towns or in the country, if the conditions of housing for large sections of the population remain as they are. As Mr S. K. Dey pointed out, "you cannot have modern farming along with subsistence housing".

The agency for carrying out a phased programme of house construction, which would provide every family in the country with a decent habitation, should, as Mr Gopala Reddi emphasised, "combine the elements of individual initiative and collective action." In the prevailing climate of public opinion in the country, there is little to complain if co-operative institutions have been singled out as the agency with the required combination of qualities which could be relied upon to deploy the financial and other assistance provided by the State, on the most equitable basis. The cooperative movement in housing, when it really gets going with corresponding developments in other cooperative sectors, as for instance, manufacture of building materials, building labour and transport, could help to mobilise the resources of the people to the maximum extent possible. The scale of investment required to provide every family with decent habitation is so vast that it cannot be made without some device for capitalising the labour potential of the country. And unless the cooperative housing movement in the rural areas is speci-

fically organised to serve this purpose, it may not be able to make any appreciable impact on the rural housing problem.

The movement so far has been confined to urban areas, where it has made steady, if unspectacular, progress since 1915, when the first cooperative housing society was started. There were in 1959-60, 5564 cooperative housing societies with total membership of 3,20,000. The number of houses constructed by these societies which was 36,000 in 1957-58, rose to 44,000 in 1958-59 and to 45,000 in 1959-60. While the total figures are encouraging, the State-wise breakdown is less satisfactory, for the progress has been confined to a small number of States like Madras, Maharashtra, Gujarat and Uttar Pradesh. During the last few years Government has been encouraging the formation of housing cooperatives under the Subsidised Industrial Housing, Low Income Group Housing, Middle Income Group Housing and Village Housing Schemes by giving higher proportions of loan and subsidy as well as some tax concessions. Still, as Dr Gopala Reddi, was obliged to admit, the contribution of cooperatives to total housing under the Plan schemes has been meagre—being roughly 2 to 3 per cent. Even the proportion of housing cooperatives to total number of cooperatives is only about two per cent and the membership of housing cooperatives is just one per cent of the total membership of all types of cooperatives. The slow progress of cooperative housing cannot be explained by the fact that the Ministry of Cooperation so far has been preoccupied with the development of cooperation on the agricultural front. If the cooperatives are to fulfil the great expectations entertained of them, the factors both internal and external, which hamper their growth will have to be identified and eliminated. To some of these, mostly external factors, the Minister has made a passing reference in his inaugural address.

A more serious difficulty, to which Mr Carl Anonsen, UN expert attached to the National Buildings Organisation, has drawn attention in a paper submitted to the symposium, is that people in need of a house are willing to co-operate only with a limited or selected group of persons. They are willing to co-operate only to a limited extent and for a limited time. The cooperative housing movement, in his view, will not be able to contribute successfully

to the solution of the housing problem without facing up to these difficulties and without taking them into account in the organisational structure.

There are different types of cooperative housing societies functioning in the country. Some merely provide long-term credit to their members to enable them to construct houses themselves on the sites owned by them according to plans and estimates approved by the society. Occasionally these societies also help in other ways. They may acquire lands, prepare layouts, allot sites to members and also help in procuring building materials. There are other types of societies which, in addition to providing credit, also undertake construction of the houses themselves on behalf of the members. The acquisition of land, preparation of layout, and allotment of sites, are also done by the society. While the two types of society mentioned above are based on individual ownership of plots and houses, a third type of society is based on co-partnership tenancy system, where the ownership of houses is vested in the society and members obtain occupancy rights under certain limitations. In the first two types of societies, the extent of cooperation involved is very limited, while it is recognised that the third type of organisation has not so far met with much success.

Practical considerations would suggest the advisability of not aiming too high in extending the cooperative principles in their application to housing societies. At the same time, it may not be ignored that the first two types of societies have presented their members with opportunities of windfall profits. As Mr Carl Anonsen has pointed out in his paper mentioned above, members are only willing to accept the principle of non-profit-making as long as they themselves are buyers and not prospective sellers either of their house or its services in the form of sub-letting. Considering the serious shortage of houses in urban areas, it may not be in the public interest to ban subletting altogether. But when the houses are built with funds provided by Government on special concessional terms, there is every justification for including safeguards in the constitution of the societies to regulate the sale of the properties as well as to regulate the scale of rents that may be legitimately charged by the members.

CODE OF DISCIPLINE

The working of the Code of Discipline, which was evolved out of the discussions at the Indian Labour Conference and was deemed to have come into effect from 1 June 1958, was reviewed at a two-day seminar in New Delhi last week, which was attended by over fifty representatives of industrial associations and industrial establishments. The semi-

nar was jointly organised by the Employers Federation of India and the All India Organisation of Industrial Employers under the Chairmanship of Mr Naval H. Tata.

While conceding that the Code, by and large, has created a sense of awareness in the parties of the need to follow certain principles to promote industrial peace, the statement adopted by the seminar also focusses attention of the specific difficulties experienced in working the Code, such as difficulties regarding speedy and authentic verification of membership of unions for purposes of recognition owing to lack of adequate machinery; industry-wide recognition of unions in case of units in which the industry-wise union does not have sufficient hold; and the anomalous position in which unrecognised unions are in a position to raise industrial disputes which are taken cognizance of by the industrial relations machinery of Government.

It is suggested that, since recognition is voluntary under the Code, where there is clear-cut and gross violation of the Code, the management should have the right to suspend the recognition of the union concerned pending consideration of the breach reported to the implementing authority. Similarly in dealing with claims to recognition, the employer may withhold such recognition pending investigation by the implementation machinery into breaches already reported. It is also suggested that a convention should be set up that where agreements concerning the general terms of employment are entered into between recognised unions and employers, these agreements should not be disturbed by unrecognised unions.

The Statement has drawn attention to the fact that the Implementation Machinery is not functioning satisfactorily in a number of States on account of lack of informed personnel with clear conception of their functions. The following measures have been suggested to improve the situation: increase in number of investigation officers where necessary; organisation of seminars by the Central Government to enable the officers to appreciate the principles underlying the Code and the rights and obligations of the parties including the Government; check on the tendency to widen the functions of the Implementation Machinery which should in no case deal with matters which normally come under the purview of the industrial relations machinery or those involving interpretation of law; the Implementation Machinery should not take upon itself the work which is entrusted to the authorities prescribed under the various enactments; no reference made by a union which has not accepted the Code should be entertained by the Implementation Machinery; there

must be immediate on-the-spot enquiries into breaches of the Code; no enquiry or investigation must be made without giving due notice to the parties concerned; the Implementation Committee should not consider any reference made to it without informing the parties concerned; uniform principles should be followed in the composition of Implementation Committees in the different States, and instances where the employing interests have been nominated by authorities without reference to employers' organisations should be rectified; and it should be clearly recognised that voluntary arbitration implies willingness on the part of both employers and workers to resort to arbitration, so that a demand for arbitration by one party and non-acceptance of it by the other party should not be construed as violation of the Code. The suggestions for improvement indirectly spotlight the defects in the functioning of the Implementation Machinery. The Statement also emphasises that, from the very beginning, it has been the general understanding that the Code is a moral instrument and should not be looked upon as a legal document.

A week before the seminar was held the Central Implementation, and Evaluation Committee (a top tripartite body to keep watch over the effective implementation of the Code of Discipline) felt that, while substantial success had been achieved in the new voluntary approach for avoiding litigation, the measure of success could be much greater if the central organisations took more active interest and used their good offices effectively in screening cases and bringing about out of court settlements. A policy decision was taken by the Committee that extensive publicity be given to habitual defaulters of the Code and those who commit grave breaches of it. The Committee also decided that a departmental enquiry be carried out by the Labour Ministry on the entire question of labour-management relations in coal mines. It would study the law

and order situation, non-implementation of awards, agreements, etc and breaches of the Code of Discipline. Pursuant to the decision taken by the Committee, the report on the Calcutta Tramways' Strike of 1958, the first tripartite enquiry under the Code of Discipline, has been made public. The Tripartite Committee found both the Company and the Unions guilty of certain infringements of the Code of Discipline.

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Sugar in Reverse Gear

The decision of the Union Cabinet to remove the controls on distribution and prices sugar was announced by Mr S. K. Patil at a press conference last Wednesday. The system of controlled releases will however be retained as it is the most important control mechanism for regulating prices in the interest alike of cane growers and consumers of sugar. As Mr Patil explained, controlled release is essential to prevent catastrophic collapse of

sugar prices. But he also gave the assurance that in view of the coming festive season, the usual monthly quota had been announced in advance, and more will be released as and when necessary.

It is proposed to set the target of production for each factory at 10 per cent below the quantity produced in 1960-61. There will be special provisions for new factories. Production in excess of the targets will attract additional excise duty.

Mr Patil did not anticipate any shortage of sugar or rise in prices as a result of these measures. In any case stocks are large enough to be effectively deployed to regulate prices. As a matter of fact consumption has been stationary over the last two years at 21 lakh tons against releases of 24 lakh tons. It is expected that domestic consumption may increase by 2 to 3 lakh tons as a result of relaxation of controls on distribution and prices. That will leave a surplus of 6 to 7 lakh tons for which export markets are being explored. The problem is to liquidate the sugar stocks in which over Rs 94 crores of State Bank funds are locked up.

The Aluminium Corporation of India Limited

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Aluminium as Substitute for Important Non-Ferrous Metals

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Sir Padampat Singhania on Expansion Programme

The following is the Address of SIR PADAMPAT SINGHANIA, Kt., Chairman, Board of Directors, to the Twenty-third Annual General Meeting held on the 28th September, 1961. (The address was read by Shri Hari Shankar Singhania, Director, who presided over the Meeting in the absence of Sir Padampat Singhania.)

Gentlemen, I have great pleasure in welcoming you to the 23rd Annual General Meeting of the Corporation. From the audited account and Directors' Report, already circulated, you will observe that the operations during the year have been normal with improvements in coal mining, alumina and paste production. In spite of increased wages and increases in cost of raw materials, transport etc. the cost of production has been maintained within reasonable limits. On the other hand the prices of aluminium products have remained steady and in fact the basic prices have remained unchanged for the last four years. The main increase in prices to the consumer has been of excise duty as levied by the Government. Last year all accumulated metal of earlier years was disposed off with the result that sales during the current year, excluding excise duty realised, have been lower, thus affecting the profit. You will be pleased to observe the

Corporation has still maintained the ratio of gross profit to turnover. You will also notice from the Directors' Report and accounts that adequate provisions have been made towards depreciation and General Reserve and the Directors have recommended the same rates of dividend to the shareholders as in last year.

In the previous year's statement before you, opinion had been voiced that the consumption of metal in 1965-66 would become much higher than the target of 87,500 tons of metal production as adopted by the Planning Commission in the Third Five Year Plan. I am pleased to report that the Planning Commission is now actively considering to increase the target to 1,15,000 tons which, I feel, is still low and it would be advisable to increase this target to at least 1,50,000 tons. Without any risk of contradiction it is possible for me to say that next to steel and power the entire development of basic industries of our country is dependent on the availability of non-ferrous metals in the country. Unfortunately, our country is not blessed with natural resources for most of the non-ferrous metals with the exception of aluminium and our only hope of expanding non-ferrous metal production in the coming future which will enable the country to be self-sufficient is the expansion of Aluminium Industry. Hon'ble

Sri Manu Bhai Shah, Central Minister for Industries has indicated recently that in 1965 India will need at a very modest estimate at least Rs. 100 Crores worth of non-ferrous metals. This is a modest estimate indeed and perhaps by that time we would require much higher quantity of metals than provided in this estimate. Aluminium metal is indeed a very versatile metal with possibility of application in all industrial fields and it is possible to substitute important non-ferrous metals like copper, zinc, lead, etc. in many fields and spheres with aluminium. According to the present situation, therefore, we are left with the development of aluminium metal alone in the country to achieve self-sufficiency in non-ferrous metal as far as possible. Bauxite, the mother ore, is available all over the country and our power development schemes can help a rapid development of this important metal. I would do no better than quote from a recent speech of Hon'ble Minister, Sri Manu Bhai Shah to emphasise this point—

"It is inevitable to the country that aluminium has to be developed to the maximum extent possible from day to day, year to year, from plan to plan until we make the country self-sufficient in aluminium with a positive surplus for export".

Almost all important big aluminium producers of the World have displayed interest in setting up aluminium plants in India in collaboration with Private Sector and the Government has already under consideration such several schemes. Government has also recently announced their intention to set up an Aluminium Plant under Public Sector with Hungarian Collaboration. I do hope that the Government will give careful consideration before giving any preference to the setting up of this plant in Public Sector over the proposals from Private Sector already in hand.

Now that India is on the threshold of increasing immediate aluminium production capacity about five times the capacity at the end of 1960 as per schemes already licenced, it has, therefore, become imperative to give special attention to completing survey of bauxite bearing areas in various parts of the country. Sizeable quantity of bauxite is at present being exported and also some of the bauxite is utilised in chemical industry. However, the consumption of bauxite for the aluminium industry stands on a different footing as this industry will require large quantity of bauxite regularly for number of years to come. As such the aluminium producers have to have contiguous areas having maximum workable

deposit of bauxite enough to last for at least 25-30 years and wherever such areas are found the Government should take steps to reserve such areas for the aluminium producers. Furthermore, careful consideration should also be given to other physical raw materials like caustic soda, fluoride, and cryolite to ensure that these important raw materials are also available adequately in the country as far as possible.

An important question is the rate at which the electricity will be supplied to various new plants, since this is the most important raw material affecting the cost of production of aluminium metal. The generation and development of power production is in the hands of Central Government and at the same time it is now clear that the production of this metal must be developed in all parts of the country and the future economy of the country has to be based on increased production of

this important metal. Therefore, it is my humble suggestion that the Government should immediately set up a high powered committee thoroughly represented by Government officials and representatives of the industry to consider the question of supplying electric power at uniform rates to all aluminium producing companies. This is a question of utmost importance and it should be settled at the earliest.

Labour problems are becoming more and more complicated day by day in our country. In a growing economy certain amount of inflation is inevitable but by watchful steps this must be kept within reasonable limits. Unfortunately the trends in India have not been encouraging and the industry is faced with ever increasing demands by the labour unions but at the same time they do not show any responsibility towards increasing efficiency or productivity to minimise infla-

tionary trends. Therefore, the usual leniency shown in the country to the Trade Union movement has to come to a halt. This movement is no more in infancy and it has come of age. The Union must be made to realise and develop responsible attitude for development of the country and it is high time that the Trade Union movement behaves in an adult manner.

I am glad to inform you that expansion programme of our company already in hand is progressing at fast pace. The first phase of metal production is under way and the production can be expected early next year. Several shipments of equipments have arrived and are on way to our plant in Jaykaynagar. The building and foundation work for the machinery is almost ready and erection work will start soon. The construction and building programme for other phases of expansion has been taken in hand.

The production from expanded fabrication facilities is expected to follow as per schedule. The programme of training technical personnel both in India and abroad is going according to a schedule.

Gentlemen, in conclusion I would again emphasise that a new history is in the making of the existence of the Corporation in the coming years. The Corporation's growth is fast under way from its humble start. I will be failing in my duty if I do not express my gratitude to the Managing Agents for having managed the affairs of the Corporation in the most economical and efficient manner. I will also express my appreciation to the conscientious working of our staff and technicians who have made the working of the Corporation a success.

Note: This does not purport to be the proceedings of the annual general meeting.

of the Representatives of these Lines and the two Indian Lines in Delhi, in November, 1960, an agreement was arrived at, defining the percentages of earnings which the lines under different flags would be allocated at the end of each year. It is a matter of some satisfaction that this arrangement has been arrived at and is considered beneficial by all the Lines concerned, particularly as it removes unhealthy competition, various kinds of malpractices and ensures the better working of the Conference system, as much in the interests of Shippers as of the shipping lines. The Pool system in the India-U.K./North Continent Trade, has come into effect from 1st January, 1961, and in two other Conferences of the Continent, viz. the French Conference, and the Western Italy Conference, came into effect from 1st April, 1961. It has to be emphasised that by this arrangement Shippers will not be inconvenienced to the slightest extent and in fact the movement of cargo to and from Continental ports will be better facilitated. It is also hoped, provided that the international trade does not deteriorate, and there is no reason to expect it will, the earnings of the various companies will improve by this arrangement. I would only like to add that the results of this Pool System, owing to the date at which it came into effect, are not reflected in the Balance Sheet for the year under review.

PORT DELAYS:

But all attempts at improving the financial position of the companies will prove infructuous if the delays that are occurring at the ports both in India and abroad are not seriously checked and curtailed. One of the main reasons for the serious loss which your Company along with others has sustained, is the extraordinarily long hold up of the vessels at various ports during the year. The Directors' Report refers to the fact that 332 days were lost in the ports in the year under report as against 85 days in the previous year when vessels were idle without loading or unloading operations. The unofficial strikes in the U.K. and the delays in some of the Indian Ports have largely contributed to this unfortunate result. When it is remembered that on the company's new vessels, and they are in a majority in the composition of our fleet, Rs. 10,000 is lost every day the vessel is idle in port, it requires little calculation to assess the loss to the Company on this account alone. The tugmen's strike at Bombay which held up the port working for many days, is only an instance in point. The unofficial strikes in the U.K., particularly in London and Liverpool, which manifested themselves all too frequently during the year, contributed substantially to the loss incurred by companies.

SHIPPING—PUBLIC AND PRIVATE:

While the position is as I have stated, there has arisen recently a doubt as to the part that Shipping in the Public Sector, the Shipping Corporation of India, can or should play in relation to the Private Sector. Is it proper for the Public Sector to come in competition on routes which the Private Sector has been handling so far and if so to what extent is this desirable or justifiable? The question has come into prominence in connection with the recent entry of the Western Shipping Corporation into the India-U.K./Continent Conference, and I should like to take this opportunity of clarifying the position. The Western Shipping Corporation applied for a limited number of ships being allowed to ply in the Conference route as ships of a member of the Conference. The Corporation with the full approval of Government agreed on the number of ships that would ply in this route and the period during which that fixed number of ships will operate. With the agreement and approval of the two Indian Lines on this route, the Conference admitted the Shipping Corporation to its membership. In this connection there has been some criticism that the Government owned Corporation should not have entered into competition with the Private shipping concerns, and the statement of Hon'ble Shri Lal Bahadur Shastri, when he was Minister of Transport, has been quoted which was as follows: "I must state it very clearly that it is not our intention that shipping in the Public Sector should run in competition on routes which private shipping companies have established themselves". I believe that this will still be the basic policy in the expansion of shipping, whether in the Public Sector or in the Private Sector. The vessels of the Indian Flag whatever route they may be engaged in, are facing worldwide competition in many ways. They do not have the protection of tariffs as inland industries have and it is therefore essential that no Line or Lines engaged in a particular route should have over competition from the same flag vessels, to the ultimate detriment of all the Lines of the Flag, whether it be the vessels of the Public Sector or of the Private Sector. The only principle on which either kind of vessels can enter a route which has been established by other Lines of the same Flag, should be as stated by the Chairman of the National Shipping Board "The new Line must be supplementary to and not in displacement of the existing shipping Lines".

DEVELOPMENT REBATE:

The question of expanding shipping tonnage whether for shipping companies already in operation or for new companies, presents a

problem in view of the legislation regarding development rebate, which was passed some time back. The development rebate has been allowed generously at 40 per cent of the cost of the ship. But the onerous character of this allowance arises out of the fact that 75 per cent of this allowance has to be provided out of the profits before any dividend can be declared. Shipping companies have repeatedly represented to the Government that the provision of this amount out of the profits of the company may be extended over a period of years so that the prospect of payment of dividend to Shareholders may not be seriously affected. The National Shipping Board has considered this problem on more than one occasion and has unanimously adopted the recommendation that the development rebate to be provided for by the companies, may be spread over a period of years. These representations and recommendations have not so far helped in modifying the provisions regarding development rebate. I would only like to reiterate our request for the Government giving further consideration to this question.

LOOKING AHEAD

I do not desire to strike an unduly pessimistic note as to the future of your Company. I have reiterated often that shipping is a peculiar industry, where the boom periods are few and the lean periods are many. While we are going through a lean period, I do venture to express the hope that we may turn the corner before long. There has been in many quarters a very reasonable and legitimate demand that Indian shipping should expand fast and that during the Third Plan Period, a larger amount of tonnage should be added than is provided for at present. While I myself have advocated the expansion of tonnage and your Company has established its belief in such expansion, I would like to enter a caveat against hasty and illtimed expansion under the circumstances in which shipping, all over the world is today. Such expansion requires very deep thinking. The question how and on what routes such expanded tonnage should be used, whether the expansion in tonnage should take the form of tramps or liner cargo vessels, or tanker or passenger vessels—all these aspects of expansion require careful consideration. The National Shipping Board has paid some attention to these factors and its recommendations will, I hope, engage the serious attention of shipping companies and of Government. I am certain that the Ministry of Transport is giving careful thought to these questions. In Dr. P. Subbarayan, the Minister of Transport and Shri Raj Bahadur, the Minister of Shipping, we have gentlemen, enthusiastic and eager for the promotion of

Indian Shipping, but who are also at the same time, realists and cautious in approaching these problems. To them, Indian shipping owes a deep debt of gratitude for the encouragement they have given and the support they have extended, particularly in the Pool negotiations. The Ministry of Transport, the Secretary to the Ministry of Transport, the Director General of Shipping, his deputies and assistants, have shown their concern in and anxiety to help Indian shipping, and to them we owe our thanks. They have helped us with advice and assistance at all times. The Shipping Co-ordination Committee has been reorganised and promises to be of real help to Indian shipping whatever the routes may be. I was rather critical of the Chartering activities of the State Trading Corporation in my speech last year and I am glad to note that this Charter Committee has now been reconstituted and my hope that it will be on a better, broader and firmer basis with more clear policies adopted is likely to be fulfilled.

TRIBUTE:

The financial results of the Company does not reflect the hard work and the devoted attention which officers, both ashore and afloat, and the staff of the Company have rendered during the year. In fact, owing to the conditions mentioned earlier, their responsibilities have been greater and their work heavier and I should like to express the Board's appreciation of their services. I should also like to convey the thanks of the Company to the Shippers who have extended their continued and firm support to us, and to the brokers and forwarding agents who have shown confidence in us and in the quality of our shipping service.

Note: This does not purport to be the proceedings of the Annual General Meeting.

THE ALKALI & CHEMICAL CORPORATION OF INDIA LIMITED

Payment of Dividend on Preference shares

In connection with the payment of the above dividend for the half-year ending 30th September 1961, the Preference Registers of the company will be closed from the 4th October 1961 to the 11th October 1961, both days inclusive.

By Order of the Board
IMPERIAL CHEMICAL INDUSTRIES (INDIA) PRIVATE LIMITED
Secretaries

Calcutta,
21st September, 1961.

India Steamship Company Limited

Severe Competition in Freight Market

"Expansion Requires Very Deep Thinking"

Sir A. Ramaswami Mudaliar, Chairman, on Problems of Indian Shipping

The following is the Address of Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), Chairman, India Steamship Co., Ltd., delivered at the Annual General Meeting of the Shareholders of the company, held on the 26th September 1961:

Gentlemen,

The Audited Accounts and Directors' Report for the period ending March, 1961, has been in your possession for sometime and with your permission I shall take them as read.

The Directors' Report shows that the freight earned during the year was Rs. 8,63,00,835 as against Rs. 8,38,59,427 in the previous year. The total number of Liner voyages during the year was 49 compared to 47.5 in the previous year. Though the freight earned was higher than last year, owing to a variety of reasons, I regret to state that the net result is a substantial loss to the Company.

NAVAL DISASTERS:

At the beginning of the year, the Company suffered a serious loss by the sinking of the s.s. 'Indian Navigator' after an explosion on board. All the crew except one seaman were rescued. A more serious and sadder calamity was the loss of the lives of some of the Officers and Crew of a sister ship s.s. 'Indian Success'

in their effort to salvage the abandoned vessel, the s.s. 'Indian Navigator'. As both the disasters are subject of a formal enquiry, it would not be proper for me to comment on them, except to the extent that I share, and I am sure you also do, the tribute that has been paid in the Directors' Report to the gallant Officers and Crew.

OVERSEAS TRADE AND FREIGHT RATES:

During the last two years, I referred to the decline in International trade and to its effect on international shipping. During the year under review the position was not any better than it was last year. In an effort to chase cargo and to keep up with the severe competition both of other shipping lines in the liner trade, and of the tramps, your ships have had to call at an even greater number of ports to secure the cargo, resulting in heavy expenses.

The rates of freight were generally at an uneconomic level—most of the rates remaining the same as they were in 1957. Meanwhile, in the intervening period, costs in every direction have gone up. Wages of staff, both floating and on the land, have had to be increased. Concessions had to be made by way of longer leave periods for the floating staff, necessitating additional personnel

for the purpose. Stevedoring charges in most ports had to be revised in accordance with the rules and regulations in these ports. Any freight increase required very careful consideration and could not be readily equated to the increased costs of running the service. Some of the countries in the trade were anxious to promote export of commodities and manufactured goods in a desire to earn foreign exchange and to preserve the balance of payment position of their Governments. Conflicting considerations such as these have to a large extent prevented the easier course which would otherwise have been adopted, of increasing freight rates to meet extra and heavy expenditure. The position is now being studied both objectively and scientifically and an effort is being made to see whether freights may be increased on commodities which can bear the increase and still maintain their competitive positions in world markets.

I referred to the keen competition that prevailed last year and the unhealthy and unfair means by which a few of the companies or their agents tried to obtain the cargo by undercutting freight rates and giving larger rates of rebate to the Shippers. These and other practices such as the manner in which some of the forwarding agents, particularly on

the Continent of Europe, tried to corner the cargoes, were referred to by me in my last address and these practices continued during the greater part of the year under review.

A PARTIAL SOLUTION:

In my speech last year I referred to a possible solution that was being attempted at by the two Indian Lines in the Conference, along with other Conference Lines, who faced the same problems and were equally anxious to find a solution to put an end to unhealthy competition and to the malpractices. I stated that the solution suggested was that the allocation of freight earnings of the Conference, in certain proportions over a term of years, providing at the same time, for the growth and development of the fleets of underdeveloped countries, through a defined and reasonable escalation of the rate of allocation during the period. Negotiations for this purpose were started as early as 1959 at a Conference in Delhi, between the representatives of British and foreign lines and representatives of Indian Lines, and they were continued in London and Hamburg in the early part of 1960. The result, however, was not promising at that stage. Meanwhile the evils enumerated above were on the increase. At last, at a meeting

Markets

JUTE Gunny Steady: Jute Subdued

IJMA mills have with effect from Monday increased their working to 45 hours a week as against 42½ hours in force till last week-end. The increased working hours will result in higher production though the full effect of this change will be felt only next month as in the current month mills will be working 45 hours for only one week. It is generally believed that before long the industry will be going on a 48 hour week in view of the large availability of raw jute.

But the market which was rather subdued last week when it came to know about the impending increase in working hours, has surprisingly turned steady this week with the hessian section quite firm. This may be due to the encouraging burlap consumption figures coupled with local interest in ready delivery goods. It will not be however surprising if foreign buyers even though they are in need of supplies, prefer to await further developments before entering the market for their full requirements.

Overseas buyers' hesitation despite the present reasonable price levels is to be traced to the conditions that are gradually

turning into their favour. The increase in working of mills to 45 hours a week will yield in a full month about 5000 tons more of goods. The current trend in the raw jute section may have raised the hope that further levels in jute goods are in the offing. Prices in the raw jute section this week have tended to be easier largely because of heavy arrivals and indications of further accumulation of supplies in the markets. Since Government is following a liberal import policy, raw jute supply may be expected to be plentiful this year. It is natural for the foreign buyers of Indian jute goods to take the view that it will be prudent to watch the trends in the primary market for some more time.

The fact that prices in the raw jute market have this week declined will focus attention once again on the question of an equitable price for the jute cultivator. One thing however has been made quite clear: a floor price for raw jute, if at all it is imposed, will be announced well in advance of the beginning of the jute season. Even so, the demand for a floor price may be revived. Government is perhaps not much worried over the fall in raw jute prices yet because it would appear that according to its calculation, there will be cause for anxiety only when the price tends to soften below the Rs 30 mark.

PRICE TRENDS.

	As on 21 Sept. Rs	As on 25 Sept. Rs	As on 27 Sept. Rs
Hessian:			
45" x 11 ozs. ...	56.75	57.50	58.00
40" x 10 ozs. Ready ...	50.00	52.50	55.00
do October ...	48.00	50.00	50.25
do October-December ...	47.00	48.00	48.20
40" x 8 ozs. ...	41.00	41.75	42.00
40" x 7½ ozs. ...	38.25	39.10	39.25
Sackings:			
B Twills Ready ...	132.00	132.80	133.90
do October ...	129.50	130.80	132.00
do October-December ...	127.50	128.25	129.50
Heavy Cees (Green) ...	132.00	132.00	133.00
Cornacks ...	136.00	135.50	136.50
Cubans ...	167.00	167.00	168.00
A Twills ...	161.00	161.50	163.00
L Twills ...	154.00	155.50	157.00
D W Flours ...	160.00	164.00	167.00
Sugar Twills ...	152.00	152.50	153.00
Ready Raw Jute:			
Assam Bottoms ...	35.00	35.50	34.00
Northern " ...	35.50	35.00	34.00
Daisee " ...	39.00	38.50	38.00
Futures:			
Hessian—November ...	Highest	Lowest	Closing
Sacking—November ...	46.68	47.46	47.30
Raw Jute—December ...	127.15	127.20	127.10
	33.96	33.70	33.10

Indian Finance

The jute goods market opened the week on a steady note especially round hessian due to covering of ready delivery goods. In subsequent days demand further strengthened in ready hessian 40" x 10 oz with the result the quotation daily advanced to close on Wednesday at Rs 55 as against the week's opening rate of Rs 50. Around midweek it was announced that burlap consumption in US during August had improved to 67 million yards as against 56 million yards in the previous month. The news has evidently been taken to mean revival of US interest in hessian. Sacking prices too were steady partly in sympathy with hessian and partly due to reports of a sizable government tender. B. Twills ready closed on Wednesday higher at Rs 133.90 as against Rs 132.50 a week ago.

The raw jute market however ruled rather subdued during the week. In the absence of mill interest prices in early dealings moved within a narrow margin. Quotations continued to remain unchanged on Monday but from Tuesday the undertone turned softer as mills continued to remain on the sidelines while arrivals tended to increase in volume. Wednesday found the holders anxious for business but there was little response from buyers. Assam Bottoms Ready delivery opened at Rs 35 and recovered to Rs 35.50 only to be pushed back by close of Wednesday to Rs 34.

TEA Increased Output

ACCORDING to the latest figures available in Calcutta, production of Tea in the major producing countries is running 80 million pounds ahead of last year. The increase has been mainly due to larger crop in India and Pakistan.

India has produced, in the first eight months, 324.7 million pounds as against 269 million pounds in the corresponding period of last year. Total output in South India is, however, lower at 109.1 million pounds as against 114.6 million pounds in the corresponding period of 1960.

Production in Ceylon, during July, rose to 37 million pounds from 31.5 million pounds in the corresponding month of last year. This put the total outturn, in the first seven months of the current year, higher at 286 million pounds as compared to 269.9 million pounds in January/July 1960.

Production of tea in Pakistan, in August, rose to 9.6 million pounds from 7.5 million pounds in August last year. Total outturn, in the current season up to the end of August, is almost double at 32 million pounds as against 17.6 million pounds in the corresponding period of last year. The output in Indonesia and East Africa is running at the level of last year.

A glut of tea is, therefore, feared in the world market in view of

marked increase in the world tea production. It is understood that, despite this factor, the Government of India does not propose to make any immediate changes in the existing rates of excise and export duties on the commodity. The Government does not consider Pakistan's recent reduction of duty on tea by 34 per cent as a serious challenge to India's tea export prospects. On the other hand, it is pointed out that India's keen competitor in respect of tea is Ceylon. But, here, the Indian duty rates compare favourably with those levied in Ceylon.

Meanwhile, in the Export Sale held in Calcutta this week, offerings were 72,310 packages. There was a strong general demand. Clean plain broken were firm to dealer; but similar fannings were up to 10 nP easier. Less interest was shown in any teas containing stalk and fibre. Medium and better liquoring sorts were sold readily with the best descriptions often a little dearer though prices were generally irregular. CTC types met with a good enquiry and were firm to dealer. Off-grade teas came in for more competition; but prices were irregular.

Darjeelings received good support at generally easier rates, while prices for Tippy sort were irregular. There was more interest in Whole Leaf grades, particularly the cheaper. Following rates were quoted (per kilo):—Clean Plain Pekoe Rs 4.30 to Rs 4.50; Plain BP Rs 4.15 to Rs 4.35; Plain Fannings Rs 3.85 to Rs 4.10; Medium Assam CTC BP Rs 5.00 to Rs 5.40; Medium Assam CTC Fannings Rs 4.90 to Rs 5.30; Best Assam CTC BP Rs 5.40 to Rs 6.00 and Best Assam CTC Fannings Rs 5.40 to Rs 6.20.

In the Internal Sale, offerings were 25,552 packages of Dusts and 325 packages of Leaf grades. Demand for Dusts was once again good. Medium CTC types were irregular with the clean bright teas being generally firm and sometimes dearer. The small powdery types were sold well; but the good CTC types were slightly easier. Plain orthodox dusts were taken up at prices which were 5 nP to 10 nP per kilo below last rates, while the Assam varieties met with good support at a small discount. Legg-cut dusts were readily absorbed at generally firm rates; but the fibrous teas declined in value. Following rates were quoted: Plain Orthodox Dust Rs 3.90 to Rs 4.20; Medium Assam Dust Rs 4.10 to Rs 4.50; Legg-cut Dust Rs 4.40 to Rs 4.90; Medium Assam CTC Dust Rs 5.65 to Rs 5.90 and Good Assam CTC Dust Rs 6.20 to Rs 6.40. Leaf grades met with a good market, the few green teas being sold extremely well.

Arrivals of tea in Calcutta from the gardens are reported to have improved during the past week, while the forward export bookings, particularly for the UK, have begun to show a welcome increase. There is ample liner tonnage bearded for most destinations to cater for any increased business there may be.

Total imports of tea into the UK, in the first seven months of the current year, rose in 310.47 million

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pounds from 285.62 million pounds in the corresponding period of last year. Total imports into the USA, during the same period, were, however, lower at 63.61 million pounds as against 73.56 million pounds.

COTTON Futures Touch New Level

After initial hesitancy, cotton futures forged ahead to scale new peak level thanks to hectic buying and frantic bear covering and finished with impressive gains over the previous week's closing.

The sentiment was influenced by the reported damage to the crop particularly in East Khandesh, Amraoti, Madhya Pradesh and CP tracts, the downward revision of new season's crop to about 4.8 million bales as against the outturn of nearly 5.4 million bales in the previous season, the upward trend in the consumption ceiling of Indian cotton textile exports to the United Kingdom for the next year. The Jarilla March contract, during the week under review, after a brief lull firmed up and reached new high of Rs 625.00 and on Tuesday last closed at Rs 620.00.

The Government of India's announcement of an export quota of 0.15 million bales of Bengal Deshi cotton has been gratefully greeted by the trade circles.

The Government has also announced its decision to allow import of Pakistani cotton of staple length 1" and below worth about Rs 150 lakhs under the Indo-Pakistani trade agreement signed as early as in March. The trade, however, considers the prospect of Pakistani cotton as bleak as the prevailing prices of Pak cotton is not at all attractive.

An increase in the quota for exports of Indian cotton textiles to the United Kingdom to 195 million square yards from 175 square yards was announced by the Board of Trade in London last week. The announcement follows the undertaking entered into by Hong Kong for restricting exports of cotton textiles to British markets in 1962. Indian and Pakistani quotas for the next year have been revised to bring them into line with the new Hong Kong agreement. The Board of Trade is administering the licensing of 1961 supplementary quotas for India and Pakistan and will continue to deal with questions regarding imports of these two countries arising from 1961 agreement.

Meanwhile the trade has expressed its satisfaction at the arrangements made by the East Indian Cotton Association Limited for carrying out arbitrations on the quality of American cotton (including appeals) by its sworn Surveyors in Bombay.

New crop cotton in the spot market continued to attract the interest of spinners despite the fact that the prices tended to ride above the ceilings. Moderate business in Pakistani cotton was reported to have been done in spite of the comparatively high prices. Fairly good business was

transacted in African cotton and ready lots of American growths. An important development in the cotton market during last week was the commencement of trading in non-transferable specific delivery contracts in 216 F, H 14, 320 F, LL 54, Bengal Deshi in the Punjab UP and Rajasthan, 197/3, L 147, Jarilla G 6 and G 12 and all Cambodia varieties from Gujarat, Maharashtra, Mathia and Madhya Pradesh.

Consumption of cotton by the Indian mills from 1 September to 30 June amounted to 4,408,652 bales as against 4,235,054 bales in the corresponding period in the previous season.

Description	1959-60	1960-61
Indian ...	3,735,819	3,457,375
Pakistan ...	15,989	16,687
American ...	123,221	562,196
Egyptian ...	115,261	99,207
Sudan ...	107,970	100,635
East African ...	122,954	142,786
Others ...	13,840	29,766
Total ...	4,235,054	4,408,652

PIECEGOODS

Conditions in the Bombay piece-goods market were rather subdued during the past week. The only exception to this was the slightly improved activity on the export front.

The domestic sector again depicted sluggish tone and according to the consensus of opinion this trend is likely to continue at least for another month. The demand from upcountry centres was on the whole far from encouraging and the traders evinced interest only to cover their immediate requirements. Transactions on a small scale were reported to have been done by buyers from Uttar Pradesh, Bihar and Punjab. Despite the presence of traders from the Peninsula in the market no appreciable business was done. The inquiries from Calcutta and neighbouring centres were comparatively meagre in spite of the proximity of the Puja festival. The net result of all these was the accumulation of stocks with both the wholesale dealers and mills. The stockists offered their goods at reduced rates. A general decline in prices was noticeable. The prices of grey goods slipped down by about 7 nP and those of sarees and dhoties declined to some extent. Poplin was offered even below the ex-mill prices.

Slightly improved conditions were noticeable in the export section. The offtake looked up to some extent. The official announcement of a supplementary quota of cotton textiles for exports to the United Kingdom for the current year failed to produce any impact on the market, for business has already been concluded on this count with the expectation of such an announcement. Fair business was reported to have been done by exporters with the mills against their licences for the coming year.

Moderate business with Australia was reported in grey goods. Ethiopia and Eritrea focussed their attention on chaddars and East Africa evinced some interest in processed sheetings. Burma was contented with a small quantum of printed goods and voiles.

Outlook for Sugar Prices

THANKS to an easy supply position, Sugar markets have generally continued to rule quiet. Although the new crushing season will officially start on 1 November, factories are reported to have planned to begin crushing later this year due to the accumulation of stocks. In the Hapur market, the rate is quoted around Rs 106.25 per bag.

But, the steady rise in the price of the sweet commodity in Calcutta during the past few days is very disturbing. It appears as if supplies are being rigged by unscrupulous traders so as to inflate the price further in view of the expected increase in demand, which usually develops before the Puja festival. It is rather regrettable that, at a time when factories claim to be seriously embarrassed by the accumulation of stocks, consumers are being forced to pay exorbitant prices. It is true that, if effective steps are not taken to reduce stocks quickly, production in the next season will be hampered. But, it is not understood why no energetic step is taken to promote domestic consumption by expediting despatches of the commodity from the factories to various consuming centres, especially when export prospects are not bright.

On the London market, too, sugar prices have weakened after their recent small recovery. Reactions to a large Iranian tender for sugar have shown that supplies are still ample and the only real hope of a significant rise in the market is that the International Sugar Council, now being held in Geneva, will come out with some positive proposals. Dealers are less sanguine than they have been of late about the outlook for sugar prices.

On the one hand, there are vague hopes that the Geneva conference may try to secure a more stable and realistic price for producers. On the other hand, Cuba and Poland, which are at present the only major "first hand" sellers of sugar in the free market, have recently been unwilling to press their sugars on buyers at the risk of depressing prices. If these two suppliers are able to stand firm over the next few weeks, their action can provide a basis for a distinctly better trend in sugar prices.

Rates of reeling cocoons showed a slight downward trend, while the rates of reeling cocoons from Sidlaghatta area ruled between Rs 4.00 and Rs 5.00 per kgm, reeling cocoons from Mugur area were quoted between Rs 3.25 and Rs 4.20 per kgm and reeling cocoons from Channapatta between Rs 4.10 and Rs 4.80 per kgm.

SUGAR

At the time of going to Press, it is announced that the Government of India has removed all controls on the movement, distribution and prices of sugar with immediate effect. The Government has, however, retained the system of controlled releases to regulate the prices in the interest of the cane-grower and the consumer. For the ensuing season, the Government has proposed to restrict sugar production by imposing a cut of 10 per cent in the output of each factory.

The present step is designed to raise the internal consumption and reduce the surplus available for export to manageable levels. While the Government will continue to control the release of sugar, there will be

no continuance of the system of allotment of sugar to specified dealers. The factories will now be able to sell sugar freely to all dealers.

It is generally felt that there will be no more sugar shortage; but consumption has not increased along with production, mainly because prices are too high. It is also felt that the removal of controls will not lead to a rise in prices, especially, with a surplus of stocks, any factory may not attempt to sell the commodity at black market prices. In this connection, the Government has stated that, if there will be any rise in prices, it will release further stocks and bring the price under control.

As a matter of fact, the price of sugar in Calcutta has come down by Rs 3 a maund and is expected to record a further fall during the Puja festival owing to an improvement in the wagon supply position. Trade circles have expressed the view that prices may eventually decline by Rs 5 to Rs 6 a maund in the internal market, as the Government is not likely to enforce rigidly its new policy of controlled release of stocks from the mills. Supplies are expected to arrive in the State from all parts of the country.

GUR

Conditions in the Gur market remain, however, steady. At Hapur, ready gur attracted a good demand. With the result, stocks there are reported to have dwindled to 12,000 maunds. The new production is expected to commence after about ten days. The rate for the commodity is quoted around Rs 19 per maund.

BANGALORE SILK

The Bangalore Silk market presented a mixed trend in the prices of raw silk during the week ended 22 September, 1961. While the Filature raw silk of 20/22 Dr. continued to be quoted between Rs 84.89 and Rs 87.64 per kgm as in the last week, charka raw silk of all the grades registered a decline of about Rs 4.00 per kgm. Cottage basin silk, however, remained firm between Rs 74.75 and Rs 77.16 per kgm.

Rates of reeling cocoons showed a slight downward trend, while the rates of reeling cocoons from Sidlaghatta area ruled between Rs 4.00 and Rs 5.00 per kgm, reeling cocoons from Mugur area were quoted between Rs 3.25 and Rs 4.20 per kgm and reeling cocoons from Channapatta between Rs 4.10 and Rs 4.80 per kgm.

Rates of Mysore race seed cocoons were quoted between Rs 3.50 and Rs 5.00 per thousand. Foreign race seed cocoons remained steady between Rs 4.00 and Rs 10.00 per thousand.

FOODGRAINS

The Hapur Foodgrains market has continued to rule quiet with prices seeking lower levels. Reports of damage to the standing crops should have normally imparted a steadiness to the price level. But, the present trend is an unexpected one. The offtake has gone down to such an extent that, in some cases, distress sales have become inevitable. The main contributory factor are the stringent conditions prevailing in the

money market, while rates of interest on personal credit basis have also moved up.

The average quality wheat is quoted at Rs 14.75 to Rs 15 a maund. Rice has recorded a modest fall on good crop expectations. Gram remains unchanged despite poor arrivals. Bejhar prices are almost stagnant, while Barley has sought lower levels due to good arrivals from the Punjab. Among Pulses, Peas has continued to be steady, thanks to a good demand from outside the State and support from dal grinders.

CHEMICALS & DYES

Sentiment in the Bombay Chemicals & Dyes market was largely influenced by the proximity of the new import policy. While the Chemicals section was dull with a restricted turnover, the Dyes section showed signs of weakness.

Among Chemicals, divergent trends were witnessed. With the arrival of about 80 tons of Rongalite from Germany, the prices of this item registered a marked fall. There was a mild setback in the prices of Caustic Soda, too, with the ICI quality solid dropping down to Rs 49 and the indigenous variety to Rs 46. On the other hand, Menthol moved both ways. Bleaching Powder continued to maintain its upward trend. There was no change in the prices of other items.

In the Dyes section, there was an anxiety on the part of stockists to part with their holdings. With hardly a few days more for the announcement of the new import policy, consumers and dealers kept away from the market and the prices of most of the items sought lower levels.

COPRA

According to a bulletin issued by the Forward Markets Commission, India ranked second among the coconut-growing countries of the world, with an annual production of 4.150 million nuts accounting nearly for 25 per cent of the world output.

In India, coconut production was estimated at around 1.85 lakh tons (1.23 lakh tons in terms of oil) in 1960, which was slightly higher than in the previous year. Imports were of the order of one lakh tons valued at Rs 11.9 crores. The total supply in the country thus amounted to 2.85 lakh tons—7.5 per cent higher than in 1959.

During the Second Plan period, against the targeted additional production of 870 million nuts per annum, coconut-growing States in the country produced only 350 million nuts over the average annual yield at the end of the Second Plan. The target for the Third Plan has been set at an additional production of 1,037 million nuts per annum.

CASHEW

The decision of the Government of India not to allow further imports of Cashewnut has failed to arrest the decline in prices. In the Bombay market, prices have declined further

by Rs 25 to Rs 30 per ton in the imported varieties during the fortnight. The heavy burden of stocks in old crop and the approach of the new season have been the two main factors responsible for the continued nervousness in the prices. The ebbing overseas demand and the comfortable conditions in the producing countries have also acted as dampers.

Although fresh import is now prohibited, import licences for about 13,000 tons, issued earlier, are reported to remain unutilised. The shipment period of these imports has been extended till October-end, while the shippers are expected to place orders soon to the producing countries in Africa.

The new crop will be ready by October in Tanganyika. Part of this is expected to be imported by the Indian shippers against these licences.

GOLD & SILVER

Prices on the Bombay Bullion Exchange, after recording fresh higher levels, developed a reactionary tendency towards the close. Following the carryover charges in favour of bears, bulls were sellers and there was technical correction in both the metals.

In the Silver section, arrivals amounted to 40 bars as against an offtake of 10 bars. Ready silver (below .996) changed hands at Rs 205.50 to Rs 205.70. Gold receipts totalled 4,000 tolas as against an offtake of 2,000 tolas. Ready gold changed hands at Rs 125.25 to Rs 125.40, while Sovereign ruled firm at Rs 96.75.

OILS & OILSEEDS

Conditions on the Bombay Oil seeds Exchange remained generally quiet due to liquidation by longs and weakness in the ready section. The improvement in prices, noticed early in the week following the reports that the Government would shortly announce export quotas for HPS groundnut and groundnut expeller oilcake, proved to be shortlived. A section of the bull operators came forward to book profits at the recent high levels and hence the market lost the bulk of the gains. Groundnut ready Bold was quoted at Rs 47 and Groundnut Oil at Rs 19.65.

Reports from the various producing areas indicate that India will harvest a bumper crop of 29 lakh tons this season against the trade estimate of 24 lakh tons in the last season. Last year's crop itself was higher by 10.5 per cent over the preceding crop. This year, there has been a definite shift in favour of groundnuts due to the high level of prices noticed last season.

In Castorseed, trading was purely of a speculative nature. The export trade in castor oil was confined to a few transactions with the UK. The demand from other buyers was poor. A section of the trade was inclined to unload purchases in the maturing contract in view of apprehensions that inferior quality might be tender-

ed against sales. Castor ready was quoted at Rs 33.12 and Castor Oil, commercial, at Rs 13.40.

The shortage of spot supplies provided the main feature of trading in the Linseed section; but the price variations were mainly influenced by the behaviour of other oilseeds. Linseed ready was quoted at Rs 38.50 and Linseed Oil at Rs 16.65.

The release of an export quota of 50,800 metric tonnes of linseed expeller cake for shipment between October 1961 and May 1962 has, however, failed to enthuse the export circles. Despite favourable price of Indian expeller, India has not been in a position to export much during the last several months. But numerous instances of adulteration in India's exports have resulted in the loss of the market.

As has been reported last week the prices of groundnut oil and groundnut have become easier. Summer crop arrivals in southern centres are steady, though in a few places the supplies are reported to have slightly gone down. Big interests are keeping aloof in the belief that there is possibility of the oil and kernel prices going down further. Arrivals of groundnut in Pollachi this week had gone down to 7,000 bags daily. Last week the daily arrival was reported at 12,000 bags. In the city the receipt of kernels continues at 25/30 tons and in other southern centers the reported arrivals continue between 250 to 300 tons. In castor oil there is a firm tendency with the quotation below last week's by five rupees. With better quotas of copra, coconut oil was easier in the market. The same was the case with gingelly seed and oil. Groundnut cake kept steady.

Both Andhra and Calcutta interests bought small quantities of groundnut oil. Andhra merchants went to Salem or Erode to buy their needs. In these places the price of oil was a little weaker than in the City of Madras. Spot goods were in good inquiry though buying was severely restricted to those in need of immediate consumption. Longer valdas were not attended to. The distant deliveries therefore kept much easier than spot deliveries.

In the upcountry markets summer crop arrivals were steady and they lost also a little in value. In sympathy with oil price decline, groundnut kernels in these centers lost a couple of rupees per 80 kgs.

HIDES & SKINS

In the tanned cowhide section here, while there were good arrivals, the absorption was equally good with no change in price quotations. In the c.i.f. section inquiries for 8/8½ lb tanned cow hides were good. The price quoted and offered for 5½ lb fifts was at 43d, 44d and 53d respectively.

For run, fourths and fifts in premium marks there was also good business. Inferior fifts too had quoted good demand from the overseas market. It would appear that

there seems to be no possibility of the price changing for 5½ lb weights at 39 to 40d.

There was no change in price of tanned buffalo hides. Nothing of importance too occurred in tanned cow calf skins. The raw market price of buff calf was high and as such tanned buff calf was offered at a higher rate.

For tanned goatskins good inquiries were being made from all places. It should be noted that the raw goatskins prices are going up and the traders in tanned line are reluctant to stick to particular quotations. In tanned sheepskins there was not much of a change.

The following are the prices of tanned skins and hides per lb: Tanned cow prime 5½ lb Rs 3.12 to Rs 3.25; 6/6½ lb Rs 2.87 to Rs 2.94; 8/8½ lb Rs 2.37 to Rs 2.44; 10/12 lb Rs 2.19 to Rs 2.31; Inferior fifts: 4/4½ lb Rs 2.50 to Rs 2.56; 5½ lb Rs 2.30 to Rs 2.35; buffalo 12/13 lb Rs 2 to Rs 2.06; cow calf 1½/2 lb Rs 4.12 to Rs 4.37; buff calf 1½/2 lb Rs 2.75 to Rs 3.00; Goat-prime 8/9 lb Rs 10 to Rs 10.50; sheep ordinary 6/7 lb Rs 7 to Rs 7.50; 5/6 lb Rs 9 to Rs 10.00; prime 6/7 lbs Rs 11.50 to Rs 12.50.

WOOL

The Woollen industry has asked for the maximum possible allotment of foreign exchange to meet its requirements. It is contended that in the face of increasing demand for woollen and worsted yarns following the increase in population and a rise in the standard of living, there is need to revise upwards the ceiling for the import of woollen raw materials.

The reduced imports have created numerous problems of short supplies and high prices resulting in the under-utilisation of the existing machinery, which is reported to be working only 50 to 60 per cent of its capacity.

Arrivals of the new yellow clip, which were delayed due to heavy rains, are now in full swing. Indian mills are showing great interest in superior qualities. Russia is also buying. Prices are generally at the last fortnight's level. The announcement of the next export policy is anxiously awaited by the trade. In the Delhi market, following rates (per pound) were quoted:—1st White Rs 2.75 to Rs 2.81; Tinged White Rs 2.57 to Rs 2.69; Pale Yellow Rs 2.31 to Rs 2.40; Yellow Rs 2.37 and Grey Rs 1.15 to Rs 1.30 (per maund).

Company Reports

Auckland Jute Reduces Dividend

The Auckland Jute Company Limited, has reported a net profit of only Rs 30.51 lakhs as against Rs 36.29 lakhs despite a rise in sales from Rs 2.49 crores to Rs 2.86 crores. In respect of allocations, the Depreciation amount is raised to Rs 7.19 lakhs from Rs 6.68 lakhs; General Reserve to Rs 1.50 lakhs from Rs 1.00 lakh and Statutory Development Rebate Reserve to Rs 1.76 lakhs from Rs 50,000. Taxation provision is, however, lower at Rs 10.71 lakhs against Rs 12.65 lakhs, while Machinery Replacement Reserve is maintained at Rs 3.00 lakhs. The directors have proposed a final dividend of Rs 5, making a total of Rs 12 per share on the Ordinary shares, subject to tax. This compares with a taxable dividend of as much as Rs 27 paid for the previous year.

An order has already been placed by the company for 24 "Onemack" automatic weaving machines for one high speed Mackroll Winding Machine, suitable for hessian warp and sacking light yarns. Import licences are still awaited for these machines. Modernisation of the Sacking Weft Section of the mill has been completed and the new machines are working satisfactorily.

Mg. Agents:—Bird & Co. (Private) Ltd.			
Year ended March	1961	1960	1959
Sales	28,578,653	24,920,177	22,772,315
Stocks	993,310	556,528	497,795
Raw Materials	4,998,601	5,993,516	5,296,772
Stock in progress	510,442	309,343	269,396
Net profit	3,050,958	3,629,366	2,231,880
Taxation	1,070,665	1,264,983	52,000
Depreciation	719,363	668,442	705,173
Reserve Fund	150,000	100,000	...
Development Rebate Reserve	175,560	50,000	12,282
Other Funds	300,000	300,000	500,000
Div. Amount:			
Ordinary	480,000	1,080,000	800,000
Preference	159,250	159,250	122,500
Carry Forward	45,981	49,861	43,140
Div. % Ord.	12T	2T	20
Div. % Pref.	7.15T	7.15T	54
Div. % 2nd Pref.	5.85T	5.85T	44

(Annual General Meeting held on 27-9-61).
*After writing back Rs 36,458 being excess provision for depreciation in previous years.

Synopsis of balance sheet as on the last day of March.			
Liabilities	1961	1960	1959
Capital P'up:			
5½% C Pref.	1,000,000	1,000,000	1,000,000
4½% RC Pref.	1,500,000	1,500,000	1,500,000
Ordinary	4,000,000	4,000,000	4,000,000
4% Debentures	1,500,000	1,500,000	1,500,000
Capital Reserve	...	...	3,401,667
Reserve Fund	805,550	798,417	336,133
Other Funds	663,341	507,001	376,601
Loans Secured	2,627,863	1,472,505	2,496,546
Loans unsecured	...	...	300,000
Taxation Provn.	5,162	...	40,500
Debts	1,175,035	1,771,675	1,059,561
Carry Forward	9,802	18,142	...
Total	18,419,467	18,530,138	17,345,445

Assets.			
G. Block Depreciation	1961	1960	1959
Block (net)	6,334,020	5,955,842	8,120,558
Capital Exp. in progress	18,994	72,379	4,743
Stores	1,110,111	900,655	836,838
Stocks in progress	510,442	309,343	269,396
Raw Materials	4,998,601	5,993,516	5,296,772
Stocks	993,386	556,528	497,795
Outstandings	3,695,926	2,008,012	1,378,444
Do More than 6 months	12,013	12,207	67,080
Mis. Deposits and Advances	362,487	193,190	322,000
Investments	364,553	351,849	381,567
Cash	18,934	91,617	16,843
Total	18,419,467	18,530,138	17,345,445

Dalhousie Jute Repeats

The Dalhousie Jute Company, Limited, has maintained the dividend at Re 1 per share, taxable, in spite of a sharp decline in the net profit, after providing for Depreciation and Taxation, from Rs 11.97 lakhs to Rs 4.10 lakhs. Apart from maintaining Debenture Redemption Fund at Rs 1.00 lakh and providing Rs 27,031 for Taxation, depreciation is raised to Rs 4.85 lakhs to Rs 4.71 lakhs and Statutory Development Rebate Reserve to Rs 56,340 from Rs 30,400. Sales are shown at Rs 1.95 crores against Rs 1.68 crores.

The arrangement with the Northbrook Jute Company, for the utilisation of loom-hours, continued throughout the period under review with small adjustments to loomage to fit in with the Association's sealing and unsealing programme.

Secretaries:—Bird & Co. (Private), Ltd.			
Year ended March	1961	1960	1959
Sales	19,540,908	16,845,066	18,230,300
Stocks	588,325	69,825	256,066
Raw Materials	2,230,286	3,414,701	3,368,663
Stock in progress	351,362	160,570	137,400
Net profit	922,521*	1,712,659*	1,381,164*
Taxation	27,031	...	40,500
Depreciation	484,998	470,555	537,867
Development Rebate Reserve	56,340	30,400	...
Other Funds	100,000	100,000	100,000
Div. Amount:			
Ordinary	31,492	31,492	...
Preference	231,000*	420,000	52,500
Carry Forward	9,802	18,142	—642,070
Div. % Ord.	1T	2	Nil
Div. % Pref.	9.10	28	34

(Annual General Meeting held on 27-9-61).
*Includes Rs 94,500 being additional Pref. dividend for years ended 31-3-58, 31-3-59 and 31-3-60.
*After transferring Rs 45,000 from General Reserve and writing back Rs 104,280 being excess provision for depreciation in previous years.
*After transferring Rs 32,000 from General Reserve.

Synopsis of balance sheet as on the last day of March.			
Liabilities	1961	1960	1959
Capital P'up:			
7½ C Pref.	1,500,000	1,500,000	1,500,000
Ordinary	3,149,200	3,149,200	3,149,200
4½% Debentures	1,773,000	1,873,000	1,873,000
Capital Reserve	...	...	3,401,667
Reserve Fund	805,550	798,417	336,133
Other Funds	663,341	507,001	376,601
Loans Secured	2,627,863	1,472,505	2,496,546
Loans unsecured	...	...	300,000
Taxation Provn.	5,162	...	40,500
Debts	1,175,035	1,771,675	1,059,561
Carry Forward	9,802	18,142	...
Total	11,708,953	11,089,940	15,033,208

Assets.			
G. Block Depreciation	1961	1960	1959
Block (net)	4,047,386	4,212,760	7,856,852
Capital Exp. in progress	922,885	151,748	7,394
Stores	1,168,610	894,750	981,933
Stocks in progress	351,362	160,570	137,400
Raw Materials	2,230,286	3,414,701	3,368,663
Stocks	588,325	69,825	256,066
Outstandings	1,488,308	1,373,012	1,047,254
Do More than 6 months	15,447	18,502	55,379
Mis. Deposits and Advances	368,051	273,754	216,282
Investments	487,659	476,715	463,784
Cash	10,634	63,603	130
Debit Balance	...	...	642,070
Total	11,708,953	11,089,940	15,033,208

Lansdowne Jute Skips Dividend Again

The Lansdowne Jute Company, has incurred a net loss of Rs 1.21 lakhs as against a net profit of Rs 6.79 lakhs. The Depreciation amount is higher at Rs 4.39 lakhs against Rs 4.29 lakhs. After transferring Rs 84,000 from General Reserve, the directors have provided Rs 31,000 (Rs 23,000) for Statutory Development Rebate Reserve and recommended the dividend only on the Preference shares. Sales are shown higher at Rs 2.24 crores against Rs 1.96 crores.

Secretaries:—Bird & Co. (Private), Ltd.			
Year ended March	1961	1960	1959
Sales	22,449,199	19,624,554	20,758,197
Stocks	753,355	164,764	70,803
Raw Materials	4,170,122	4,643,281	4,544,556
Stock in progress	431,397	215,384	193,237
Net profit	401,298*	1,160,941*	749,116*
Taxation	...	...	31,600
Depreciation	438,722	429,303	465,221
Development Rebate Reserve	31,000	23,000	25,322
Other Funds	...	100,000	...
Div. Amount:			
Preference	68,250	68,250	52,500
Carry Forward	—354,444	—217,774	—758,162
Div. % Ord.	Nil	Nil	Nil
Div. % Pref.	4.55T(a)	4.55T(b)	34(c)

(Annual General Meeting held on 27-9-61 at 11 a.m.)
*After transferring Rs 84,000 from General Reserve.
*After transferring Rs 52,500 from General Reserve.
*After transferring Rs 52,000 from General Reserve.

(a) Pref. dividend for half-year ended 30-9-57.
(b) Pref. dividend for half-year ended 31-3-57.
(c) Pref. dividend for half-year ended 30-9-56.

Synopsis of balance sheet as on the last day of March.			
Liabilities	1961	1960	1959
Capital Paid-up:			
7½ C Pref.	1,500,000	1,500,000	1,500,000
Ordinary	2,448,000	2,448,000	2,448,000
Capital Reserve	...	...	2,483,150
Reserve Fund	959,020	1,036,803	1,084,618
Other Funds	272,422	241,422	118,422
Loans Secured	6,511,946	6,338,981	6,446,992
Loans unsecured	...	...	300,000
Taxation Provn.	...	...	31,600
Debts	1,094,969	1,186,211	1,061,233
Total	12,786,357	12,751,417	15,474,015

Assets.			
G. Block	10,823,825	10,686,990	13,028,848
Depreciation	7,108,446	6,713,279	6,301,668
Block (net)	3,715,379	3,973,711	6,726,977
Capital Exp. in progress	44,728	9,395	8,350
Stores	1,230,294	1,187,414	1,109,143
Stock in progress	431,397	215,384	193,237
Raw Materials	4,170,122	4,643,281	4,544,556
Stocks	753,355	164,764	70,803
Outstandings	1,473,884	1,552,849	1,399,014
Do More than 6 months	4,573	2,653	50,367
Mis. Deposits and Advances	232,432	366,824	215,102
Investments	362,131	354,160	330,380
Cash	13,614	78,958	67,922
Debit Balance	354,448	202,024	758,166
Total	12,786,357	12,751,417	15,474,011

have recommended a final dividend of Rs 8, making a total of Rs 15 per share, less tax, same as in the previous year.

With a view to utilising advantageously part of the liquid funds of the company and diversification of its interests, the company has decided, subject to consent of the Central Government, to invest Rs 10 lakhs in the purchase of 10,000 equity shares of Rs 100 each, at par, of McNally-Bird Engineering Company (Private), Limited and Rs 12 lakhs in the purchase of 16,000 equity shares of Rs 10 each in Coates of India Private Limited.

Secretaries:—Bird & Co. (Private), Ltd.			
Year ended March	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	3,722,508	2,955,234	5,280,062
Sale of Loom hours	658,068	765,757	707,535
Rent & Hire of Machinery	960,317	824,151	272,384
Stocks	44,845	90,745	...
Net profit	1,251,444	1,174,214	1,792,791
Taxation	165,432	...	32,000
Depreciation	216,055	274,416	358,286
Reserve Fund	300,000	200,000	100,000
Res. for Tax Contingencies	...	200,000	150,000
Development Re-bate Reserve	110	1,000	250,000
Other Funds	...	...	200,000
Div. Amount:	...	?	...
Ordinary	420,000	420,000	56,000
Preference	117,000	117,000	270,000
Carry Forward	54,949	22,172	60,304
Div. % Ord.	15T	15T	2
Div. % Pref.	9.10T	9.10T	21*
Div. % 2nd Pref.	7.15T	7.15T	161*

(Annual General Meeting held on 27-9-61).

*Pref. dividend for three years ended 31-3-1959.

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

Liabilities	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid-up:			
7% C. Pref.	500,000	500,000	500,000
5% C. Pref.	1,000,000	1,000,000	1,000,000
Ordinary	2,800,000	2,800,000	2,800,000
Capital Reserve	...	...	1,664,644
Reserve Fund	612,320	307,592	104,211
Other Funds	801,110	801,000	600,000
Taxation Provn.	282,500	...	32,000
Debts	709,593	983,804	955,769
Carry Forward	54,949	10,530	60,304
Total	6,760,472	6,402,926	7,716,928

Assets.	1961	1960	1959
	Rs.	Rs.	Rs.
G. Block	6,577,636	6,904,728	8,988,615
Depreciation	4,223,242	4,103,722	3,914,027
Block (net)	2,354,394	2,801,006	5,074,588
Stores	460,905	758,899	1,381,561
Stocks	44,850	90,745	...
Outstandings	509,565	460,272	420,648
Do More than 6 months	25,645	5,762	26,680
Mis. Deposits and Advances	57,933	76,205	96,043
Investments	414,346	414,346	411,845
Deposits in Banks	2,700,000	1,550,000	...
Cash	237,684	291,586	214,818
Total	6,760,472	6,402,926	7,716,928

Excellent Results of Northbrook Jute

Of all the companies in Bird group, the Northbrook Jute Company, Limited, has produced excellent working results, thanks to a marked rise in sales from Rs 2.03 crores to Rs 2.62 crores. The net profit, after providing for Depreciation and Taxation, amounts to as much as Rs 19.53 lakhs as against only Rs 13.75 lakhs for the preceding year.

All allocations have been increased:—Depreciation to Rs 6.09 lakhs from Rs 4.86 lakhs; Taxation to Rs 16.39 lakhs from Rs 10.57 lakhs; General Reserve to Rs 9.00 lakhs from Rs 7.00 lakhs; and Statutory Development Rebate Reserve to Rs 1.48 lakhs from Rs 60,700. Machinery Replacement Reserve is, however, maintained at Rs 3.00 lakhs. Total dividend is maintained at Rs 3.00 per share, subject to tax.

The arrangement for the sale of loom-hours to Dalhousie Jute continued throughout the year under review. The balance of 13 Carpet Backing looms were commissioned during July 1960.

Secretaries:—Bird & Co. (Private), Ltd.			
Year ended March	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	26,219,127	20,285,816	18,141,362
Stocks	1,228,993	1,034,389	953,803
Raw Materials	4,619,741	4,331,215	3,235,388
Stock in progress	610,323	387,089	348,068
Net profit	4,201,581	3,417,901*	1,504,132
Taxation	1,639,434	1,057,123	39,000
Depreciation	609,046	486,079	568,360
Reserve Fund	900,000	700,000	...
Development Re-bate Reserve	147,850	60,700	25,018
Other Funds	300,000	500,000	300,000
Div. Amount:	...	...	...
Ordinary	503,964	503,964	209,985
Preference	107,250	107,250	82,500
Carry Forward	32,274	38,237	35,452
Div. % Ord.	30T	30T	124
Div. % Pref.	7.15T	7.15T	54

(Annual General Meeting held on 27-9-61).

*After transferring Rs 500,000 from Taxation Contingencies Reserve.

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

Liabilities	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid-up:			
5% C. Pref.	1,500,000	1,500,000	1,500,000
Ordinary	1,679,880	1,679,880	1,679,880
Debentures	2,000,000	2,000,000	2,000,000
Capital Reserve	...	...	1,821,396
Reserve Fund	3,186,349	2,280,345	1,575,078
Other Funds	2,007,268	1,559,418	1,498,718
Loans Secured	3,742,432	3,660,922	3,104,120
Loans unsecured	...	...	200,000
Taxation Provn.	2,210,464	585,464	39,000
Debts	2,493,446	2,105,344	1,644,914
Carry Forward	32,274	27,631	35,452
Total	18,852,113	15,399,004	15,098,558

Assets.	1961	1960	1959
	Rs.	Rs.	Rs.
G. Block	13,021,348	12,183,607	13,611,669
Depreciation	7,730,582	7,121,536	6,657,100
Block (net)	5,290,766	5,062,071	6,954,569
Cap. Exp. in progress	34,121	259,718	26,482
Stores	1,677,191	1,488,295	1,086,337
Stocks in progress	610,323	387,089	348,068
Raw Materials	4,619,741	4,331,215	3,235,388
Stocks	1,228,993	1,034,389	953,803
Outstandings	4,077,661	2,123,633	1,721,420
Do More than 6 months	12,146	6,036	49,418
Mis. Deposits and Advances	822,178	178,719	278,365
Investments	468,387	444,570	440,238
Cash	10,606	83,249	4,470
Total	18,852,113	15,399,004	15,098,558

Union Jute Pays only 6 per cent Against 25 per cent

The Union Jute Company, Limited, has reported a net profit of only Rs 3.22 lakhs as against as much as Rs 12.37 lakhs for the previous year. These figures have been arrived at after providing for Depreciation and Taxation.

With regard to allocations, Depreciation is raised to Rs 4.51 lakhs from Rs 4.09 lakhs, while Taxation provision is reduced to Rs 3.26 lakhs from Rs 9.40 lakhs and Statutory Development Rebate Reserve to Rs 65,630 from Rs 84,700. No provisions are possible for General Reserve and Machinery Replacement Reserve against Rs 1.50 lakhs and Rs 1.00 lakh respectively set apart against these items in the previous year. The directors have proposed a final dividend of Re 1, making a total of only Rs 6 per share, taxable, as against Rs 25 per share, taxable.

Under the terms of sale of the Union South Mill property, payment has been received from the purchaser of the fifth and sixth instalments of the balance of the purchase price. This leaves an outstanding balance of Rs 4 lakhs, payable over the next year, carrying interest at 5 per cent per annum.

Indian Finance

Mg. Agents:—Bird & Co. (Private) Ltd.			
Year ended March	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	21,102,830	19,229,027	18,849,431
Stocks	392,905	15,409	189,077
Raw Materials	3,834,173	3,684,503	3,670,897
Stock in progress	259,834	188,854	149,910
Net profit	1,098,454	2,585,511	2,411,512
Taxation	325,742	940,416	429,000
Depreciation	451,159	408,338	446,760
Reserve Fund	...	150,000	350,000
Contingencies	...	...	300,000
Development Re-bate Reserve	65,630	84,700	105,283
Other Funds	...	100,000	100,000
Div. Amount:	...	...	...
Ordinary	215,916	899,650	719,720
Pref.	54,600	54,600	42,000
Carry Forward	8,800	23,393	75,586
Div. % Ord.	6T	25T	20
Div. % Pref.	9.10T	9.10T	7

(Annual General Meeting held on 27-9-61).

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

Liabilities	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid-up:			
7% T.R.C. Pref.	600,000	600,000	600,000
Ordinary	3,598,600	3,598,600	3,598,600
6% Debentures	1,200,000	1,200,000	1,200,000
Capital Reserve	...	...	2,197,507
Reserve Fund	2,406,443	2,407,407	2,254,634
Other Funds	1,388,213	1,322,583	1,137,883
Loans Secured	1,089,163	...	1,294,096
Loans unsecured	...	...	300,000
Taxation Provn.	1,410,687	1,055,861	179,719
Debts	1,139,347	2,236,217	1,759,735
Carry Forward	8,800	35,993	75,586
Total	12,841,253	12,456,661	14,597,760

Assets.	1961	1960	1959
	Rs.	Rs.	Rs.
G. Block	9,318,767	8,938,439	10,668,547
Depreciation	5,510,623	5,059,464	4,670,750
Block (net)	3,808,144	3,878,975	5,997,797
Cap. Exp. in progress	8,072	27,922	1,820
Stores	751,424	791,173	839,392
Stocks in progress	259,834	188,854	149,910
Raw Materials	3,834,173	3,684,503	3,670,897
Stocks	392,905	15,410	189,077
Outstandings	1,946,196	2,338,995	2,195,232
Do More than 6 months	16,219	19,766	69,275
Mis. Deposits and Advances	494,790	503,605	608,791
Investments	1,237,442	893,943	671,601
Cash	92,054	113,515	73,968
Total	12,841,253	12,456,661	14,497,760

Modernisation of Kinnison Jute Mills

In the latest report, the directors of the Kinnison Jute Mills Company Limited, have stated that orders have been placed for the following machinery to complete the modernisation of the mills:—Four 4½" Silver Spinning Frames; three Screw-gill 2nd Drawing Frames; three Conversion Sets for Finisher Drawings and nine sets of Conversion Conductors for 4½" Silver Spinning Frames. Import licences have been received for the last three items and shipment is expected to be completed by September 1961. The Silver Spinning Frames will be obtained locally from the Lagan Jute Machinery Company, Limited.

Orders have also been placed for 24 "Onemack" Automatic weaving machines and an import licence is awaited. With a view to effecting a more economical layout and making the mills more efficient, it was decided to convert No. II Mill to an all Hessian unit and the changeover was completed by 6 October, 1960. The transfer of looms involved was effected without any disturbance to the normal working of the mills.

Meanwhile, the company's accounts, for the year ended 31 March, 1961, reveal a rise in sales from Rs 3.55 crores to Rs 4.07 crores; but the net profit, after providing for Depreciation and Taxation, is substantially lower at Rs 10.64 lakhs as against Rs 20.11 lakhs for the preceding year.

After maintaining Machinery Replacement Reserve at Rs 3.00 lakhs, Depreciation is raised to Rs 9.09 lakhs from Rs 7.94 lakhs; Taxation to Rs 9.82 lakhs from Rs 6.64 lakhs and Statutory Development Rebate Reserve to Rs 1.51 lakhs from Rs 68,000. General Reserve is lowered to Rs 50,000 from Rs 3.00 lakhs. The directors have recommended a final dividend of Rs 2.00, making a total of Rs 7.00 per share, subject to tax, for that year. This compared with as much as Rs 20 per share, less tax, paid for the preceding year.

Mg. Agents:—F. W. Heilgers & Co. (Private) Ltd.			
Year ended March	1961	1960	1959
	Rs.	Rs.	Rs.

Sales	40,736,877	35,464,738	35,161,657
Stocks	1,199,839	450,538	523,780
Raw Materials	8,542,093	8,743,833	7,642,148
Stock in progress	894,304	502,311	463,827
Net profit	2,955,047	3,469,903	1,978,297
Taxation	981,890	664,405	68,000
Depreciation	908,797	794,406	887,662
Reserve Fund	50,000	300,000	...
Development Re-bate Reserve	150,770	68,000	51,425
Other Funds	300,000	300,000	300,000
Div. Amount:	...	...	...
Ordinary	420,686	1,201,960	540,490
Preference	136,500	136,500	105,000
Carry Forward	62,406	56,002	51,370
Div. % Ord.	7T	20T	10
Div. % Pref.	9.1T	9.1T	7

(Annual General Meeting held on 27-9-61).

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

Liabilities	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid-up:			
7% C. Pref.	1,500,000	1,500,000	1,500,000
Ordinary	5,985,600	5,980,150	5,758,750
5% Debentures	2,500,000	2,500,000	2,500,000
Capital Reserve	...	...	4,528,120
Reserve Fund	2,865,560	2,807,157	2,502,148
Other Funds	1,874,196	1,423,426	1,055,426
Loans Secured	6,134,616	4,356,029	7,221,218
Loans unsecured	3,050,000	3,100,000	200,000
Taxation Provn.	1,122,556	300,668	68,572
Debts	2,498,218	3,539,439	2,433,340
Carry Forward	62,406	56,002	51,370
Total	27,593,152	25,562,871	27,818,944

Assets			
G. Block	20,721,456	19,943,494	24,109,199
Depreciation	13,378,784	12,497,816	11,728,523
Block (net)	7,342,672	7,445,678	12,380,676
Cap. Exp. in progress	4,121	588,000	..
Stores	1,858,531	1,750,013	1,609,231
Stocks in progress	894,304	502,311	463,827
Raw Materials	8,542,093	8,743,833	7,642,148
Stocks	1,199,839	450,538	523,780
Outstandings	4,690,143	3,004,460	2,727,557
Do More than 6 months	20,095	24,658	..
Mis. Deposits and Advances	556,895	553,384	349,461
Investments	2,363,189	2,359,639	2,100,513
Cash	121,270	140,357	21,751
Total	27,593,152	25,582,871	27,818,944

Quoted Shares

Reference Shares

ALCUTTA

NAME	Paid-Quotation up per Share.	as on 23-9-61 Rs nP
ANKS		
Alahabad 6%	100	95.50
Arora 5%	50	16.00*

COAL

Asso. K'pura 4½%	100	50.50*
Bharat 5½%	100	32.00
Correa 6½%	100	66.55*
Burrakur 7%	100	101.00
Burrakur 6%	10	7.40*
Quitable 6%	100	80.00
Husick & Muslia 5%	100	100.00
Ourangdi 5%	100	40.00*
Arampur 5½%	100	53.50*
Has Kajora 5½%	10	6.95
Beerbhoom 7%	10	10.50
Churulia 5%	10	5.06
Huntodih 6%	100	45.00*
Andal 6½%	100	64.10*
Arasea 5½%	100	44.50
United Colliery 5%	100	64.50*

OTTON

Asanti 6½%	100	6.94
Engal-Nagpur 7%	100	75.00
Harat Commerce 9%	100	100.00
Owreah 8%	100	94.60
Owreah 7%	100	71.00
Igin 8%	100	100.00
Igin 5%	10	6.97
Yajatiit 5%	100	80.08
Yajerao 5½%	100	88.50*
K. Rayon 6%	100	88.60*
Esoram 7%	100	94.00
Esoram 5½%	100	82.00
Udr 6%	100	101.00
Victoria 3%	5	2.94
Rissa 5%	100	65.00
Bree Madhusudan 4½%	100	79.00
Bree Niwas 4%	100	48.80*
Bree Bhawani 8%	100	69.00
Wadeshi 6%	100	69.00

UTE

Garpara 7%	100	91.00
Alexandra 7%	100	88.00
Illance 6%	100	64.50
Anglo-India 7%	100	93.00
Uckland 5½%	100	69.50
Uckland 4½%	100	56.00
Uckly 7%	100	93.00
Armagore 5%	25	38.00
Belvedere 7%	100	81.00
Bungal 5½%	100	53.00
Bria 7½%	100	84.50
Bria 5½%	100	83.14
Budge-Budge 7%	100	86.50
Calcutta 6½%	100	50.50
Caledonian 7%	100	80.00
Chiviot 7%	100	90.43
Chitavalsah 7%	100	89.00
Clive 6%	100	66.00
Clive 7%	100	74.00
Dalhousie 7%	100	86.50
Delta 5%	100	69.25
Empire 7%	100	74.30
Fort Gloster 7%	100	98.00
Fort Gloster 5%	100	66.00
Fort William 7%	100	92.00
Ganges Mfg. 8%	100	110.00
Gourepore 6%	100	80.50
Hastings 6%	100	82.00
Hooghly	100	9.95*
Howrah 'A' Pref.	100	86.45
Howrah 7%	100	88.45
Hukumchand 7%	100	91.50
Kamarhatti 6%	100	67.00
Kankannarrah 6%	100	75.25
Kedarnath 6%	100	68.00
Kedarnath 7%	100	90.50
Kelvin 7%	100	92.00
Chardah 6%	100	79.50

Reference Shares

ALCUTTA

NAME	Paid-Quotation up per Share.	as on 23-9-61 Rs nP
Kinnison 7%	100	90.00
Lansdowne 7%	100	91.00
Lawrence 7%	100	72.00
Lawrence 5½%	100	70.50
Naihati 7%	100	98.00
Naihati 4½%	100	80.00
National 7%	100	81.80*
Nellimarla 6%	100	76.00
N. Central 7%	100	91.75
Northbrook 5½%	100	70.00
Rameshwara 6%	10	9.37
Reliance 7%	100	80.00
S. Ambica 7½%	100	92.00
Soorah 7%	100	93.50
Union 7%	100	77.35
Waverley 5%	50	40.50

NAME	Paid-Quotation up per Share.	as on 23-9-61 Rs nP
Asso. Mining 5%	50	27.50
Ch. Mica 5½%	100	48.00
Metal Corp. 5%	100	99.00

CEMENT

Dalmia Bharat 6%	10	7.69
Jaipur Udyog 3%	100	37.00
Kalyanpur Lime 7%	100	80.00*
Kalyanpur Lime 6%	100	100.50*
K'dhubi Fire 5½%	100	58.20
Orissa Cement 4½%	100	35.06*

CHEMICALS

Alkali 5%	100	90.00
Bathgate 6%	100	19.00
Bengal Chem. 7½%	10	11.75
Bengal Chem. 4½%	100	60.50
Calcutta Chemical 6%	10	7.75
Frank Ross 4½%	100	51.00
Smith Stanistreet 10%	50	63.12

ELECTRICS

Calcutta 5%	£1	9.19
Dishergarh 5%	100	69.00
Dishergarh 4½%	100	61.50

ENGINEERING

Arthur Butler 7%	10	14.00
Br. Building 6%	100	50.00
Br. Engineering 7%	100	100.00
Burn & Co. 7%	100	110.00
Burn & Co. 6%	100	101.00
Indian Iron 5%	100	85.00
Ind. St. Wagon 7%	100	63.00
Jessop & Co. 5%	100	112.00
J. K. Steel 7%	100	78.50
Kumardhubi 5%	100	100.00
R. Cruddas 5½%	100	72.00
Steel Products 5%	10	54.00*
Textmaco 5½%	10	7.75
Textmaco 5%	100	79.15
Textmaco 6½%	100	62.00
Textmaco 4½%	100	94.50

MISCELLANEOUS

Alum. Corp. 6%	100	96.00
Alum. Corp. 5%	100	71.00
Amal. Dev. 5%	100	37.00*
Asso. Hotel 7%	100	52.25
Bharat Nidhi 6%	100	44.67
Birds Investment 5½%	100	57.00
Br. Biscuits 8%	10	8.24*
B. I. Corporation 8%	100	110.00
Cal. Cr. Corp. 6%	100	34.50*
Cal. Cr. Corp. 5½%	100	23.50*
Calcutta Gas 5½%	100	52.14*
Calcutta Silk 5%	100	49.12*
Calcutta Trams 5%	£1	7.84
Duncan Bros. 4%	100	53.50
Dunlop 6%	100	108.50
Dunlop 6%	100	78.75
Eastern Invt. 5%	100	67.44
Gillanders 5%	100	58.00
Godfrey Phillip 5½%	100	56.50
Greaves Cotton 5%	100	32.86*
Greaves Cotton 6%	100	48.43*
Hindustan Alum.		
minium 6.3%	25	24.37
Hindustan Motors 6%	100	194.00

NAME	Paid-Quotation up per Share.	as on 23-9-61 Rs nP
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Hindusthan National		
Glass 8%	100	93.00*
Indian Alum. 5%	100	69.00
Indian Cables 6%	10	34.00
Okayti 7%	100	40.50*
Indian Rubbers 5%	100	60.50
James Wright 6%	50	19.75*
J. Henderson 5½%	100	58.00
K. Bullen 5½%	100	51.12
K. Bullen 4%	100	48.10
Kusum 5½%	100	64.00*
Macneil & Barry 5½%	100	51.57
Madhya Pradesh Ind.		
6%	100	93.00*
Martin Burn 5%	100	85.50
McLeod & Co. 5%	100	47.78*
McLeod & Co. 5%	100	47.78*
1st Pref.	100	58.50
2nd Pref.	100	84.00
Metal Box 6%	100	76.00
National Rubber 6%	10	2.35
National Tannery 5%	100	69.00
National Tobacco 5%	10	61.75
National Tobacco 4½%	100	75.00
Nav. Bharat Vanijya	100	63.50
Rallis 6%	100	115.00
Rohtas Indus 7%	100	56.00
Rohtas Indus. 4½% B	100	155.00
Sen Raleigh 5%	100	66.50
Shaw Wallace 6%	100	5.37
Spencer 8½% B	10	10.12
Standard Vacuum 6%	100	90.50
Union Tobacco 5%	100	15.50

OILS

I. B. Petrol 7%	100	80.50
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PAPER

Ballarpur 5%	100	112.00*
Bengal Paper 7%	50	46.50
Bengal Paper 7%	100	98.00
Bengal Paper 6%	100	59.43
Orient 5½%	100	83.00
Orient 5½%	100	65.00
Shree Gopal 8%	100	101.50
Shree Gopal 7½%	100	96.00
Sirpur Paper 6%	100	85.00
Star Paper 5%	100	65.90kr*
Star Paper 6½%	100	85.40
Star Paper 7%	100	68.50
Star Paper 7% Con.	100	89.00
Titaghar 7%	100	112.00
Titaghar 4½%	100	75.00

PRESSING

Bhagwati 5%	100	28.00*
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REAL PROPERTY

Humayan 6%	10	7.00
Regent Estate 4%	100	33.50

SAW MILLS

Bengal Timber 8%	100	7.50
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SHIPPING

B-A Steam 7%	60	43.87*
I.G. Navigation 6%	£10	77.00
India Steam 5%	100	76.00

SUGAR

Carew 6½%	100	80.00
Cawnpore 8%	100	120.00
Jaswant 5½%	100	85.00
Mohini 5%	100	70.00*
New India 7½%	100	137.72
Purtapore 10%	10	11.12
Ramnugger 6%	100	83.00
Ryam 6%	10	8.40*
South Behar 9%	100	20.50*
S. Hanuman 5%	100	55.00*
S. K. Gyan 6%	100	63.30
S. K. Gyan 5%	100	54.25
Upper Ganges 5%	100	69.00

TEA

Amluckie 7%	10	31.00
Bormah Jan 6%	100	56.00*
Brooke Bond 6%	100	63.50
Dhunseri 10%	10	12.12
Dimakudi 8%	10	3.10*
Kingsley Gola 6%	100	71.43*
Moheema 6%	10	5.25
Tezpora 8%	10	9.10

*Nominal. †Ex-Dividend. ‡Omn-Dividend.
§Ex-Split.

NAME	Paid-Quotation up per Share.	as on 23-9-61 Rs nP
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Darjeeling		
Gielle 6%	100	80.00
Lingia 6%	100	52.00
Okayti 7%	100	79.00*
Pussimbing 7%	100	97.00
Singtom 5%	10	4.87

Dooars		
Banarhat 6½%	100	75.08*
Birpara 8%	100	101.00
Choonabhatti 6½%	100	92.64
Hantapara 8%	100	89.84*
Hasimara 7%	100	97.00
New Dooars 6½%	100	74.82*

Cachar		
Soni River 8%	100	77.00*

Sylhet		
New Samanbagh 8%	100	83.50*

S. Indian		
Kotamullai 6%	25	15.00

Tera		
Atal 4½%	10	3.80*
Tirrihannah 10%	10	12.86*

Ordinary Shares

CALCUTTA

NAME	Paid-Quotation up per Share.	as on 23-9-61 Rs nP
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GOVERNMENT OF INDIA LOANS

(Non-Terminal Loans).

3% Govt. Paper	...	71.00
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(Terminal Loans).

3% Loan (1988)	...	72.90
2½% Loan (1961)	...	99.50
2½% Loan (1962)	...	99.18
2½% Loan (1976)	...	83.45
2½% Loan (1980)	...	99.75
3% Loan (1964)	...	98.85
3% Loan (1963-65)	...	98.78
3% Loan (1966-68)	...	96.30
3% Loan (1970-75)	...	91.00
3½% Loan (1982)	...	99.30
3½% Loan (1981)	...	99.95
3½% Loan (1983)	...	100.00
3½% Loan (1984)	...	99.90
3½% Loan (1985)	...	99.85
3½% Loan (1986)	...	99.70
3½% Loan (1987)	...	99.00
3½% Loan (1988)	...	98.83
3½% Loan (1989)	...	98.40
3½% Loan (1987)	...	100.35
3½% Loan (1988)	...	100.35
3½% Loan (1974)	...	99.57
4% Loan (1972)	...	100.30
4% Loan (1973)	...	100.20
4% Loan (1979)	...	99.50
4% Loan (1980)	...	99.58

BANKS

Allahabad	100	329.00
Allahabad	50	163.00
Bank of Bihar	100	15.00
Bank of Baroda	25	44.50
Bank of India	50	107.75
Hindust. Comm.	50	14.75
Hindust. Mercan.	50	15

NAME	Paid-Quotation up per Share.	as on 22-9-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 22-9-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 22-9-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 22-9-61 Rs nP	
Trav. Chem. 6½%	10	8.82½	Manar	2	2.63	Tirupati	10	11.50	Central India	100	400.00	
T. Stanes 7%	100	82.65½	Manimala	1	8.75	Trav. Rayon	10	39.00	Century 6%	100	107.00	
United Elec. 5%	10	10.20	Mercara	5	8.35	Trichinopoly	10	13.25	Elphinstone 7%	100	66.50	
Vanguard Fire 5½%	6	4.73	Midland	10	11.75	Vasanta	100	281.00	Hindustan 4½%	1000	625.00	
W. I. Plywood 6%	100	86.54	Malimally	25	35.80½	Venkatesa	50	104.00	Hindustan 4½%	250	175.00*	
			Mysore Amalgam.	5	5.90	Vijayakumar	100	100.00	Indian Mfg.	1000	625.00	
			Mysore Coffee	2	5.45	Vijayalakshmi	100	93.50	Indian Mfg.	500	315.00*	
			Mys. Plantations	2	1.95	Vijayeswari	100	140.00	Jiyajee Rao 5½%	100	90.00	
						Virudhunagar	50	56.00	Jiyajee Rao	5½%	100	91.50
			Neelamalai	5	4.35				Khatua 4%	100	77.00*	
			Nelliampathy	2	2.51				Kothari B' 6%	10	8.76*	
			Nellithanam	10	11.00	MISCELLANEOUS			Kothari 6%	10	8.76*	
			Nemmeny	10	22.75	Alum. Indus.	10	23.35½	Lakshmi Cotton	5%	250	151.25
			Nilambur	10	14.90	Andhra Cement	100	9.25	Mafatal 1st	100	78.30	
			Nilgiri	10	10.00*	Andhra Scientifics	10	11.15	Mafatal 2nd 4½%	100	80.50	
			Nonsuch	10	28.62	Ashek Leyland	5	8.80	Mahendra 6½%	100	99.00*	
						Aspinwall	10	4.30	Morjee 4½%	100	73.00	
			Ossoor	2	2.84½	Aspinwall Trv.	10	6.40	Mysore 4½%	50	22.76	
			Oucherlony	2	3.78	Asso. Indus. and Eng.	100	82.10	Navari Cotton 5%	100	91.00*	
			Panchura	1	5.80	A. V. Thomas	10	4.00	New Great 5½%	200	106.50	
			Parkside	10	29.70	A. V. Thomas I.	10	4.00	N. Kalseer-Hind	100	65.00	
			Peermade	10	23.37½	Bang. Fritg.	10	13.95	Podar 4%	100	63.00	
			Peninsular	10	22.00	Binnay	100	257.00*	Shree Bhawani	8%	100	100.00*
			Periakaramalai	2	3.63	Brunton	10	8.00	Shreeaswari 4%	100	64.00	
			Pullangode	2	1.77½	Central Scientific	5	6.95	Standard 4½ 1st	100	75.50	
			Puthuthottam	2	2.35½	Dalmia Cement	10	11.77	Standard 4½ 2nd	100	73.00	
			Rajagiri	10	19.75	Dalmia Cem. (Defd.)	1	2.35	Swachhi 5%	100	88.00*	
			Rajendra	5	12.12½	Enfield	10	11.60	Swadesh (Kan.)	100	86.00*	
			Sangameswar	2	2.00*	FACTS	10	9.40	Vishnu 7%	500	395.00	
			Savamalai	2	3.02	Forest Indus.	10	2.86½	W. India 4½%	1000	625.00	
			Shaveroy	2	1.72	Genl. Papers	2	10.37½				
			Stanes Amalgam.	10	16.62	Hindustan Ideal	10	22.40	OTHER TEXTILES			
			Swinton	2	3.00*	Hindustan Lever	25	47.00	Bombay Silk 5%	100	50.00*	
			Talayar	2	1.92½	India Cement	5	6.65*	Gwalior Rayon A	100	104.75	
			Teekoy	10	5.50*	Ind. Steel Rolling	10	10.12½	Indian Rayon 7%	62½	55.00	
			Thamarapally	1	16.75	Inv. Trust of I.	100	68.00	National Rayon 5%	100	70.00	
			Thirumbadi	1	1.81	Jeevanlal	10	7.66	New Central Jute 7%	100	92.50	
			Trav. Rubber	10	12.12	Kiroskar Electric	10	14.85	Shree Digvijaya			
			T. R. & T. Co.	10	10.00	K.I.C.	10	19.17	Woolen	100	68.75	
			Tropical	25	18.75	Madras Aluminium	25	24.75				
			Twyford	10	11.75	Madras Cements	100	91.00	ELECTRICS			
			Udayagiri	10	21.18	Madras Safe	80	44.00*	Amalgamated 5½%	100	71.00	
			Uni. Nilgiris	10	26.00*	Madras Vanaspati	100	16.50	Amalgam. 5%	100	65.00	
			Valkundam	10	32.20*	Mandya N. Paper	10	8.50	Anand 6%	50	50.00*	
			Vayitiri	2	1.49*	Marikar	50	63.75	Andhra Valley 7%	1000	1022.50	
			Velimalai	5	5.93	McDowell & Co.	10	32.25	Nadiad 6%	50	39.00	
			Wartyhully	2	2.85*	Mettur Chem.	10	14.11½	Nasik Deolali 7%	100	91.50	
			Waterfall	2	2.97	Mysore Cements	10	9.70	Poona 6%	100	101.00	
			Woodcote	1	1.65	Mys. Chem. Fert.	10	11.60*	Surat 7%	100	107.00	
			Woodland	10	7.30	Mys. Chem. Mfg.	10	23.85*	Tata Hydro 7½%	100	101.25	
						Mys. Coffee Curing	10	15.00*	Tata Power 7½%	1000	1063.75	
						Mys. Electricals	100	212.00				
						Mysore I.T.L.	5	8.15½				
						Mysore Lamp	10	27.50				
						Mysore Match Mfr.	10	14.87½				
						Mysore Paper	10	20.00*				
						Mysore Stoneware	10	14.16*				
						Mysore Tobacco	10	9.40				
						Natl. Rubber Mfrs.	10	11.50				
						Ogale Glass	5	5.50				
						Orissa Cement	10	16.37½				
						Panyam Cement	100	99.00				
						Parrys Confec.	1	4.85½				
						Premier Fertilisers	10	7.25				
						Radio & Elec.	10	21.62½				
						R. E. M. Co.	100	155.00				
						Rallis	100	7.00*				
						Rane	5	5.00				
						Ruby Rubber	10	8.00				
						Ruby (Madras)	10	24.25				
						Sen Raleigh	10	10.00				
						Seshasayee Indus	7½	8.40				
						Seshasayee Paper	10	23.62				
						Spencer	10	16.15				
						Standard Motors	10	22.85*				
						Stanes T.	100	178.00				
						Taxtloot	10	5.00				
						Transformer	10	7.60				
						Trav. Cement	10	18.25*				
						Trav. Chem. Mfg.	10	8.20				
						Trav. Ogale	100	260.00				
						Tube Invest	10	9.50				
						United Electrical	7½	7.65				
						United India Fire	5	9.10				
						Vanguard Fire	100	199.50				
						W. I. Plywood	100	199.50				

the fifth year. For the implementation of the scheme, no additional capital and no foreign collaboration or royalty or cash payment is envisaged. The Union Government is understood to have supported Phillips's scheme.

Hindustan Lever

The Hindustan Lever Limited has proposed to undertake the manufacture of dehydrated vegetables. There is a plan to manufacture 800 kg each of dehydrated spinach, carrot, cauliflowers, beans, potatoes, ladies fingers and onions per month on a trial basis at its factory at Ghaziabad, near Delhi. The capital required for the scheme will be wholly met from the current resources of the company. No fresh issue of capital in any form is, therefore, likely to be made. For the implementation of the scheme, Unilever Limited of London, which holds the majority of shares in the company, will give assistance free of charge.

Macneill & Barry

Macneill & Barry Limited, one of the largest managing agency houses of Calcutta, has proposed to form a new company jointly with Ganges Rope Company Limited (one of the companies under its management) and a wire rope manufacturer in the USA. The company proposes to establish a plant for the manufacture of wire ropes with an annual capital of 8,000 tons of winding and haulage ropes and is seeking the collaboration of the US manufacturer.

Punjab National Bank

The Punjab National Bank Limited issued recently 750,000 Ordinary shares of Rs 10 each to the holders of the old shares as on 2 September 1961. These shares rank *pari passu* with the existing shares except that they shall carry the right to a dividend equivalent to only one-fourth of the total dividend that may be declared for the year 1961, including the interim dividend of Re 1 per share already paid.

Mukund Iron

The Mukund Iron & Steel Works Limited has large expansion plans on hand. It is proposed to find the required foreign exchange from the Industrial Credit and Investment Corporation and the Commonwealth Development Finance Company. The company is making arrangements to secure its own supplies of billets to the extent of 50 per cent by erecting a new 20-ton electric furnace at Kalwe. A wire rod mill is also planned to be erected in the same place. A third furnace of 4-ton capacity has been complete at Kuria. The present expansion programme will need additional finance of the order of Rs 3.50 to Rs 4 crores. The time, method and the form of raising will be decided later.

BALANCE-SHEET BRIEFS

The net profit of the Nilgiri Estates Limited has risen sharply to Rs 6.40

lakhs for the year ended 31 March 1961 from Rs 4.16 lakhs for the preceding year. The dividend is raised from 8 to 10 per cent, taxable.

Cottanad Plantations Limited has also reported a higher net profit of Rs 1.17 lakhs for the same year as against Rs 79,087. The dividend is, however, maintained at 10 per cent, subject to tax.

STOCK EXCHANGES

Mixed Performance

Watch-Dog Writes:

STOCK markets have given a mixed performance during the week under report. Textile shares have given a better account following optimistic reckoning of the outlook for earnings during the current year, while the speculative issues have just maintained the values without recording any worth-the-name advances. Sugar shares have ruled weak. Price movements in other sections were confined to narrow limits.

The Calcutta Stock Exchange displayed a steady undertone and prices responded to selective support.

Although sentiment on the Bombay Stock Exchange remained subdued following the disappointment over the halving of the dividend by the Khatua Mills, prices rallied briskly towards the close due to short-covering.

Activity on the Madras Stock Exchange was restricted; but prices were well maintained.

CALCUTTA

Calcutta, Friday Evening.

EXCEPT for Textile shares which changed hands at enhanced levels due to sustained demand and Miscellaneous issues responding to selective support, conditions in other counters remained generally dull with small losses on balance being registered. The undertone was cautious as will be evident from the lack of strength behind the recovery movement. The volume of business was also disappointing, considering the extended working hours now in force.

In general, interest was selective to the extent that it was confined to a few issues. Price variations were naturally small and, on the whole, losses outnumbered gains. Against the background of uncertain international political situation and the election manifesto of the Congress Party, operators were not inclined to extend their commitments, not to speak of their anxiety to wait till such time they had some idea about the trend of thinking among the Presidents of the recognised stock exchanges in the country.

Moreover, the market was disturbed by other unfavourable developments. There was evidence of a growing shortage of credit and it was difficult to estimate the extent to which fresh funds were likely to flow into stocks and shares. Again, the growing difficulties concerning raw materials, coal supplies and transport were

felt although the recent reports of some companies revealed increased profits. The general economic conditions were also not considered to be encouraging due to the continued adverse balance of payments position despite attempts being made to boost up exports.

But, the smart recovery in prices, noticed towards the close of the week, was mainly influenced by renewed short-covering and replacement buying. Although attempts were still being made by bears to depress the market, the shortage of floating stocks and the emergence of buying support for popular industries at every setback in prices, imparted a steadier tendency. The recovery in prices would have been more pronounced, but for a general disposition amongst the operators to restrict commitments and book profits at bulges due to the forthcoming Puja and Diwali holidays.

The Gilt-edged market remained dull with business at a much reduced scale. Sellers were in evidence in most of the medium-dated loans with buyers reserved. State Loans were practically neglected. 3 per cent 1986 Conversion Loan moved narrowly between Rs 72.80 and Rs 72.85, to finish at the former level.

Bank shares were a steady feature with Punjab National changing hands at Rs 18.25 to Rs 18.37 and United Commercial at Rs 90.50.

Jute shares continued to meet with selective support, although there was a predominance of sellers. There was a general anxiety to await further developments in the jute situation following the recent decision made by the IJMA to raise the working hours. Anglo-India met with business at Rs 174 to Rs 176; Birlas at Rs 24.94 to Rs 25.25; Howrah at Rs 20.25; Megna at Rs 11.94 to Rs 12.06 and New Central at Rs 17.12 to Rs 17.50.

Coal shares were generally neglected in the absence of any news of fresh impost to boost sentiment, as the industry continued to suffer from transport shortage. Despite the news of the dividend being doubled to Rs 2 per share, East Indian were on offer at Rs 34.50 against Rs 35.50, while Central India were nearly maintained at Rs 11.75 and so also Western Bengal at Rs 9.37. Burrakur moved rather irregularly between Rs 18.25 and Rs 18.44, to finish the week at Rs 18.31.

Teas, too, were in a section in which nothing peculiar happened to report except that one or two isolated shares met with sustained support due to favourable corporate rumours. Bhatkawa were enquired up to Rs 18.37; Hasimara up to Rs 35.56; Jay Shree up to Rs 18.19 and Huldibari up to Rs 35.06, to react towards the close to Rs 18.12; Rs 34.62; Rs 18 and Rs 33.87 respectively on profit-taking. Rydak lost nearly three points at Rs 25.50 with Telojan being marked down to Rs 30.81 from Rs 31.75.

Sugar shares turned weak following the abolition of controls on price and distribution of the sweet commodity. It was feared that prices of sugar might develop a steady fall

till such time, when the accumulated stocks were disposed of and consequently the earnings of the companies might be affected to that extent. Belsund were quiet at Rs 11.12 against Rs 11.10, while Dyer Meakins were comparatively firm at Rs 34.62. SKG moved narrowly between Rs 10.87 and Rs 11.

Textile shares were again in the limelight although profit-taking erased some of the extreme gains towards the close. Hopes of larger offtake of cloth during the ensuing Puja and Diwali festivals and improved profitability of the industry during the current year, stimulated sustained buying interest. The additional export quota of textiles for the UK was also a contributory factor. Jay Shree were at one time taken up to Rs 17.75 from Rs 16.62; Cawnpore up to Rs 9.44 from Rs 8.62; Bowrah up to Rs 35.12 from Rs 33.06; Dunbar up to Rs 33 from Rs 31.50; Elgins up to Rs 22 from Rs 20.19; Kesoram up to Rs 29.75 from Rs 28.87 and J. K. Rayon up to Rs 19.37 from Rs 18.87. The closing rates were a little below these levels due to profit-taking.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons. After opening steady at Rs 24.50 and improving further to Rs 24.56, Indian Irons were depressed at one time to Rs 24.25 before finishing the week at Rs 24.44. In sympathy, TEXMACO moved down to Rs 18.85 from a high of Rs 17.3 (Rs 17.00); Jessop to Rs 19.58 from Rs 19.62 (Rs 19.69) and J. K. Steel to Rs 21.06 from Rs 21.25 (Rs 21.06). Braithwaite were a very firm feature at Rs 39, while Guest, Keen, William recovered to Rs 40.25 from the recent low of Rs 39.

Miscellaneous issues showed mixed trend. After ruling initial firm following indications about a early increase in ex-factory prices, Cement shares displayed a slight reactionary tendency towards the close due to reports that the Government might not be inclined to accept in full the Tariff Commission's recommendations. Paper shares, however, presented a steady front due to replacement buying on expansion projects. Speculative issues were subjected to intermittent profit-taking. Following were the price trends of a few selected shares:—

	Week's Week's Week's		
	High	Low	Closing
	Rs	Rs	Rs
Orient Paper	36.90	36.50	36.70
Shree Gopal	26.87	26.06	26.25
Sirpur	16.69	15.87	16.19
Rohtas	16.58	16.00	16.31
Dunlop Rubber	53.75	53.44	53.75
H. Motor	19.62	19.31	19.37
Asso. Battery	36.37	35.56	36.37
Goodyear	38.12	37.50	38.12
Karanpura			
Development	19.31	17.87	18.87
Isaac Holden	19.50	19.37	19.37
I. Cable	37.58	37.06	37.19
I. Aluminium	35.37	35.06	35.25
I. Oxygen	39.50	39.15	39.15
I. Steamship	8.06	7.59	7.94
I. Copper	4.85	4.75	4.79
BIC	8.62	8.19	8.56
N. Rubber	14.31	12.37	14.31
Orissa Minerals	50.50	48.00	50.37

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HIGHLIGHT OF THE ISSUE
The second Leading Article concludes last week's discussion of the Reserve Bank's study on Savings.

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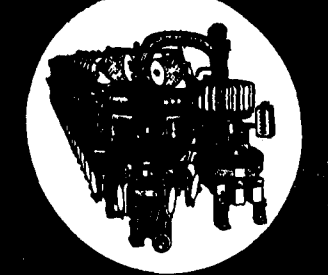
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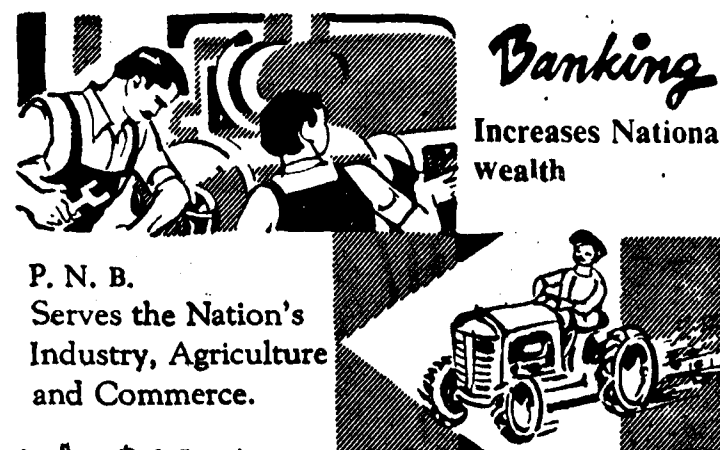


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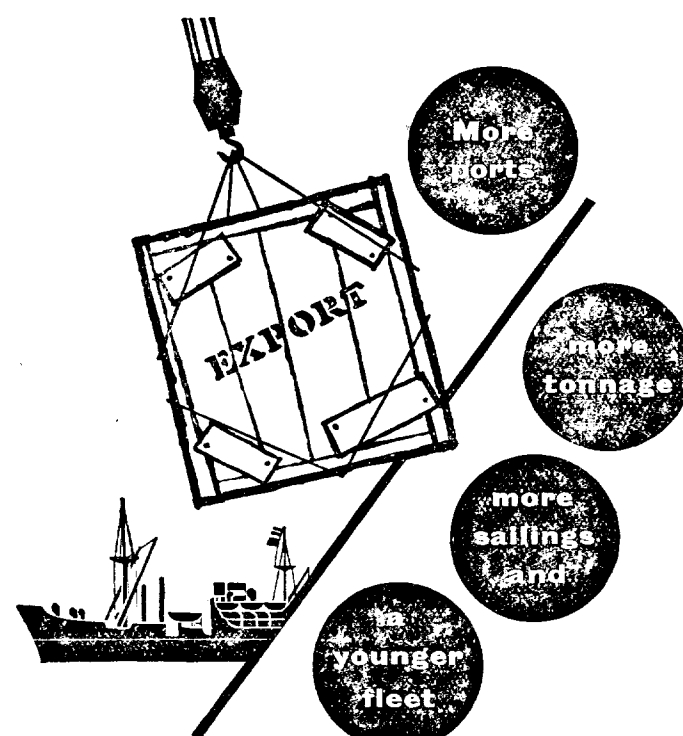
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Regional Cooperation in Asia

THE conference of Asian Economic Planners has taken a closer look at the scope for regional economic cooperation on which a comprehensive resolution was adopted by the ECAFE at its sixteenth session in 1960. The subject, as Dr P. S. Lokanathan who initiated the discussions described it, is of crucial importance, though the avenues of fruitful cooperation have yet to be developed. The low level of general economic development of most of the countries of the region has stood in the way of positive measures of economic integration of the sort attempted with success elsewhere. Most of the countries are not ready for it and feel that priority should be given to national development plans. While it is recognised that regional cooperation was necessary and desirable, the consensus appeared to be that the time is not yet for adopting concrete measures such as formation of a Customs Union, Common Market or Payments Union. But, as Prof J. C. Mahalanobis emphasised in the course of the discussions, proposals for regional cooperation should be based not on the current pattern of production but on a dynamic concept of possible developments over the next two decades.

The basis for discussions was provided by a very competent Working Paper prepared by the ECAFE secretariat. The emergence of regional trading arrangements in other parts of the world has provided the impetus for the formulation of tentative proposals of economic cooperation in the ECAFE region. When the rest of the world is divided into regional trading groups, countries in the ECAFE region have perforce to think of joint policies in respect of imports from these regions, if only as a measure to protect their own trade against discriminatory treatment. But the Working Paper has built up the case for regional economic cooperation on a broader basis. It rejects the argument that, because countries in other regions have formed economic groupings, Asian countries should also follow suit. Due note has to be taken of differences in economic structure and stage of development, as well as special social and historic circumstances, and it is emphasised that schemes of regional cooperation would not be acceptable unless each country in the region was assured that its own development would be accelerated as a result. Any scheme of economic cooperation in the ECAFE region will have to be framed with reference to the dynamic considerations of economic growth. The Working Paper seeks to show, by an analysis of regional trade patterns, of the possibility of agricultural and industrial specialisation and of the financing of trade and development, that such cooperation is not only necessary, but practicable. The case for regional cooperation is summarised thus: "The relatively slow expansion of world demand for the traditional export commodities of the ECAFE region will make it impossible for the primary producing countries in the region to rely on the traditional pattern of trade for accelerated economic growth. Nor are the prospects bright for a considerable expansion of extra-regional exports of goods other than the traditional export commodities. For this hope to be

realised, a notable change in the trade policy of industrially developed countries would be required, and there is no sign as yet that such a change will be forthcoming. The primary producing countries will have to aim at diversified output, expansion for home markets, substituting domestic production for as many lines as possible. However, in so far as import substitution is organised on a limited national scale, this cannot be the desirable solution: questions of economic and technical feasibility must be considered. The only way out, therefore would be to conceive the policy of import substitution on a broader and more rational basis. In economic terms, this is the essence of cooperation among the countries of the region. If the countries were prepared to do so, the process of import substitution could be effected at a regional level; substitution could be promoted and further accelerated in respect of imports from other parts of the world, but existing possibilities of specialisation and mutual trade within the region could be consciously cultivated. This applies mainly to manufacturing activity, which is to be started afresh in most of the countries, but there may also be greater scope for expanding trade in traditional export commodities among countries of the region. Thus, regional economic cooperation provides the only frame-work in which economic development can be accelerated on the basis of a substitution policy without detriment to the efficiency and advantages of international specialisation."

The lack of complementarity of the national economies of the region is often put forward as an insuperable obstacle to greater degree of regional cooperation. The Working Paper discusses this question of complementarity in some detail, and suggests that what is relevant to the possibility of further expanding the volume of intra-group trade is not the degree of complementarity, but the extent to which the full volume, determined by that degree of complementarity, is prevented from realising itself by the interposition of artificial barriers or other means of economic policy. What co-operation has to accomplish is to increase the flow of trade between some of the less rather than the more, complementary economies of the region.

A joint approach to the problems in individual fields, such as trade, agriculture, industry etc., could pave the way for the overall coordination of national economic policies. But in view of the historical circumstances which have kept the national economies of these countries largely isolated from one another, cooperation in individual fields may have to wait on the adoption by these countries of coordinated policies in the formulation of national development plans. The Paper, therefore, does not attempt to suggest a list specifying cases where economic cooperation among the countries would be possible. It is further emphasised that regional economic cooperation is not a matter that can be "immediately turned over to administrators and statesmen for them to implement as they best see fit. Very much further economic and technical analysis needs to be undertaken before any blueprints can be prepared."

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SAVINGS

Reserve Bank Study—II

THE National Council for Applied Economic Research made a detailed and comprehensive study of the subject which yielded results that are strikingly different from the findings of the Reserve Bank. The following table gives the aggregate savings as well as sector-wise savings as estimated by the NCAER for some selected years.

	(In Crores of Rupees)		
	1950-51	1955-56	1957-58
Individuals	472	990	1,048
Corporate Sector*	16	32	21
Government	136	113	142
Total	624	1,135	1,211

* (After inventory valuation adjustments).

It may be seen that there is broad correspondence between the results of the NCAER study and the findings of the Reserve Bank in respect of the proportion constituted by savings in each sector to total savings. But the similarity ends there and in respect of the absolute volume of savings in each sector and the aggregate savings, there is wide divergence. The estimates of the NCAER are higher in respect of the total volume of savings and also in respect of the volume of savings in the Government and Individual sectors. (The category of Individuals in the NCAER classification corresponds to the category of Household Sector in the Reserve Bank classification.) As a result of such difference in the estimates of the total volume of savings, there is also difference in the saving-income ratios estimated by the NCAER and the Reserve Bank, the average saving-income ratio estimated by the NCAER being higher than that of the Reserve Bank. Further the finding of the NCAER regarding the similarity in the saving-income ratios of the Government and Individual sectors is also not supported by the Reserve Bank Study.

In respect of the Corporate sector, the estimates of the NCAER are lower than the Reserve Bank estimates for 1950-51 and 1955-56, but this may be attributed to the fact that the NCAER estimate of savings in this sector makes adjustments for inventory valuation while the Reserve Bank figures do not take into account such adjustments. Both the studies have adopted the method of 'blowing up' to arrive at the total volume savings from the savings ratio for a limited number of companies. But it is noteworthy that while the Reserve Bank study accepted the profits as presented in the Corporate accounts as they are, the NCAER has made certain adjustments in the reported profits. In this connection the NCAER study explains that the concept of corporate profits as used in such accounts fails to meet the economic definition of savings, which is held to mean the change in earned surplus.

It is with reference to the Individual sector that the greatest divergence is noticed with the NCAER estimates being considerably higher than the figures given for the household sector in the Reserve Bank study. The difference is not due to conceptual difference in the two studies or the methodology used in the two studies. Some difference appears inevitable between different estimates for savings in this sector in view of the vastness of its size and the difficulty of collecting relevant data in respect of the different components contributing to total savings. The

margin for difference and error is particularly great in respect of calculation of the physical assets. Further it has to be mentioned that the Reserve Bank estimates of savings in the Household Sector omits the Household Sector's savings in the form of inventories in agriculture and trade, non-monetised investment in agriculture, and consumers' durables. The National Council Study of the subject includes all these though it is recognised that the data for inventory investment remains incomplete. The NCAER has also included consumer durable goods as part of savings, though because of paucity of data for all kinds of consumer goods, only automobiles, trucks and other transport equipments have been included in the estimates of savings. Part of the difference in the estimates of savings by the two studies can be ascribed to the inclusion in the one and the omission in the other of such components of saving. The Reserve Bank study also mentions that the saving in the form of urban non-corporate investment is underestimated because of the particular estimation procedure adopted.

The Reserve Bank study does not claim precision for its estimates. These estimates are hedged with many qualifications which are recognised and mentioned in the study itself. The limitations to the validity of its estimates arise from the imprecise classification of receipt and expenditure items as between the current account and the capital account in the Government accounts, lack of comprehensiveness in the savings estimates of local authorities etc. Further the sample survey method used by both the Reserve Bank and the NCAER is also subject to inherent limitations. When the sample surveys undertaken by two different authorities show different results, the difference will be further widened in the estimates based on such results. It is to such differences in the results of sample surveys and the other inclusions and omissions of components of savings that the disparity between the estimates of savings by the NCAER and the Reserve Bank is to be attributed.

The Reserve Bank study also deals with the trends in the aggregate investments in the country which it may be seen is a function of saving. Total aggregate investment is defined as the increase in the aggregate reproducible capital stock of an economy and is derived by adding the estimated capital-inflow from abroad to estimated savings. The estimates of such investments given by the Reserve Bank shows an increase at constant prices from Rs 564 crores in 1950-51 to Rs 1,246 crores in 1958-59. The estimates of investments are however marked by fluctuations with the highest figure being obtained for 1956-57 at Rs 1,313 crores. For more meaningful analysis of the trends in investments, the Reserve Bank study discusses the trends in investments on the basis of three sub-periods of three years each.

It will be seen that the volume of investment rose continuously over the three periods the rise being much more pronounced during the period 111 as compared with the rise in period 11. This is understandable in view of the fact that period 111 synchronises with the first three years of the Second Plan period. The average investment income ratio rose from 6.3 per cent in period I to 7.5 per cent in period 11 and further to 11.3 per cent in period 111. For the entire period of 1950-51 to 1958-59 the average investment/income ratio amounted to 8.5 per cent. The rise in the marginal investment/income ratio during period 111 was also of a pronounced order. Capital 1 output ratio, on the other hand was higher for the first three years of the Second

Investment, Investment-Income Ratio and Capital-Output Ratio. (Rs Crores at Constant* Prices)				
	Investment (Annual Average)	Investment/In- come Ratio (Per cent)	Capital- Output Ratio	
Period I (1950-51 to 1952-53)	576	6.3	...	2.70:1
Period II (1953-54 to 1955-56)	774	7.5	17.6	2.28:1
Period III (1956-57 to 1958-59)	1,258	11.3	52.8†	3.23:1
First Plan Period 1951-52 to 1955-56	697	7.1	...	2.14:1
Three Years of the Second Plan period (1956-57 to 1958-59)	1,258	11.3	42.8†	3.23:1
1950-51 to 1958-59	869	8.5	...	2.76:1
1951-52 to 1958-59	908	8.8	22.8‡	2.59:1

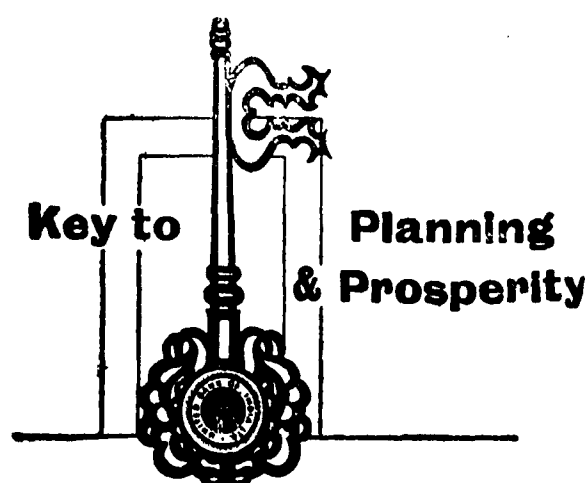
* 1948-49 prices.

† Marginal with reference to 1953-54 to 1955-56.

‡ Marginal with reference to 1951-52 to 1955-56.

§ Marginal with reference to 1950-51.

Plan period than for the first Plan period. The ratio which declined from 2.70:1 in period I to 2.28:1 in period 11 rose to 3.23:1 during period 111. This reflects the relatively greater concentration of investment during the Second Plan period on projects which require a longer gestation period for commissioning. As the Reserve Bank study has pointed out, the ratios reflect also the impact of other factors such as the vagaries of the monsoon, the extent of utilisation of productive capacity etc. For the whole period from 1951-52 to 1958-59, which covers the First Plan period and the first three years of the Second Plan, the capital/output ratio is 2.59:1, which is lower than the average for the first three years of the Second Plan.



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BANKS

The Reserve Issue

WE gather that the Indian Banks' Association is next week further to discuss the very thorny problem that has been set by the Reserve Bank. The central banking institution desires that banking in the country should be strengthened. As such last autumn a directive was issued whereunder banks were required to put up their lending rates to a minimum of 5 per cent and in any case all along the line by half per cent. Consequently for about three months of last year banks benefited from a higher rate of earning on Advances. For the whole of the current year earnings should in this wise have improved, and it also needs to be remembered that there was a record expansion in bank Advances in the busy season to April 1961. Unfortunately there has meantime been a development which will have partly offset such improvement on the earnings side of the profit and loss account: we refer to the two revisions in interest rates that have taken place. Unfortunately also for the banking system the contraction in Advances during the current slack season is tending to be much larger than has been the experience in recent years. So what has happened is that on the one hand interest paid on Deposits has been rising; and for a second reason this head of expenditure will be costly: bank Deposits which had been stagnant in the second half of 1960 are now once again on a boisterous uptrend. On the other hand the slackness of the 1961 slack season will surely have eaten into earnings.

It follows that the improved aspect for earnings consequent upon last autumn's does not now stand as unalloyed unearned profit for the banks. It is in such background, as also in the light perhaps of the failure of two Scheduled Banks in 1960, that we—and the IBA—have to consider ways and means whereby banking in this country needs to be strengthened.

Plan disbursements have served to add to bank Deposits; the transfers to reserve have amounted to scarcely anything substantial over the same period. As a result the ratio of capital plus reserves to Deposits has got greatly distorted. The Reserve Bank is apparently of the view that one of the ways in which banking is to be made more secure is by persuading banks that the ratios had better improve—or else.

When first the suggestion in this regard was mooted the ratio that was had in mind as target was absurdly high—so high that we could be well-nigh certain that it could never be reached. Second thoughts are leading to modifications, and it is modification which we presume that the IBA will busy itself with.

Should the ratio be as low as 5 per cent? We may as easily pose the question as the other side of the medal: Should the ratio be as high as 5 per cent? It really doesn't matter at what level the ratio is pegged at. The necessary transfers to reserves on the basis of current bank profitability are going

to be exceedingly difficult. One aspect of the scheme is that there be statutory provision for transfer to reserve: but this strikes at the second of the Reserve Bank's desiderata: while transfers to reserve will correspondingly strengthen reserves, the result will be a reduction in the disposable profit—and therefore a reduction in the rate of dividend—and hence, again, an increasingly bleak prospect for banks to raise capital by means of rights issues.

We suggest that if at all transfer to reserves are to be insisted upon, the direction should be that the beneficiary should be inner reserves. If banking losses are experienced, and in the context of new forms of bank financing, banking losses must be expected on larger scale and accordingly provided for—published reserves can scarcely be drawn upon to offset them. What writing off has to be done must be from inner reserves. Why, may we ask, this unreasoning bias in favour of published reserves being in need of strengthening? From time to time as necessary inner reserves could be transferred to published reserves, when the former have swelled to such size as to make such transfer possible.

Secondly we reiterate our suggestion of last week that we may as well jettison the notion of linking capital plus reserves with Deposits; instead we may have a ratio of reserves (of the inner, non-public kind, preferably) to specific kinds of risk assets.

Thirdly the Indian Banks' Association would be justified in asking for a tax concession in respect of transfers to inner reserves up to specified limits.

Fourthly the IBA would be wise to reconsider the inter-bank agreement on Deposit rates. A steadily increasing number of bankers are beginning to feel that little is gained, by way of Deposits, with the rates pitched high, but quite a lot is lost, by way of interest paid.

Then, fifthly, there is the question of adequate recompense being earned by banks for various kinds of services that they render. One such service is the credit limit; and the moot point is whether a commitment charge should not be levied. While the borrowing rate for constituents is not high in India, the services that they get gratis are considerable. And let the constituents now be required to pay.

It would be heartening if such constructive suggestions were contained in the response that the IBA prospectively is to make to the Reserve Bank proposals. We shall wait and see, as the cliché goes, what happens.

BANK RETURNS

Advances Fall Again

A sharp fall in Active Note Circulation, a considerable rise in the State Bank's Deposits and a fair-sized contraction in Scheduled Bank Advances highlight the latest banking returns.

According to the returns of the Reserve Bank for 29 September, Active Note Circulation has contracted by Rs 11.46 crores to Rs 1,857.24 crores, and there has been inflow of Rupees Coin for Rs 1.33 crores. Foreign Securities are unchanged at Rs 116.86 crores, and Rupee Securities practically so at Rs 1,528.80 crores. Hence the return of currency is wholly reflected in the Reserve Bank's cash in the till, which has improved by Rs 12.81 crores to Rs 34.80 crores.

Other Deposits, as shown in the return for the Banking Department, are unusually lower by Rs 16 crores at Rs 146.69 crores; and this may well involve a special transaction relating to counterpart funds, with the Centre as the recipient of some payment. Indeed the Centre has been able to cancel ad hoc for perhaps Rs 20 crores, with Investments shown lower by roughly Rs 29 crores at Rs 231.24 crores, Rs 11 crores of the decline being ascribable to sale to the State Bank. The State Bank's purchase of securities is incidentally partly reflected in the fall of Rs 5.83 crores to Rs 78.47 crores in the Reserve Balances of member banks. After meeting the liability of Rs 5.68 crores in respect of Treasury Bills purchased and discounted by the Reserve Bank which matured during the week, the Centre's balances have been marked up by Rs 4.42 crores at Rs 59.46 crores. States' Deposits, too, have improved by Rs 1.13 crores to Rs 22.49 crores, but then the States have borrowed Rs 3.83 crores more at Rs 49.36 crores in the form of bills and means credit from the central banking institution.

The Other Loans and Advances of the Reserve Bank have fallen by Rs 2.56 crores to Rs 133.33 crores, and that the fall is wholly on account of reduction in debt by Scheduled Banks is suggested by the decline of Rs 4.16 crores to Rs 5.34 crores in the Reserve Bank's Advances against usance bills.

Lastly as far as concerns the Reserve Bank returns, Balances Held Abroad have fallen fairly steeply by Rs 5.55 crores to Rs 12.87 crores, and the foreign assets shown in the Reserve Bank statement are now below the Rs 130 crore mark.

PROGRESS OF 1961 SLACK SEASON

	(In Rs Crores)		
Reserve Bank	28-4-61	Latest Week*	Change
Active Note Circulation	1,982.43	1,857.24	-125.19
Banks' Deposits	78.16	76.47	+ 2.31
Other Loans & Advances	126.47	133.33	+ 7.86
Adv. Against Usance Bills	21.09	5.34	- 15.75
State Bank			
Deposits (see note)	549.70	532.62	- 17.08
Cash Inc. Money at Call	27.87	29.63	+ 1.75
Giltedged Investments	237.47	261.29	+ 23.82
Total of Advances	267.33	242.47	- 24.86
Other Scheduled Banks			
Net Deposits	1,367.04	1,415.82	+ 48.78
Cash Inc. Money at Call	153.18	149.14	- 4.04
Giltedged Investments	324.99	357.01	+ 32.02
Total of Advances	1,644.78	1,611.99	- 32.79

* Week ended 29 September for Reserve Bank and State Bank.

Week ended 22 September for Other Scheduled Banks.

Note: State Bank figures are distorted by Rs 24 crores loss in Deposits owing to repayment of counterpart funds.

The State Bank return for 29 September discloses a welcome rise of Rs 8.15 crores to Rs 532.62 crores in Deposits. This has been taken advantage of to make tap purchase of gilt-edged, the portfolio being marked higher by Rs 11 crores at Rs 261.29 crores. The total of Advances is more or less unchanged at Rs 242.47 crores, and thus cash balances, including money at call, are lower by Rs 1.82 crores at Rs 29.62 crores.

Deposit resources of Scheduled Banks improved during the week ended 22 September, thanks to the return of disbursements by way of Puja bonus. Net Demand Deposits are lower by Rs 1.77 crores at Rs 818.38 crores, but this is much more than offset by the rise of Rs 5.51 crores to Rs 1,121.90 crores in net Time Deposits. The total of Advances, for much the same reason, has contracted by Rs 9.65 crores to Rs 1,235.01 crores. The gilt-edged portfolio is better by Rs 1.67 crores at Rs 607.28 crores, and to this we have to add the nearly Rs 1 crore of disinvestment by the State Bank to get the figure of securities absorption by other Scheduled Banks. Borrowings from the State Bank are lower by Rs 0.76 crore at Rs 17.45 crores, and those from the Reserve Bank by Rs 1.63 crores at Rs 15.62 crores. As a result cash balances including money at call have moved down by Rs 1.75 crores to Rs 180.58 crores.

CHARTERED BANK Rights Issue

The Manager, the Chartered Bank, Calcutta, has received the following cabled information from his Head Office in London:—

"Stockholders have today raised Authorised Capital to pounds ten million and Stock Exchange have granted quotation for and permission to deal in 1,100,000 New one pound shares. Issued Capital now £6,600,000—"

Treasury Bills

Tenders for Rs. 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 3 October 1961. Total amount offered was Rs 2,00,00,000. Tenders at Rs. 99.375 per cent were allotted in full. Total amount accepted was Rs. 2,00,00,000, the average rate of accepted tenders being Rs. 2.500 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at Bombay, Kanpur, Madras, Nagpur and New Delhi up to close of business on Monday, 9 October 1961 and at Bangalore and Calcutta up to 11 A.M. on Tuesday, 10 October 1961. Successful tenderers should make payment on

Friday, 13 October 1961. Other conditions are as usual.

During the week ended 29 September 1961 Government of India Treasury Bills for Rs 100,16,00,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from 4 to 7 October 1961 at Rs 99.391 per cent. Sales can be stopped at any time without notice if Government think it necessary.

91 days' Intermediate Treasury Bills sold from 27 to 30 September 1961 amounted to Rs 70,00,000.

UK

Cut in Bank Rate

Britain has cut its Bank rate by $\frac{1}{4}$ per cent to $6\frac{1}{4}$ per cent. A statement made by the Bank of England in this connection says: "The very high Bank rate of 7 per cent was introduced to reinforce the other restrictions on credit and to help in relieving the pressure on sterling. . . . Enough progress has been made towards these short-run objectives to justify the reduction of one-half per cent without prejudicing the attainment of the long-run objectives which the Chancellor of the Exchequer announced in July."

The pound is currently around its highest levels since mid-November last year. Since July it has gained 3 cents in terms of the US dollar, and mildly improved its position against leading European currencies. The Bank of England earlier this week made it clear that Britain would not welcome any inflow of International "hot money" such as occurred in 1960 through the attraction of high interest rates.

STERLING AREA

Reserve Touch Peak Level

The central gold and convertible currency reserves of the Sterling Area rose by £24,000,000 during September and stood at £1,269 million on 30 September. The easing of speculative pressure on sterling continued throughout September and the reserves now stand at their highest level since the second quarter of 1951. During the month Britain received the balance of its recent drawing from the International Monetary Fund, amounting to £18,000,000. The reserves would have risen by considerably more than the recorded increase of £24,000,000 had not a further large instalment of the "Basle Agreement" debts been repaid. Evidence of this is to be found in the consistently high rate which

sterling has maintained in terms of the United States dollar throughout September. In the course of the month, the "spot" sterling rate has risen from \$2.80 $\frac{1}{2}$ to \$2.81 $\frac{1}{2}$. The improvement in the sterling-dollar rate which began with the Chancellor of the Exchequer's measures of 25 July was, therefore, fully maintained during September.

Snippets

Money supply with the public registered a fall in July 1961 to Rs 2,808.74 crores from Rs 2,873.02 crores in June. The decline was pronounced in respect of Deposit money which fell from Rs 903.37 crores in June to Rs 871.88 crores in July. The currency with the Public during July stood at Rs 1,936.87 crores as compared with 1,969.64 crores in June.

The total secured advances of the scheduled banks in the country declined from Rs 1,135.07 crores as on 28 April 1961 to Rs 1,113.10 crores on 26 May 1961 and further to Rs 1,105.86 crores at the end of June 1961. Advances against Food Articles were higher at the end of June at Rs 155.17 crores against Rs 145.25 crores on 23 April. But, advances against Industrial Raw Materials and Manufactures and Minerals declined respectively from Rs 150.39 crores and Rs 411.06 crores to Rs 129.40 crores and Rs 404.31 crores. There was a pronounced rise in the advances against wheat from Rs 2.89 crores as on 28 April 1961 to Rs 8.97 crores at the end of June.

Receipts of small savings during 1960-61 amounted to Rs 329.98 crores and outstandings at Rs 770.80 crores. Comparable figures for 1959-60 are Rs 305.70 crores and Rs 672.99 crores respectively. Outstandings at the end of June 1961 are placed slightly higher at Rs 777.66 crores.

The foreign exchange reserves of the country after rising in February 1961 to Rs 320.94 crores from Rs 316.86 crores in January declined during the subsequent months so as to be placed at Rs 283.99 crores in April. A small rise in May halted the decline which however continued during the next two months so that the reserves are now at the lowest level of Rs 260.02 crores.

The Bazaar Bill Rate remained steady at 12.00 and 13.92 respectively in Bombay and Madras for the first seven months of 1961, but moved between 11.50 and 13.00 in Calcutta.

The Index Number of Variable Dividend Industrial Securities rose steadily from 164.9 in January 1961 to be placed at 183.5 in June 1961. The index, however, recorded a small decline in July being placed at 182.8.

The reserves of the scheduled banks with the Reserve Bank of India for July 1961 show an excess to the tune of Rs 19.68 crores the statutory minimum being Rs 64.37 crores. Comparable figures for May 1961 are Rs 12.43 crores and Rs 64.13 crores respectively.

Notes

PLANNERS

Exchange of Ideas or Exchange of Goods?

Identity of experience in Asian countries may not lead to the ready acceptance of planning but ten years of the Colombo Plan have probably made all countries, industrially backward, more aware of the need to curtail imports, to attract outside capital, and to create new local industries. The virtues of economic co-operation are more often preached than practised in public and the fact that most Asian countries are ready to give help for pioneer industrial ventures in Burma or Malaya may be one reason for arguing that exchange of ideas will not lead to the exchange of goods. If India like Japan is a major (but not new) industrial nation today, the trading opportunities are still limited by India's handicaps in regard to costs and prices. A larger intake of raw materials might help India to sell her surplus of sugar or salt easily. But the whole problem is one of price, just as in the case of jute manufactures. And a common market in S. E. Asia may be hard

to promote, because countries like Malaya depend on the old export markets in Europe and America for rubber and tin. The Asian countries can offer little but if a larger territorial arrangement is devised, Malaya may prove a better market than Indonesia.

The plea that every nation should go in for secondary industry from, biscuits to tyres, seems irresponsible for the international division of labour would be compromised seriously and the supply of minerals for instance, would suffer if the smaller countries like Burma or Malaya were to go in for steel-making or fabrication. The fact that planning has not checked the excess of economic nationalism at a time when capital requirements are large and urgent may be regarded as a paradox. That all countries lean today towards socialism may also signify more than supposed, for capital formation for domestic investment would be prejudiced to some extent, whether it is in Burma or Ceylon. The present competition for aid may require modification, but the Delhi Conference has not presented any table of priorities for the countries disposed to offer assistance. It is not perhaps diplomatic today even to tender advice on the advantages of postponing non-essential development schemes and to concentrate on food and fertilizer production in the first instance and leave cement or chemical production for the second stage of development. The impact of the UK's entry into the ECM may be slight for Malaya but serious for Hongkong. Asian Planners have more cross-purposes to straighten out than common programmes to pursue at the moment.

IMPORT POLICY

Positive Aid to Exports

The latest policy announcement on trade control may owe little to the memoranda submitted to the committee now engaged in a review of results of controls and licensing. But most memoranda have stressed the need for positive aid to exports. But exports can only rise, if prices are reduced. And the Indian Chamber of Commerce has pointed out that installed capacity in existing industries must be fully utilised to secure a surplus for export and also that essential imports for the

operation of industry must be available. The Tariff Commission could help by calling attention to the present cost structure of industries. While many argue that retention prices should leave a fair return on capital to producers, the major problem is one of raising output to the level of installed capacity. In most industries, output is below rated capacity for various reasons. And manufacturers are now less keen on expansion of capacity than on maintenance of optimum output, by reducing holidays, raising production per man hour and in a sales policy that ensures rapid distribution. Trade Commissioners cannot help so much as the provision of essential supplies at home and ancillaries must be got without difficulty for the engineering or other industries. Priority for exports in the matter of railway transport or the offer of incentives might help shippers though it is apparent that the regulation of prices is vital for keeping export markets for raw cotton or oil seeds.

The fact of competition abroad cannot be ignored at present in the case of all items except mica or shellac and the Indian Chamber of Calcutta has mentioned the competitive conditions as an argument against compulsory exports. It may be added that reduction of internal consumption in the case of tea or coffee will not help to ensure larger exports. Removal or reduction of export levies must be considered necessary at present as also drawbacks and refunds. The diversification of local manufactures may lead to exports of spares and stores for overseas customers. This is perhaps important enough for engineering exports. The Indian Chamber has at least recognised that new enterprises in which foreign capital participation takes place are entitled to consideration as new enterprises afford employment opportunities. The savings effected on some lines of imports may be offset by larger outlay and the Government that now saves on oil prices must be willing to forego or reduce export duties or help essential imports in all deserving cases.

COST INFLATION

Corrosive Effect

After last week's conference on housing and the need to help the building trades, it was only natural that some difficulties in the way should be mentioned. At the annual meeting of the Southern India Chamber of Commerce on 29 September. Mr M. A. M. Muthiah Chettiar mentioned the housing problem in relation to current costs. He pointed out that inflation has hit the house-owner and low income groups find now that co-operative housing schemes are far more expensive than anticipated. The monthly instalments are upgraded and

the subscribers find that longterm contracts are harder to accept. The middle class that aims at saving and investment is seriously affected by the continued rise in prices because the habit of saving is destroyed. A reference to the high prices of commodities said to be in surplus at present found a place in the President's review of price levels. Taxation has raised prices in the case of articles subject to both excise and graduated sales tax at present. The inflation of costs, more than prices, requires to be dealt with but inefficient distribution system throughout the country is obviously another reason for the rise in prices. It was natural for the President to refer to the export drive proposed but Mr Muthiah Chettiar objected to schemes for export at a loss, for that would obviously advertise both the further depreciation of the rupee and the country's acute need for foreign exchange. Keeping down costs of production implies restraint in wages and the avoidance of intermediate taxes on processed materials. It is easy to levy excises but it is hard to keep down prices which raise costs and price most Indian goods out of export markets. The export problem for India is not different from that of the UK, a mature industrial country with far-flung trade connections. And India has the disadvantage of having lost tariff advantages in Burma and Pakistan—natural markets for most of her manufactures.

ICAR

Notable Advance

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the Indian Council of Agricultural Research for 1960-61. Development of rust-resistant wheat, distribution of four new maize hybrids which could raise production by 20 to 40 per cent, release of three new strains of cotton, effective implementation of rinder pest control schemes are among the results of "practical utility" achieved during the year. Research continues to be the major function of the ICAR. Altogether 105 new schemes of research in the fields of agriculture, animal husbandry and allied subjects at a total cost of Rs 38.47 lakhs were sanctioned during the year. Concrete steps have also been taken to fill the gaps in agricultural research during the Third Plan with the establishment of new central and regional research institutes.

The foundation both for research and extension has to be laid by a properly designed system

of agricultural education which could meet the requirements of planned development. Though the number of agricultural colleges in the country has increased during the Second Plan from 30 to 53 and their intake capacity from 1989 to 5600, grave doubts have been expressed about the adequacy of the number of graduates turned out as well as their quality. The requirement of agricultural graduates during the Third Plan has been estimated at 20,000. Mr S. K. Patil recently referred to the "mushroom growth" of many private colleges and to the many deficiencies found in agricultural educational institutions. Two Indo-American teams which investigated the position have drawn attention to the defects and suggested the lines of reform of the existing system of agricultural education. The recommendations are now being reviewed by a high level committee and Mr Patil expressed the hope that it would be

possible to come to early decisions on those recommendations.

RURAL HOUSING Freedom for the Villagers

Mr S. K. Dey, Union Minister for Community Development & Co-operation, was refreshingly outspoken when he addressed the seminar on "Housing Co-operatives", organised by the National Buildings Organisation on its inaugural day. This is the eighth in the series of seminars organised by the NBO. While the earlier seminars were mainly concerned with the technological aspects of housing, the present one, as Mr C. P. Malik, Director of the NBO, pointed out, is related to the socio-economic aspects, and this lends point to the suggestions made by Mr S. K. Dey. Dealing with rural

housing in particular, Mr Dey warned against the attempt to impose any rigid pattern of designs or construction on the villagers. Such an attempt was foredoomed to failure. The Rural Housing Cell, for instance, was producing a lot of excellent literature on the subject. But so far the villagers have been reluctant to accept the suggestions put forward. This should not, however, be considered surprising when set against the record of the Government in the matter of adopting the results of research in its own laboratories. No Government building has yet been constructed with the sort of new type bricks, tiles or waterproof plaster which the villagers are asked to adopt.

One of the problems of a comprehensive housing programme is 'how to prevent architects and engineers from imposing a design of barracks on the villages.' Direction from the top, according to Mr Dey, should be confined to the preparation of layouts and floor plans and provision of basic civic amenities. The rest may safely be left to the initiative of the villagers themselves who, after all, are the persons who have to live in the houses. It is however essential that housing materials should be made available at reasonable prices. It will not be correct to assume that the villagers could be left to their own devices in this matter. For, with the growth of population, the traditional building materials—thatch or bamboo—are no longer to be had for the taking. The villager has to pay a price and a pretty stiff one too. If the effective life of these materials is taken into account, the cost will work out higher than for the more durable materials used for urban dwellings. Dependence on machine-made products is, therefore, unavoidable even for rural housing. Moreover, it is hardly reasonable to expect the villagers to adopt improved methods of agriculture if they have to continue to live in the same old type of huts as their forbears, with their domestic animals for warmth and company. Rural electrification will remain a costly fad without a programme of improved rural housing. Economic development is an integrated process. Modern technology cannot be superimposed on primitive housing.

★ DIVERSIFICATION Impressive Evidence

The desire for launching new enterprises in new directions is again reflected in the formation of companies handling iron and steel. Even sugar mills are anxious to diversify and the prospect of large supplies soon has induced many to think of rolling mills in new places. The most

important item of intelligence in the first quarter is that the oil refineries in Bombay mean to produce lubricating oils and soon make imports unnecessary. The production of batching oil at the rate of 60,000 tons a year by Burmah-Shell will help the jute mill industry. Recent support for Indian Cable is not due mainly to the last report; the production of paper insulated and plastic insulated cables will go up very soon.

The licensing news relates also to the proposed manufacture in Madurai District of clutch plates and brake linings for automobiles by Jayaraj Nadar & Sons. The big transport operators in the South with an assured revenue are now looking towards industry, especially, the ancillary manufacture business that is familiar already. Expansion in the engineering industry or the use of bagasse for paper-making is now, more or less routine but chemical progress is news and Tata-Fison is starting the manufacture of household sprays. The graduated increase in spindleage in existing cotton mills is accompanied by some provision even for new units meant to serve the handloom industry. The formal entry of rice bran oil as a new item, for export also, needs mention. The plywood industry is expanding; so is cement but more important is the entry of Philips India into the manufacture of nuclear measuring test equipment on a three-year programme. Electronics is set for progress at a sparkling pace. The big chemical plant started by Standard Mills will produce chlorine, caustic soda and some acids. ICI starting terylene manufacture in Bombay is not "news", but Rallis' expansion in the chemical field is something to catch the eye of the market. Of course Alembic is expanding and the shares in Bombay look cheap now as compared with shares of Chemical and Dyestuff firms. The latest issue of the Journal of Trade and Industry confirms current talk about S. I. Viscose attempting the production of pulp from hard woods. Many are likely to assess immediate prospects for Braithwaite or Gwalior Rayon from the inception of the new lines. More significant of the change in industrial outlook is the production of machinery in India. Foreign firms are interested. The share market will be guided by the proposal to increase the capacity of Mettur Chemical in regard to caustic soda and bleaching powder. But more interest will be shown in the new undertaking contemplated by India Cements for making PVC resins and compounds (with the help of a very big US firm) to the extent of 6,000 tons a year. This has led to suggestions about an early increase in India Cements' own paid-up capital by means of a rights issue to existing shareholders.

FAO REPORT

Population Outstrips Production

The following are highlights of the world agricultural situation, drawn from the 1961 issue, released today, of the FAO annual report on the state of food and agriculture in the world. The report is based on data available to the Food and Agriculture Organisation up to 30 June 1961:

Preliminary FAO estimates of agricultural production in 1960-61, for the world excluding Mainland China, show a rise of no more than one per cent over the previous season. This is less than the estimated population growth of 1.6 per cent per year. Taking the last two seasons together, production appears to have continued to increase slightly faster than population. If Mainland China, which had a very poor harvest, could be included in the world index agricultural production it would probably show a decline in 1960/61 over 1959/60 instead of a modest increase. There were fairly large increases in the Far East (other than Mainland China), Western Europe and Oceania. Shortfalls were in Latin America and in Eastern Europe and the USSR. Elsewhere there were small increases. The most encouraging development was an increase estimated at about 3 per cent in the Far East (excluding Mainland China) and per caput food production in this region has finally regained the average level of the immediate pre-war years.

World food production per caput has changed very little since the big increase two years ago in 1958/59 though it is still some 14 per cent more than before the war. In 1960/61 per-caput food production in the Far East (excluding Mainland China) has finally regained the pre-war level. In Africa it has been declining for some years and is now fractionally less than before the war. In Latin America where population growth is particularly rapid the pre-war level was briefly exceeded in 1956/57-1958/59, but per-caput food production has subsequently fallen back. In the Near East it is still above the pre-war level, in spite of some deterioration in recent years. It seems that with the recent rapid growth of production in the USSR per caput food production in Eastern Europe and USSR "has increased more rapidly since the war than in any other region" of the world.

In 1960, the world catch of fish rose to about 37.5 million tons—about six per cent over 1959. World removals of roundwood in 1960 increased by about three per cent over the previous year to 1,770 million cubic meters.

Stocks of many agricultural products continued to increase in

1960/61. There were particularly large increases in the stocks of coarse grains, butter and sugar. The tendency for stocks to accumulate has spread to certain tropical tree crops i.e. coffee and now cocoa.

Although food supplies have improved in the worse-fed parts of the world, they are lagging further behind the levels in the better-fed areas. Increased supplies in the less developed regions came from crop products and in the more-developed regions from live-stock products.

Volume of world trade in agricultural commodities rose by 5 per cent as against an increase of 11 per cent in the overall volume of world trade (including non-agricultural products). Total value of world agricultural exports rose by about six per cent at current prices: "terms of trade" of agricultural exports declined, however, for the sixth year in succession and the "real" value of agricultural exports as measured by their capacity to purchase manufactured goods, rose by only three per cent. Increases in the volume and "real" value of agricultural exports in 1960 were largely confined to Western Europe and North America. Oceania's "real" earnings from agricultural exports fell by 4-5 per cent. Africa's by about 6 per cent. Those of the Far East also fell slightly but for other regions there was relatively little change. During the past ten years commercial agricultural exports (i.e. excluding exports on special terms) rose by about 33 per cent in volume, 14 per cent in value at current prices and only four per cent in value in "real" terms, thus bringing only "little benefit to agricultural exporters as a whole". The Far Eastern region, which had already been a net importer of food products since the end of the war in 1960 became for the first time a net importer of agricultural products as a whole. Most of the recent modifications in agricultural policies and programmes in developed countries have been concerned with the problem of avoiding the further accumulation of surplus stocks, while in most under-developed countries they have aimed at increased production to meet growing needs.

Of the 71 countries for which indices of retail food prices are available, prices advanced in 1960 in comparison with 1959 in 49 countries, remained the same in six and declined in 16 countries. Despite the downward drift of prices in world markets, the consumer had, generally speaking, to pay more for his food, owing to domestic price supports and rising costs of processing and distribution.

Regarding the outlook for 1961-62, the report says that indications as of the end of June 1961 are that the rise in world agricul-

tural production may again be comparatively small. Setbacks due to bad weather appear to be rather numerous. Supplies of most commodities will remain heavy so that there appears to be little prospect of any substantial recovery in world prices for agricultural products, and thus in the export earnings of the less-developed countries.

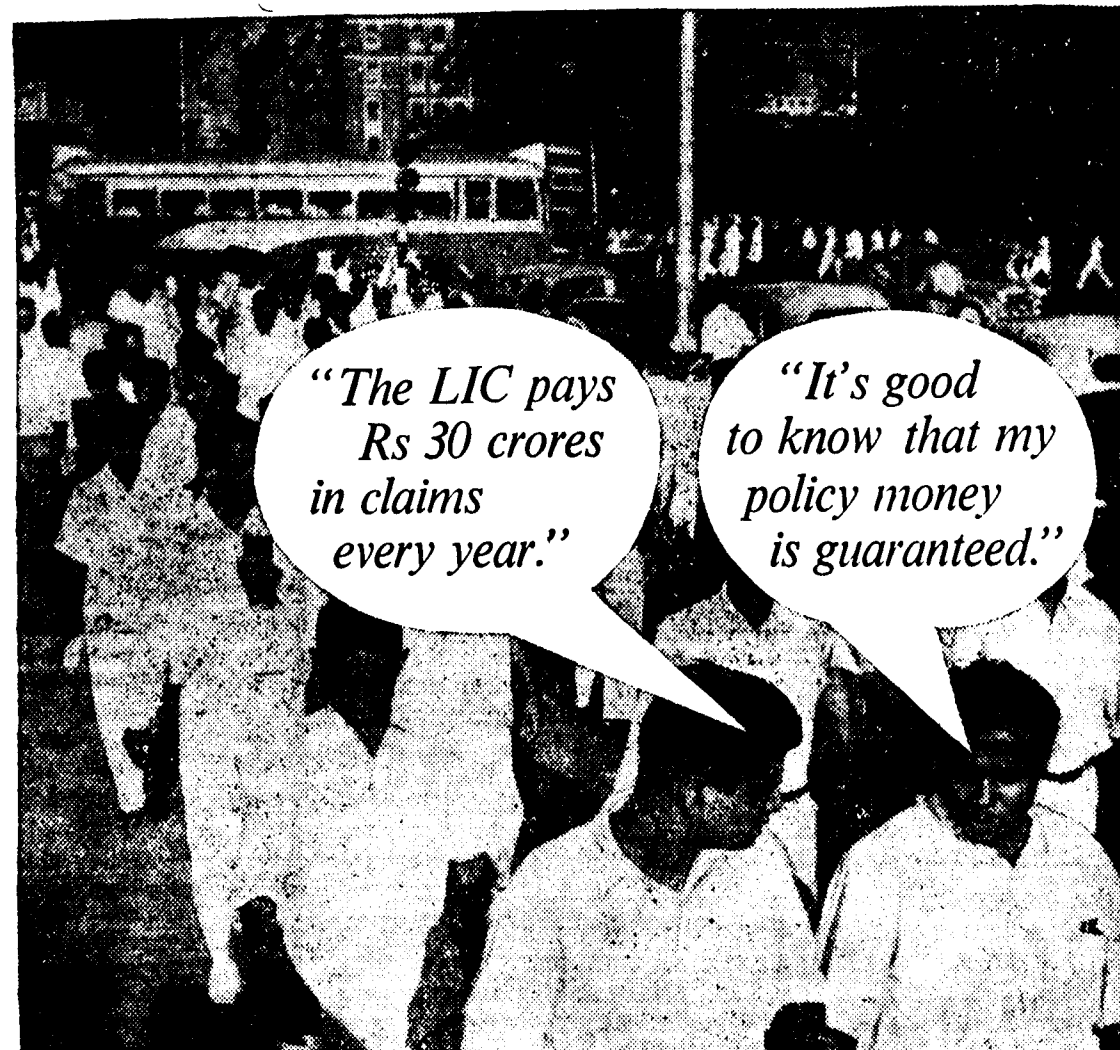
★ ELECTION SYMBOLS

Swatantra Makes the Grade

The revised criteria adopted by the Election Commission leaves the Congress as the only party entitled to national status for the purpose of reservation of distinctive election symbols in all the States and Union territories. While the Pair of Yoked Bulls are free to range over the entire country, the "beats" of the Hut, Corn & Sickle and the Lamp, which enjoyed the same privilege in the last election, are more circumscribed. But Swatantra are enabled to hitch their wagon to the Star, at least in five of the States and one union territory. (In Bihar, however, they will have to "ride" a bicycle.)

For the first general election, parties were graded on an ad hoc basis, 14 out of 29 parties asking for it were accorded national status with reserved distinctive symbols in all the States. Fifty-nine parties were similarly recognised in the States. The first general election, which provided data regarding the extent of electoral support commanded by each party, also indicated the need for drastic pruning. The Election Commission decided that a party's candidates must have polled at least 3 per cent of the total valid votes polled at the parliamentary elections to secure recognition as a national party, and at the assembly elections in a State to secure recognition as a State party in that State. The application of this yardstick left only four national parties, and 19 State parties to contest the second general election.

The application of the same method for recognition of national and State parties, it is recognised, would lead to some anomalies. For instance, a party whose support is limited to a few States could get recognition all over the country if it polled 3 per cent of votes in parliamentary elections, even though it did not contest single seat in other States. The new principle adopted by the Commission—to recognise the parties Statewise, after taking into account the electoral support the party had in the State in parliamentary as well as assembly elections—is certainly more rational. But it will not serve to dispose of all claims to recognition on an equitable basis.



PEOPLE ARE TALKING ABOUT LIC

Every year, about Rs 30 crores is received by people who own life insurance policies (or by their dependents). And it is interesting that more than 70% of this money is paid to policyholders on maturity of their policies.

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The test of electoral support in the last election is clearly inapplicable to parties formed after the election. In such cases the Commission has adopted an ad hoc basis for recognition, taking into account the following which the parties command in the legislatures. Under this test, Swatantra has been able to get recognition in Andhra Pradesh, Bihar, Gujarat, Madras, Uttar Pradesh and Himachal Pradesh. Restriction on the allotment of symbols has been relaxed so that candidates of a party which has been allotted a reserved symbol in one State have a prior claim to the same symbol in constituencies which they contest in other States where it is classified as a 'free' symbol. And if such a free symbol is allotted to the party's candidate in a parliamentary constituency the same symbol will not be allotted to any candidate in any of the assembly constituencies comprised within that parliamentary constituency unless

that candidate also belongs to the party.

The Commission has also given notice of its intention to tighten the requirements for recognition after the next elections. The minimum electoral support required for recognition in a State has been increased from 3 to 4 per cent of total valid votes cast either at the parliamentary elections or assembly elections in that State. The Commission has also laid down that votes secured by candidates who have forfeited their security deposits will not be taken into account. This is intended to remove the incentive to set up candidates indiscriminately on the party ticket merely in order to qualify for recognition in subsequent elections.

SOAPS & COSMETICS

Export Prospects

Soap and cosmetics are subject to excise duty and that is one

good reason for the plea that production must be raised. Another is that prices are up and sales resistance has developed. Mr Godrej called attention to the results of fiscal policy. The small unorganised units enjoying tax concessions are forging ahead. Yet they have no change of building up an export connection. The major problem today is the excise levied on raw materials like oils. The sharp rise in oilseed prices this year does not sustain hopes of large, regular exports of vanaspati or soap, while Indian soap manufacturers today do not comment on the rise of a giant international combine they are compelled to refer to the difficulties of expansion according to plan. It is also necessary to keep in mind the need for imports of copra and palm oil to keep the Indian industry going. The surplus following the restraint of home consumption by the higher prices prevailing today may justify special facilities for exporters

who have still the advantage of offering competitive goods to adjacent countries on the strength of brand names.

If it is futile to talk of non-edible oils being used for soap-making, it is yet relevant to speak of a minimum outlay for advertising abroad. The value of such investment may not be apparent to all but a rising standard of living means a bigger demand for soap in the tropical countries. One point made plain is that the larger units able to invest on larger capacity require help. They alone can exploit adequately export opportunities, present or potential. The soap manufacturers' plea is based on the plan for larger output but sales also must go up. The natural advantages we have should be supplemented by keeping prices low and helping exports to expand.

MYSORE PAPER Poised for Expansion

The Mysore Paper Mills Limited is on the threshold of considerable expansion of its capacity. It is at present an integrated pulp and paper unit with a capacity of 8000 tons. The present scheme of expansion envisages the increase of capacity to 18,000 tons, the raw material to be used being exclusively bamboo which is available in sufficient quantity. The scheme is estimated to entail a total expenditure of Rs 350 lakhs of which Rs 100 lakhs are proposed to be raised by rights issue and the balance as loans from the Industrial Finance Corporation, Commonwealth Development Finance Company Limited, Industrial Credit and Investment Corporation of India and bank borrowing and other resources. The plants required are to be purchased from Germany, the UK and from indigenous sources.

The developmental activities envisaged under the expansion scheme will at once increase the production sizably and go a long way towards making the company much more efficient than at present. The unit now suffers from imbalance particularly in so far as its paper making capacity exceeds its pulp making capacity. Another drawback is that its present size does not permit installation of a modern soda recovery plant which is essential if economical working is to be obtained. These will now be corrected as the expanded unit will have enough pulp making capacity to feed the existing two paper making machines of 15 tons each and also the new paper machine of 30 to 35 tons capacity.

Speaking at the twenty-sixth ordinary general meeting of the company at Bangalore recently, Mr M. D. Shivananjappa I.A.S., Chairman, and Managing Director, has pointed out that manufacturing costs are mounting on

account of increase in prices of raw materials, power, coal and chemicals. The increased excise duty on caustic soda, an essential basic raw material of the paper industry and the higher incidence of railway freight have further added to expenses. The developmental activities now in progress will pave the way for securing reduction in costs. Even so, the financial stringency may not ease to the extent required to show any considerable improvement in earnings as the selling prices of the company's products are subjected to an uneconomic level in common with the other units in the industry. Much depends on the recommendations of the Tariff Commission in this regard and Government's decision on them.

ALUMINIUM

Target Inadequate

Sir Padampat Singhania, Chairman of the Aluminium Corporation of India Limited, has raised some important questions connected with the development of the aluminium industry in his address to the twenty-third annual general meeting of the Company held last week. He has particularly drawn attention to the inadequacy of the target of production envisaged for this industry in the Third Plan. This fact has been evident even to the Planning Commission itself which has been known to be considering the question of revising the target upward to 115,000 tons. But Sir Singhania holds the view that even this revised target of production will fall short of the country's requirements at the end of the Third Plan period. Though there are no reliable estimates of demand which, perforce have to be tentative and somewhat arbitrary, the factors governing the pattern of demand for aluminium would seem to indicate a future growth in demand for aluminium that will be much more pronounced than witnessed in the past. A basic factor that will considerably influence the pattern of demand for aluminium is the limited resources of the country in copper, nickel and zinc, and the substitutability in varying degrees of aluminium for these products. Considering that import of basic metals imposes a serious strain on the foreign exchange resources of the country mainly on account of import of the scarce base metals, the process of substitution will have to be intensified and speeded. The Government's policy is also directed to conservation of the foreign exchange resources by encouraging the substitution of copper and other base metals by aluminium. Whether therefore, self-sufficiency in aluminium would be attained with a production target even at the enhanced level of 115,000 tons remains a matter open to question.

At least considering the plentiful resources of the country in bauxite ores which is now a proven fact, there does not seem to be any reason for restricting the development of the aluminium industry. There is also another factor which would seem to favour a further upward revision of the production target for the industry. This relates to the interest being displayed by all important aluminium producers of the world in setting up aluminium plants in India in collaboration with the private sector.

For the proper development of the industry on economical lines, there are other important conditions to be satisfied to which Sir Singhania has drawn attention in his speech. The most important consideration is the availability of electric power at rates that will be reasonable. The supply of bauxite to the aluminium producers is also a question that will have to be solved in a satisfactory way to ensure adequate supplies to the producers. Sir Singhania has suggested reservation of contiguous areas having maximum workable deposits to the producers.

SHIPPING

Problems of Expansion

In his address to the annual general meeting of the shareholders of the India Steamship Company Limited, Sir A. Ramaswami Mudaliar, Chairman of the Company, has referred to the continued depression in freight rates and the consequent problem faced by the shipping companies in keeping themselves in profitable working conditions. The depression in freight rates reflects excess shipping tonnage in the context of stagnant international trade. However, the earnings of shipping companies have been affected not only by the depression in freight rates but also by the increased commitments in respect of wages to staff and other non-monetary benefits to them. The question of revision of freight rates is, therefore, of importance to the shipping companies, but as Sir Ramaswami Mudaliar has pointed out, is one which bristles with difficulties and conflicting interests of different countries. Any increase in freight rates should be within the capacity of the commodities and should not also affect their competitive positions. So far as the Indian shipping companies are concerned, the more important problem is that of minimising the uneconomic competition and other malpractices. Importance is therefore attached to the agreement that has been arrived at in November, 1960 which defines the percentage of earnings which the lines under the different flags would be allocated at the end of each year. This agreement, Sir Ramaswami Muda-

liar states, will ensure better working of the conference system and reduce unhealthy competition and malpractices.

Sir Ramaswami Mudaliar also touched on the question of possible competition developing between the public and private sectors. The question has been brought to the fore by the entry of the Western Shipping Corporation into the India/UK Continent conference. It has been explained by Sir Ramaswami Mudaliar that the Corporation applied for only a limited number of ships being allowed to ply in the conference route as ships of a member of the conference. Having regard to the previous statements of the Government spokesmen there does not seem to be any cause for concern since the Government's policy as reflected in such statements underlines the supplementary roles of the two sectors.

On the question of expansion of the shipping industry, on which there can hardly be any difference of opinion, Sir Ramaswami Mudaliar has pleaded for deep and cautious thinking. This is necessary in view of the different aspects presented by the question of development of the tanker, liner or tramp lines. The question of the development of tonnage on different routes is also relevant and can be settled on the basis of prospective tonnage developing in respect of each of them. Expansion on any of these lines, according to Sir Ramaswami Mudaliar is a problem in view of the legislative development regarding development rebate. In terms of this legislation the generous provision of development rebate at 40 per cent of the cost of the ship has been made subject to the condition that the shipping companies provide 75 per cent of the allowance out of their profits before the declaration of any dividend. The legislation has harsh implications to the shareholder's interests. The plea of the shipping companies for being allowed to spread the payment of provision of such rebate over a period of years has been supported by the National Shipping Board.

WHOLESALE PRICES No Change

The official wholesale price index (with the year ended March 1953 as 100) remained stationary during the week ended September 16, 1961 at the earlier week's revised level of 124.6. The index was lower by 1.7 and 0.4 per cent respectively when compared with the corresponding week of the previous month and that of a year ago.

A fall in the prices of Rice at Nowgarh and Contai (-8% each), Gram at Delhi and Oranges (-7% each), Jowar, Bajra, Cashewnuts, Gingelly oil and Fish (-3% each), Ragi, Urad, Dalda (Vanaspatti) and Tea (-2% each) and Barley, Maize, Mung, Masur, Coconut oil, Eggs and Coffee (-1% each) was neutralised by a rise in the prices of Onions (+22%), Cloves (+10%), Wheat at Rajkot (+6%), Rice at Jayanagar (+5%), Cardamoms (+3%), Potatoes and Milk (+2% each) and Groundnut oil, Betelnuts and Salt (+1% each), and the index for 'Food Articles' stood unchanged at its previous week's revised level of 121.3.

The index for 'Tobacco' receded by 0.5 per cent to 96.0 due to a decline in the prices of raw Tobacco (-1%).

The index for the 'Fuel, Power, Light and Lubricants' remained stationary at its earlier week's level of 121.5.

Higher prices of Lac (+3%) and raw Cotton, raw Jute and Linseed (+1% each) raised the index for 'Industrial Raw Materials' by 0.3 per cent to 138.2. The prices of raw Silk (-3%) and Castorseed (-1%), however, moved down.

The index for 'Intermediate Products' declined by 0.4 per cent to 140.7 due to a fall in the prices of Rayon Yarn (-3%) and Zinc and Tin (-1% each). The prices of Linseed oil (+1%) showed an advance.

The index for 'Finished Products' worked out to 122.8 as against 122.7 (revised) for the earlier week. Items which showed variations during the week were: Bricks & Tiles (+2%), Jute manufactures (+1%) and Oil cakes (-1%).

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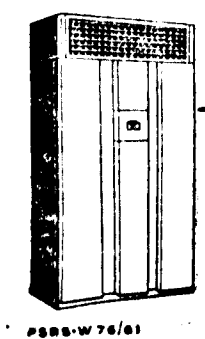
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NEWS IN BRIEF

The Shipping Corporation of India Limited, a Government of India undertaking, formed by the merger of the Eastern and Western Shipping Corporations started functioning as one unit on 2 October. The Corporation which has its head-quarters in Bombay operates scheduled passenger cum cargo services on the Bombay-East Africa run; Madras-Singapore run; and Calcutta-Madras run. In addition to these, the Corporation also operates regular cargo services (as member of governing conferences) to and from the UK, the Continent, the USSR, Poland, the Middle East, Australia, the Far East and Japan.

The Government of Kerala has decided to establish nine industrial estates in the State during the Third Plan period. A sum of Rs 2 lakhs is allotted for each district for the current financial year.

The Government of Rajasthan has allocated an amount of Rs 7.5 lakhs for the establishment of a ceramics institute at Alwar during the Third Plan.

India's balance of payments for the period January-March 1961 showed a deficit of Rs 157.3 crores on current account. Total receipts are estimated at Rs 345.8 crores against the aggregate payment liabilities of Rs 503.1 crores.

A new plant for the production of transformers, motors and industrial high tension and low tension switchgear in collaboration with the AEG of West Germany will be set up in the Mysore State. The plant will have an annual turnover of nearly Rs 7 crores when in full production.

As a measure of further encouragement to the cottage match factories for using bamboo, the Government of India has decided to reduce further the rate of duty applicable to them by 25 nP per

gross of boxes of 50s and 20 nP per gross of boxes for 40s. The new concessions will be available only to those factories whose annual production do not exceed 50 million matches.

The Government of India has granted licence to a private industrialist to set up a factory in Salem for the manufacture of alloy, tool and special steels with a production capacity of 50,000 tons per annum.

Mr Bimla Prasad Chaliha, Chief Minister of Assam laid the foundation stone of the Rs 60 lakh meter factory in the public sector on 27 September.

The Madras Government passed the Madras Land Reforms (fixation and ceiling) Bill fixing 30 standard acres as the ceiling extent which a family of five can own. A family which has more than five members is entitled to own an additional five standard acres for every member of the

family in excess of five subject to a maximum of 60 standard acres. The surplus land will be distributed among cultivating tenants according to the rules made under the Act.

The Government of India has set up an Indian Central Spices and Cashewnut Committee under the aegis of the Indian Council of Agricultural Research for the all round development of spices and cashewnut.

The first electric locomotive manufactured in India will be launched on the track by the Prime Minister at Chittaranjan on 14 October. This is one of the ten DG 1,500 volts electric locomotives which the Chittaranjan Locomotive Works is expected to turn out by March 1962. The entire mechanical portion of the locomotive will be constructed in Chittaranjan. The electrical equipment in the initial stages will be imported till the Heavy electricals at Bhopal develops capacity for manufacturing it.

PERSONAL

Mr K. P. Mathrani, Chairman of the Industrial Finance Corporation, has been appointed Chairman of the National Industrial Development Corporation.

Mr B. P. Kaithan was re-elected Chairman of the Steel Re-rolling Mills' Association of India and Mr V. J. Shah, Chief Executive, Mukand Iron and Steel Works Limited was elected its Vice-President.

Mr Bharat Ram, President of the Indian Cotton Mills' Federation and Mr B. G. Katakari, Honorary Secretary left for the US to attend the Indo-US textile talks in Washington.

Mr R. Dhawan was re-elected President of the Delhi Stock Exchange for the fourth time in succession. Mr Bhagavan Das Gupta was elected its Vice-President and Mr P. R. Khosla was re-elected honorary General Secretary of the Board of Directors.

Mr Shadilal Jain has been elected President of the All-India Plastics Manufacturers' Association at the 15th annual general meeting of the Association held in Bombay last week. Messrs S. N. Kasera and K. K. Mody have been elected Vice-Presidents and Messrs S. I. Parekh and A. R. Chouhan as Honorary Secretaries.

Mr P. S. Rau has been elected Chairman of the Praga Tools Corporation Limited and Mr A. M. Kelkar, senior industrial advisor to the Government of India, will assume charge as Managing Director of the Corporation when Mr Venkataraman will relinquish his office on 18 October.

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"

—As You Like It.

PERHAPS it is necessary to resist the temptation to draw doleful conclusions from the fact that the Aligarh riots have followed close on the heels of the National Integration Conference in Delhi. Even if one is to assume that the conference has had a cathartic effect on the participants, it is perhaps a little premature to expect that the souls of rabble-rousers in Aligarh would be cleansed by high-mindedness at Delhi. Aligarh is our problem university and inhibitions of various sorts are standing in the way of cleaning this academic Augean stables. But the dark depths of unreason are manipulated not only from obscurantist hide-outs that have been passing for beacons of sweetness and light. It is easy enough to talk sensibly and reasonably at conference tables: (Even this may not be easy: Mr Nehru was obliged to remark that the conduct of a member who threatened to walk out because he did not agree with something that was said at the conference was a poor example of national integration.) But, trite though it is, it is necessary to remark that practice in future must bear a reasonable likeness to precept before we can share the gratulation of the participants in the conference. The past, I regret to say, has not been very edifying. It is idle to deny that the Congress, or any party for that matter, has spoken with two voices on the subject and what is worse, action has loudly proclaimed the hypocrisy of the words. Apart from the well-known compounding with the barely concealed communalism of the Muslim League in Kerala, there are other less spectacular and more continuous manifestations of the impugned evils of casteism, communalism and linguism at all levels. When those "great reckonings in little rooms" are made, the advantages of appeals austere renounced at conference tables quietly make themselves felt. So, unless one is to construe the emphasis on education as an instrument of integration as unavowed despair about grown-ups, it is necessary to see that the code of conduct agreed to is actively respected. The trouble is that it is possible in practice not only to be dishonest but to cheat oneself about blatant violations of the code. Can the proposed Council of National Integration evolve some objective standards to make such decep-

tion and self-deception impossible? It seems unlikely. In any case, a test of the sincerity of the professions made at Delhi is not far off. The coming elections should provide an opportunity to the impartial observer to separate the sheep from the goats.

Mr C. Subramaniam, Leader of the House in the Madras Legislative Assembly deserves the gratitude of the Press for his attempt at cutting legislative privilege to size. As is well-known, a recent editorial comment in the Mail of Madras on a speech of a member of the Assembly was adjudged as guilty of breach of privilege. Mr Subramaniam has now publicly wondered whether such touchiness on the part of legislatures is not a trifle thin-skinned. Such robustness comes refreshingly after much recent invocation of legislative privilege in various parts of the country. Those who have professionally to deal with what goes on inside legislatures are often hard put to it to decide whether or not they are treading on some sensitive legislative corn or the other. For it is difficult to resist the impression that many legislators are, like Hotspur, quick to take offence these days. Mr Subramaniam has laid down two admirable principles: the first is that it is impractical to expect any newspaper to refrain from commenting on what happens inside a legislature until an authoritative version of the proceedings is available to it. All that can be reasonably expected is that the paper should ensure that the comment is based on a report that is not misleading. Secondly and more importantly, Mr Subramaniam has debunked the notion that some sort of magical taboo attaches to the goings on in the legislature and anyone offending it will be risking tribal wrath. In Mr Subramaniam's view, comments on a speech made inside the legislature would (or should) be actionable only if it would have been actionable had they been made on an identical speech made outside. In other words, in venturing to comment on speeches made in legislatures, all one has to guard oneself against is the hazards of the ordinary law of libel. By the same token, all the defences available against such a cause of action can be invoked by anyone who has been cited for contempt of the legisla-

ture. God knows that even the ordinary law of libel is full of snares, but it is at least a recognised body of principles to which one can appeal. Whether Mr Subramaniam's statement of the law of privilege will be acceptable to all members of all the legislative bodies in the country or even whether it represents the strict legal position as it obtains now is doubtful. As I pointed out when I discussed the Blitz case in these columns, the practice of the House of Commons (which governs the present law of privilege in the country) is, according to May, to consider the act of reporting itself as the substantial offence and the objectionable part of the comment or report as an aggravation of the primary offence. However, there can be no doubt about the essential fairness and reasonableness of Mr Subramaniam's view. If this view is not the law, it ought to be. And what is particularly pleasing is that such a view of the law should come from a legislator and a Leader of the House at that. But since it is only a personal view, it may be too rash to act on the assumption that it represents the current law on the subject. Other legislators and other legislatures may have other views. That is why it is imperative that such unexceptionable principles should be written into the law of the land by Parliament and the State legislatures declaring themselves in those terms under the relevant articles of the Constitution.

I don't know about others, but I cannot resist that something "free" that goes with the various articles I buy. It may be a free tooth brush that goes with a tube of tooth-paste or it may be a (quite needless) key ring that goes with a brand of hair oil. I have no brand loyalties and even if I had I would cheerfully repudiate them for a free set of transfers. I fancy there must be countless others like me. Sales promoters doubtless know this and have even a word for it: "Incentive Buying". In a recent issue of the Times Weekly Review there is an interesting discussion of the economics, and marginally, of the psychology of incentive buying in Great Britain. Nearly £20 million out of an estimated national advertisement expenditure of about £400 million is reportedly spent on giving "something for nothing." (We in India are more coy about reporting such things. I have therefore no comparable figures for our country to give you. But from time to time—rather more frequently in the last few years—we have

had baits to entice us into needless purchases.) Some of the things that are being given away in Britain will make many mouths water here. Luxury motor-boats, Morris Mini-minors, Ford Consuls, Kodak home projectors are among the possible windfalls that go with the more expensive kinds of buy. For those who are prepared to spend no more than a pound, the range of choice is limited to such things as inflatable bathing rings and picnic sets. Other kinds of gifts are extra packets of detergents—which I think is bad psychology—recipe books, ball-point pens etc. (I am sure some Freudian principle is involved in the almost universal choice of a ball-point pen as a gift.)

Many of these are to be had as prizes in competitions of varying degrees of sophistication. Often enough they are no more than lucky dips. As can be imagined, a flourishing subsidiary industry of manufacture of gift articles has grown. Apparently, the economics of scale press their inexorable logic in this as in many other things and it is not unlikely that rival manufacturers get their supplies of the gift articles from the same source. It would appear that the economics of specialisation are considerable: for instance, it is said that manufacturers of gift ball-point pens are able to sell them at three pence each to an advertiser and yet make a profit.

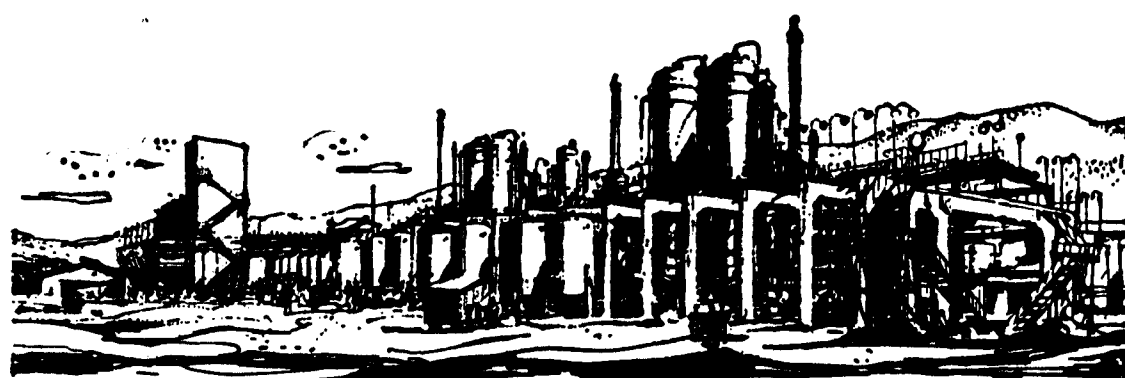
Of course, the joys of getting something for nothing are largely illusory. If most purchasers don't know it, they at least suspect it. It is different when, as happened in the thirties, there is a competitive war on between rivals. Even newspapers went in for this sort of thing and almost ruined themselves by trying to outbid each other in the gifts they gave in exchange for coupons to be cut out of their papers. It used to be said that an entire village in Wales clothed itself by a judicious distribution of its favours among the various papers, each one of which offered only one particular article of wear. But apart from exceptional occasions like this when losses are being deliberately incurred for the sake of certain long-term gains, the customer pays for the gifts. For the cost of the gifts and of the campaign enters inevitably in the fixing of the price of the primary commodity sold. In most cases, such expenditure is part of the annual advertisement budget and the appearance of a sudden fit of magnanimity is as illusory as so much else in advertising. But then, the consumer is not perhaps inclined to be too censorious about it all, since he gets his little fun, especially when there is a competition to try his luck (or wits?) in.

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PLANNING

"A New Dimension"

A new dimension, as India's Tarlok Singh described it, has been added to planning by the UN Conference of Asian Planners which concluded its eight-day session, in New Delhi, after adopting with only minor changes the Report prepared by its technical committee. The Report points out that, until recently, development plans were being formulated with reference to the conditions and requirements of individual countries, and there was need for greater considera-

tion of the bearing of these plans on one another and of the possibilities of mutual co-operation which they might offer. As the various development plans progress, they may in turn call for certain adjustments in the economies of individual countries. In some measure, adds the Report, these adjustments might be effected to mutual advantage if the prospects of economic development in the countries concerned could be visualised over a period of years in advance and the progress achieved in different countries could be reviewed jointly from time to time from the wider regional aspect. Moreover it would be in the common advantage of developing countries in the region to take

advantage of such economies of scale and possibilities of intra-regional division of labour as might promote the growth of individual economies as of the region as a whole.

The Conference approved proposals to establish (1) an Asian Institute for Economic Development to provide practical and theoretical training for Government personnel in economic and social planning; (2) a Regional Advisory Group on Economic Development Planning consisting of experts who would be available on the request of Government to assist them in drawing up their plans. Planning agencies could make a specially valuable contribution in making feasible proposals for economic co-operation. There could be, it is suggested, periodic exchanges of information between them on national development plans and the ECAFE Secretariat could assist in joint studies on specific problems of interest to more than one country. It was also noted that a number of projects involving regional co-operation had already been launched, such as the Mekong Project, the Asian High-

way, the Joint Aerial Survey and intra-regional trade talks. Moreover groups of countries within the region had felt the need for working together for various economic purposes.

A proposal of immediate practical significance to the region that emerged out of the Conference was that some regional arrangement should be worked out to stabilise export markets and prices of primary products of the region. A firmer basis for the implementation of the proposal was given when it was amplified, on the suggestion of the US delegate, to include study of possibilities of working out a broader arrangement to cover major consuming countries in the world of these products as well as producing countries in the region.

MARKETING INTELLIGENCE SEMINAR

While stabilisation of export prices and markets is of great importance to the region as a whole, for India the problem of rationalisation of the internal price structure, and stabilisation of prices, especially of food-grains, is of at least equal importance. Formulation of proper price policies has to be based on a realistic knowledge of market behaviour which is also the condition for the effective implementation of the policies that are drawn up. Under the auspices of the Directorate of Economics and Statistics of the Union Ministry of Food and Agriculture, an integrated scheme for improvement of Market Intelligence has been initiated in various States. The Scheme envisages the setting up, according to a phased programme, of technical reporting agencies in important markets of the country as well as appointment of requisite supervisory agencies. Under the Scheme arrangements are also being made for the dissemination of prices and other intelligence for a number of markets through various media, as for example, broadcasts by regional stations of AIR, distribution of market news bulletins to village institutions, display of market information on notice boards in the markets, etc. The Directorate has also set up regional offices in Bombay, Calcutta, Madras, New Delhi, Lucknow, Bhopal, Jaipur and Shillong. The organisational and supervisory aspects of the collection, analysis and interpretation of Market Intelligence will be discussed at a three-day seminar convened by the Directorate of Economics and Statistics, which is scheduled to be inaugurated on 6 October by the Union Minister for Agriculture.

ILO CONFERENCE ON SMALL INDUSTRIES

The 'message of small scale industries' was put across with missionary zeal by Mr Manubhai Shah, Minister for Industry, at the international forum provided by the ILO Technical Meeting on Small Scale and Handicrafts Industries which he inaugurated last Tuesday. Mr Shah made the points that small scale industries are necessary to maximise the development of human skills which form the roots of economic growth, to bring about technological revolution of modes of production on a broad front, to even out regional disparities by

spreading the benefits of industrialisation all over the country and, above all, by fostering the growth of an industrial middle class, to underpin the structure of democracy.

The ILO's interest in the development of small scale industries, said Mr V. K. R. Menon in his welcome speech, stems from several vital considerations. Although the founders of the ILO envisaged an organisation for establishing international labour standards, it was realised in the 'thirties that the social objective could register progress only when the economic conditions were favourable and that social and economic development could only proceed side by side. It is for this reason that, while concerning itself with the international labour standards, the ILO has been equally interested in economic progress in developing countries.

The programme of work of the ILO in this field is mainly educational and is directed to raising the technological level of industrial operations, organisation and management, through provision of technical assistance and facilities for study and research. The working papers on various topics prepared by the ILO office will form the basis of discussions at the meeting which will examine questions relating to credit facilities, supply of raw materials, marketing of products, vocational training, improved technology, productivity and organisation and management of small scale industries. The Conference will consider, in particular, the problems relating to mechanisation and labour standards and the role of international technical assistance.

INDIAN LABOUR CONFERENCE

Some aspects of the Code of Discipline—it may be recalled that that a representative conference of employers recently adopted a comprehensive statement on the Code—figure on the agenda of the nineteenth session of the Indian Labour Conference meeting in Bangalore on October 9 and 10. The question concerns the right of a representative union to represent technical and supervisory staff and the rights of a recognised union under the Code vis-à-vis unrecognised unions.

The Code of Discipline provides for recognition of two types of union, namely (1) The Representative Union of the industry in the locality and (2) Majority Union in an establishment in which the Representative Union is not functioning. In both cases the Code specifically lays down that only one of these should be recognised, as a multiplicity of unions in an establishment will not make for satisfactory relations between workers and management. The question has been raised whether the recognised union should have the right to represent technical and supervisory staff also, and whether the representative union should have the right to represent workers in all establishments.

Most of the State Governments appear to favour the view that the recognised union should have the right to represent technical and supervisory staff also provided they are the members of the union concerned and are included in the category of workers as defined

in the Industrial Disputes Act. On the other hand, some other State Governments think that, as technical and supervisory staff form a distinct class of employees, it will be advisable in the interest of maintaining discipline to treat them differently from the workers for grant of recognition to their unions. Adoption of this position will mean that a union of technical and supervisory staff of an establishment may be accorded recognition even if there is a representative union of the industry functioning in that establishment.

Employers' organisations are un-

animous that the Representative Union of workers should not be entitled to represent technical and supervisory staff. It is also urged that, if a question arises whether a Representative Union represents any specific category of workers, the Union should establish to the satisfaction of the employers that a substantial number of that class of workers are members of that union.

Trade Union organisations hold different views on this question. The INTUC and the AITUC favour the view that the Representative Union should have the right to represent

technical and supervisory staff, HMS think that there should be no hard and fast rule and the UTUC are against any sort of compulsion in the matter. On the other hand it has been pointed out that, if the Representative Union does not represent the technical and supervisory staff, the Union may find it difficult to guarantee industrial peace even if it has entered into an agreement with the management, because the technical and supervisory staff may refuse to fall in line and act against the agreement. Such instances it is said, have actually occurred in Kerala.

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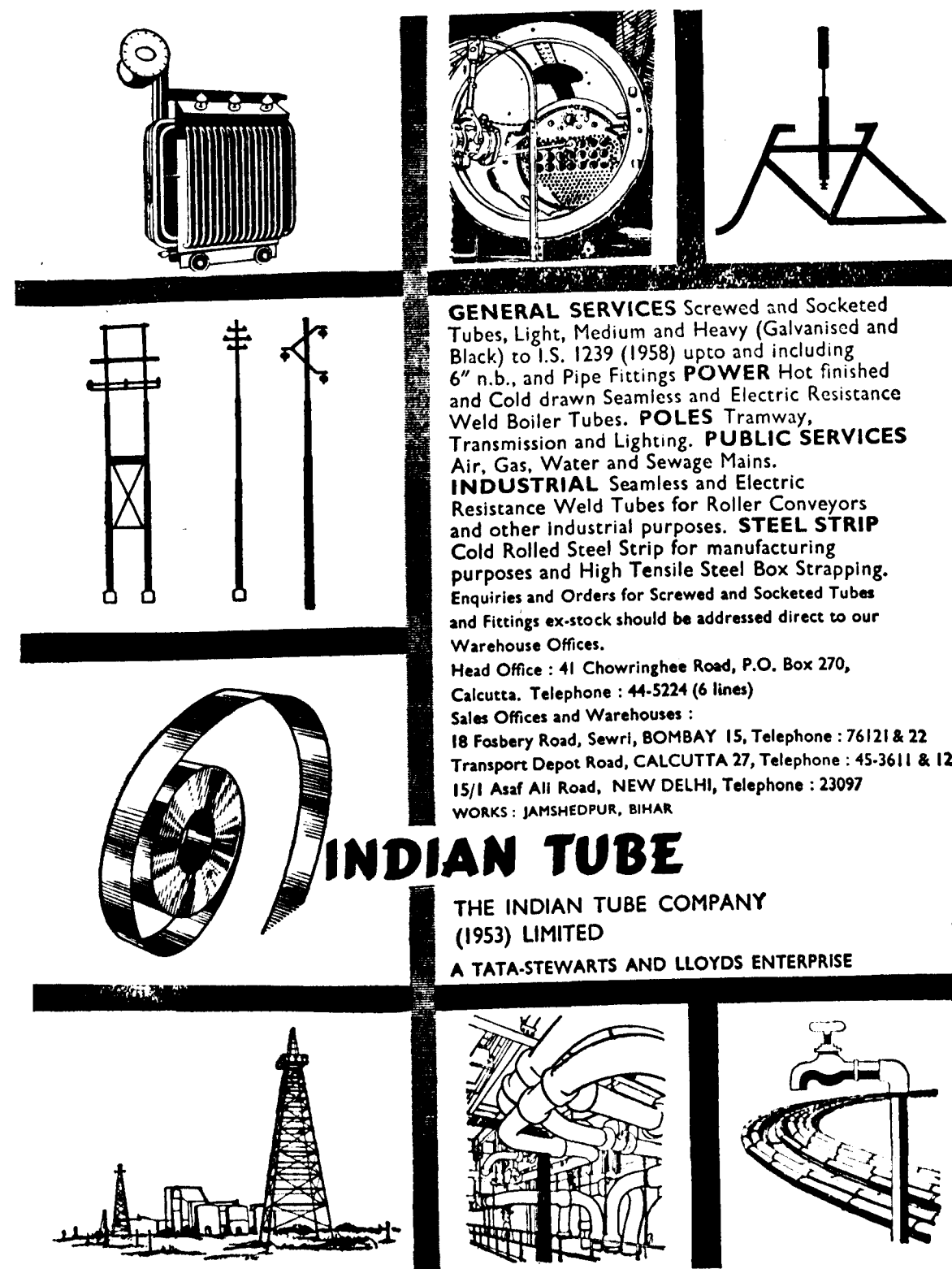
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Markets

JUTE

Raw Jute Easy

PRICES in the jute and gunny markets have tended to be easy during the past few days. The decline in the raw jute section is well pronounced as buyers are still showing limited interest. Arrivals have been quite heavy and mills appear to be in no hurry to accumulate stocks of the fibre except to meet their immediate requirements. This may be due to expectations of a further drop in prices. As a matter of fact those who have been adopting a cautious purchase policy should have reaped considerable benefit as today's raw jute prices are quite a few points lower than those at, say, a week or ten days ago. There has been increased buying from mills during the past few weeks, comparatively speaking, of course. This is partly due to their depleted stock position and partly because they need more raw jute to feed the 14 per cent looms reopened during September.

The position should have considerably eased since a fortnight or so as there is no longer the fear of a

shortage of jute atleast in the current season. The Indian crop is quite big and government policy is to allow the import of sufficient quantity of raw jute from Pakistan and other growing countries. Moreover, a buffer stock authority is to be set up to ensure first, an uninterrupted supply of raw jute to mills and second to ensure a reasonable price for the jute cultivator. Some time ago it was said that the authority would come into being before the end of September but its inauguration has been delayed. As has been noted in this column last week, government is not worried about the trend in the raw jute market presumably for the reason that in its opinion prices are still above the uneconomic level.

The reluctance of mills to buy more than their current requirements despite the fact that prices are at present ruling at attractive levels may have stemmed from the apprehension that in coming weeks jute goods prices would decline further. As it is the demand seems to be concentrated on the ready position. The forward positions are quoting quite low. As compared with the quotations for the ready position of

PRICE TRENDS.				
	As on 28 Sept. Rs	Highest Rs	As on 4 Oct. Rs	
Hessian:				
45" x 11 ozs. ...	58.00	60.00	57.00	
40" x 10 ozs. Ready ...	55.00	59.50	54.00	
do October-December ...	48.25	50.00	48.50	
40" x 8 ozs. ...	42.75	43.00	40.75	
40" x 7½ ozs. ...	39.50	40.00	38.25	
Sackings:				
B Twills Ready ...	134.00	134.85	132.25	
do October-December ...	129.25	131.00	128.25	
Heavy Ceers (Green) ...	133.00	134.00	133.75	
Cornsacks ...	136.50	138.50	139.50	
Cubans ...	168.00	168.00	167.00	
A Twills ...	163.00	164.00	162.50	
L Twills ...	157.00	159.00	153.00	
D W Flours ...	167.00	167.00	160.00	
Sugar Twills ...	153.00	155.00	153.00	
Ready Raw Jute:				
Assam Bottoms ...	34.00	34.00	32.50	
Northern ..	34.00	34.00	32.50	
Daisee ..	37.50	37.50	36.00	
Futures:				
	Highest	Lowest	Closing	
Hessian—November ...	47.34	48.46	46.80	
Sacking—November ...	127.00	129.35	126.15	
Raw Jute—December ...	33.00	33.18	31.82	

Hessian 40" x 10 oz of Rs 54, the rate for the same construction for Oct/Dec is quoting at Rs 48.50, Rs 6½ lower. Similarly, B Twills Oct/Dec is quoting at Rs 128.25 as compared with the ready rate of Rs 132.25.

★

The jute goods market opened the week on a slightly easier tone although demand for ready 40" x 10 oz hessian continued unabated. The general undertone during the early part of the week under review, however, improved somewhat, but the interest centred on ready hessian. While the strong demand in ready hessian is due to the scarcity of this construction caused presumably by the recent foreign enquiries, the wide disparity in the quotations between the ready and forward positions shows that foreign buyers are not keen on buying forward in view of the steady decline in raw jute price on the one hand and the possibility of mills further increasing working to 48 hours a week in the first instance. It is also suggested that if Indian mills are to compete effectively with Pakistan, their cost of production is to be reduced. One way of doing this is to increase production upto installed capacity.

The raw jute market has turned easy following heavy arrivals. Mills have not been showing much interest even at the declining levels. It would appear that as some stock has been accumulated during the past few weeks, mills may wait for some time before commencing purchases in quantity.

★

TEA Proposal for Abolition of Export Duty?

THAT Indian Tea is now placed at a disadvantageous position in the world market owing to the present

rate of export duty of 44 nP per kg and excise duties ranging from 10 nP to 35 nP per kg according to zonal placement of gardens, is a known fact. The incidences of these taxes and duties coupled with the low price prevailing in the export market are being felt adversely by the producers.

The Government of India is, therefore, understood to be giving serious consideration to the proposals for the abolition of export duty and the introduction of drawback of excise duty on tea. The proposals, coming from the tea producers, envisage an increased yield for the Government from income-tax, agricultural income-tax and other sources, following the corresponding increase in the earnings of the beneficiaries of the drawback system. Various tea associations also feel that the proposed measures will boost the export of tea at competitive prices without putting any strain on the producers.

Again, the Tea Board is also understood to have requested the Government of India to sponsor a tea delegation to the United States, which will study whether India should embark on her own to undertake the promotion of Indian tea independently of the Tea Council. This move has been taken in the face of discouraging reports from the USA that the propaganda on the virtues of Indian tea has not been done on the scale desired by traders in India.

Meanwhile, in the Export Sale held in Calcutta this week, offerings amounted to 67,726 packages. There was a strong general demand. Plain Broken met with keen competition at prices up to 15 nP per kilo above last levels. Similar Fannings were also well supported and prices were generally dearer. Medium and better liquoring orthodox teas met with keen competition, buyers being selective.

CTC descriptions were well supported. Prices for medium and poorer sorts were irregular, while the best were fully firm to dearer. Off-grades met with more support and

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were generally dearer. Legg-cut teas met with a better enquiry and prices were generally firm to dearer for the better kinds.

Darjeeling teas met with useful support. Although they were irregular, they were generally dearer. There was a good demand for Whole Leaf grades. The cheaper varieties were generally dearer, while the remainder were irregular, but tended dearer. The prices for Tippy teas were irregular. Following rates (per kilo) were quoted:—Clean Plain Pekoe Rs 4.40 to Rs 4.60; Plain BP Rs 4.20 to Rs 4.40; Plain Fannings Rs 4.00 to Rs 4.20; Medium Assam CTC BP Rs 5.00 to Rs 5.40; Medium Assam CTC Fannings Rs 4.90 to Rs 5.30; Best Assam CTC BP Rs 5.40 to Rs 6.00 and Best Assam CTC Fannings Rs 5.40 to Rs 6.20.

In the Cochin market, offerings were 200,000 kilogrammes of tea dusts. Against good demand for all descriptions, high-grown were fully firm, while medium sorts were about steady. Other varieties were 10 nP to 20 nP a kilo easier.

In the Colombo market, offerings were 6,064,275 pounds. At the opening, Dimbula/Dickoya broken were irregular following quality; but subsequently the tendency was generally dearer. Uva teas were lower following quality. Medium teas from Western districts were in better demand at an advance of about 5 cents per pound. Low-grown teas were generally easier, particularly Fannings and stalky Broken.

In London auction held this week, offerings were 26,984 packages of North Indian and other miscellaneous teas. There was a buoyant tone and most teas were sold readily at fully firm to dearer rates. Good and medium CTC Assams and orthodox manufacture were in particular demand, while the better legg-cut Dooras and Africans often realised higher prices.

★

COTTON Futures Buoyant

The Jarilla March contract maintained the uptrend during the past week also and touched a new high deriving inspiration from the unpropitious weather reports that emanated from many of the cotton growing centres in the country and the excellent mill buying in ready cotton. The Government of India's announcement of a bulk export quota at 125,000 bales of Bengal Deshi also imparted buoyancy to the futures market.

The March contract during the week under review moved both ways within narrow limits on alternate bouts of buying and selling. Toward the close of the week sentiment was fanned by the aggressive bull buying and frantic bear covering so much so that the contract spurted upto Rs 628.75 per three quintals and on Tuesday last closed at Rs 629.25.

The trade has welcomed the release of export quota for Bengal Deshi. The Cotton Buyer's Association has expressed its appreciation at the simple export licensing procedure prescribed quite in unison with the recommendations suggested by the trade. Foreign traders have also

enough reason for enthusiasm for they are assured of adequate cotton even at the commencement of the season.

The ceiling fixed by the authorities for cotton imported from Pakistan, on first-come first-served basis, has already been attained. It has been reported that a prominent mill during the week under review accounted for nearly 10,000 bales of this growth.

In the spot market at Sewri good spinner inquiry was reported in all the available lots of Kalyan, Digvijay, CO2 and Surti. Keen demand for Kalyan cotton pushed its prices up. Southern traders were found active in Nagar CO2 cotton. Demand for old and new crop Kalyan, CO2 and LI47 was fair but inadequate offerings restricted transaction of any appreciable business.

Among the imported varieties, Egyptian and Sudan cotton met with good attention presumably due to a possible delay in their imports. Mill attention was also pronounced in the available lots of American and African styles.

Total production of cloth in the first eight months of the current calendar year recorded a net rise of approximately 97 million yards over the overall output of 3,337 million yards during the same period in the previous year. Production of yarn also looked up to 1,238 million pounds during the same period in 1961 from 1,140 million pounds in the corresponding period in 1960.

Imports of foreign cotton into India from 1—16 September, 1961, amounted to 65,714 bales as against 104,702 bales in the same period in the previous year. The accompanying table will furnish a detailed account.

Description	1960	1961
American ...	65,675	48,356
Sudan ...	10,304	5,262
Egyptian ...	3,276	4,103
East African ...	20,860	7,376
Pakistan ...	503	...
Others ...	4,084	917
Total ...	104,702	65,714

Exports of Indian cotton to the foreign countries from 1 to 16 September, 1961, totalled 15,819 bales in contrast to 4,162 bales in the corresponding period in 1960.

Countries	1960	1961
UK ...	...	405
Continent ...	109	684
Hongkong ...	417	188
Japan ...	3,636	10,762
USA ...	...	3,630
Other Countries ...	...	150
Total ...	4,162	15,819

The Cotton Advisory Board which is convening a meeting in Bombay is likely to take up the cotton crop situation in the country for the current season and other relevant problems that are closely interlinked with it. According to the consensus of opinion the question of freeing Bengal Deshi cotton solely for export will also be taken up for discussion. Naturally enough the outcome of the deliberations of the Advisory Board is anybody's guess.

PIECEGOODS

The Bombay piecegoods market staged a partial recovery during the past week. The turnover, however, failed to turn upto the expectations.

In the domestic sector demand for piecegoods showed signs of shedding all the shyness thanks to the approach of Puja and Deepavali festivals. Though purchasers directed their attention toward all the varieties, seasonal goods were in the lime-light. Punjab figured as the prominent customer in the market particularly in the earlier part of the week and accounted for a moderate quantum of all varieties. However as the week advanced the traders from that destination beat a safe retreat from the market. Stray business with purchasers from South India and Rajasthan was also reported though the offtake was insignificant. Nevertheless prices tended to rule steady.

Certain varieties were reported to have been sold at a discount of about 5 to 10 per cent. This was the direct outcome of the eagerness of the stockists to liquidate their holdings which were piling up at an alarming pace. Stocks with mills at the end of August, according to the latest information, stood at 367,300 bales in contrast to 339,000 bales at the end of the previous month. The main contributory factors that led to such an embarrassing position were the murkiness in the domestic market and the enhanced production.

Export front depicted slightly better conditions. During the week under review UK appeared to be more active and exporters concluded business for more than three million yards with the expectation of better bookings from December onwards. Sheetings, especially of wider width, and furnishing fabrics met with improved demand.

Sudan preferred to be in the background. Australia focussed its attention on grey calendared sheetings, flannels and other usual varieties, but the turnover was unfortunately meagre. Burma was virtually satisfied with dyed and printed voiles. East African fancy turned toward processed goods and West Africa accounted for moderate quantities of coatings, towels and domestic bafts. Enquiries from Indonesia for the usual qualities flowed on a quietly encouraging level.

The resistance to the price fall has mainly stemmed from the prospects of a brisk demand till the Puja and Diwali festivals are over. In view of the present shortage in Bombay, Gujarat and some parts of the country, the offtake is likely to remain at a high level for some time to come. The possibility of absorbing sugar to the extent of 200,000 tons by the trade has encouraged the manufacturers not to go in hurriedly for sale. Besides, the retention of the system of controlled releases rules out the possibility of any sizable fall in prices.

Even assuming that, as a result of decontrol, consumption goes up by about 200,000 to 300,000 tons, there will be still a surplus of 1,800,000 tons which the industry will have to dispose of. In these circumstances, some circles feel that the industry will find it hard to pull through unless it finds an export market for the surplus sugar, irrespective of the loss it may sustain for which the Government must help the industry by way of subsidising the losses, at least to some extent.

Shellac Market Inactive

ACCORDING to the figures released by the Indian Lac Cess Committee, the final estimates of the Baisakhi lac crop production for 1961 have been placed at 550,000 maunds as against the revised estimate of 605,000 maunds and 1,100,000 maunds last year. The normal production, based on the average production in the ten years preceding 1960 is 736,000 maunds.

The crop is said to be poor this year, because of the scarcity of brood lac at the time of infection and lack of rains in April and May. Low prices of stick-lac have affected the arrivals, particularly in Madhya Pradesh and Maharashtra.

Jethwi (Kusmi) lac of 31,000 maunds has also been produced this year. The average of the production of ten years preceding 1960 is 26,500 maunds for this crop. The following is the Statewise production (in maunds) of the Baisakhi crop for 1961:—Bihar 298,000 maunds; Madhya Pradesh 110,000 maunds; West Bengal 93,000 maunds; Maharashtra 10,000 maunds; Uttar Pradesh 25,000 maunds; Orissa 3,000 maunds; Gunerat 3,000 maunds and other Indian States 3,000 maunds.

Meanwhile, the shellac trade has come to a standstill in Calcutta. There has been virtually no business with foreign countries nor has any export been made during the past few weeks. It would be recalled that the trade has formulated a new export scheme for the commodity to replace the existing one by making export prices more flexible. The idea is that, unless prices can be adjusted in line with supply and demand, trading will be hampered.

But, the Government of India has disapproved the new export scheme. At the same time, it has not made up its mind as to how the trade is to be regulated. Foreign customers would have bought more willingly if they had been permitted to take their requirements freely from India. Shipments during September till 22 were 29,796 packages comprising 9,199 packages of shellac; 17,775 packages of seedlac; 135 packages of buttonlac and 2,687 packages of other varieties.

SUGAR

The lifting of all controls on the distribution and prices of Sugar has no visible effect on the prevailing prices of sugar. This is as it should be for the reason that floating stocks in the market are low. Market circles are inclined to wait and watch the situation in the next few days when fresh stocks, out of the controlled release, are expected to arrive. Although most of the mills are anxious to dispose of their stocks, no transaction is reported so far. In the Hapur market, prices have declined by Rs 1 per bag.

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Applications will be received at all branches of the State Bank of India within the State of Madras and at the State Bank of India at Madras, Bombay, Calcutta, Delhi, Bangalore and Bangalore city.

Copies of the Notification announcing the terms of issue and application forms are available at all the receiving offices mentioned above, at all treasuries and sub-treasuries in the State of Madras and at all Offices of the State Electricity Board and its undertakings.

The world production of sugar is estimated higher at 57.55 million metric tons in 1960-61 as compared with 50.38 million tons in the previous season. Though production of cane sugar has improved from 30.67 million metric tons in 1959-60 to 31.96 million metric tons in the season under review, the bulk of the increase comes from beet sugar, which has risen from 20.31 million metric tons to 25.59 million metric tons.

GINGER

In the Bombay market, the price of Ginger has improved by Rs 5 per 50 kgs, being quoted at Rs 88 for the bleached variety and Rs 84 for the unbleached variety. The improvement in the price has been caused by good off-take, both on export and domestic accounts. Low stocks of good quality ginger also aided the sentiment.

The supply is expected to remain tight, as the crop is stated to have been delayed by about a month. Owing to heavy rains and floods in

the early period, the new crop is not expected to arrive before November.

TOBACCO

There has been a shortfall in India's exports to the traditional market like Benelux countries, Aden and Hong Kong. During 1960-61, these countries have not taken as much as in 1959-60. In the case of Benelux countries, the shortfall of Rs 2.3 lakhs as compared with the previous year, was perhaps due to their increased purchases from Rhodesia and America.

Similarly, exports to Hong Kong have gone down to nearly one-third of what it was in 1959-60. Besides, competition from other countries and a general decrease in the internal production as a result of a lack of re-export opportunities might have contributed to the decline. In the case of Aden also, there was a slight fall by about Rs 3.2 lakhs. This decrease is explained by the lesser demand for beedi scrap tobacco.

The reported accumulation of tobacco at different centres in the country indicate that, at present, the supply is in excess of the demand. This being so, control on cultivation might appear justifiable. It is stated that the inequality of the tariff basis has resulted in a change of cultivation in the last ten years.

NON-FERROUS METALS

Price movements in the Bombay Non-Ferrous Metals market have shown divergent trends. While Tin has not sustained its early strength, Copper has maintained a steady tone. Zinc rules easy, with Lead remaining quiet. The new import policy evidently did not make much of a mark on the prices, since no material change was noticed.

The tightened margin restrictions evidently had an effect on the prices, which declined sharply and could not recover the ground lost towards the end. Reports, that releases from the US stockpile might

begin soon, also subdued the feeling. Advices from the mofussil centres further weakened the sentiment.

On the London Metal Exchange, Tin prices, after recording a rise of £20 per ton early in the week, declined sharply towards the close following the announcement that the US Government was seeking permission from Congress to sell the metal from the strategic stockpile.

The stockpile question is still creating uncertainty; but world tin supplies remain scarce and any sales from the stockpile will only help to fill the gap.

The Copper market has been weak, cash metal being quoted around £225 per ton as compared to £250 in May. Although copper consumption has risen in the USA, the demand has fallen in Britain. Moreover, though the main copper-producing companies are still working below capacity, stocks remain on the high side. This is certainly the case in London where warehouses stocks are the highest for some years.

SILK

The need to step up the production of filature silk from the current level of 3.46 lakh pounds to 10 lakh pounds per year, by the end of 1965-66, was emphasised by the Fact Finding Committee, constituted by the Central Silk Board at its recent sittings in Calcutta.

The Committee, which was set up in April this year to enquire into the problems of the filature silk industry in India, recommended certain steps to be taken by the filature silk-producing States in the country to put the working of the industry on a sound basis. It felt that a comprehensive scheme should be undertaken for the reorganisation of the silk reeling industry to bring down the cost of production of filature silk and to make the selling prices of quality silk competitive within a period of five years. Another recommendation was to increase the number of cottage basins in the various States to ensure increased

production of quality silk and economic utilisation of the cocoons produced. The Committee visited the States of Mysore, Jammu and Kashmir, which are major filature silk-producing States in the country and had discussions with the Ministers and the officials of the State Governments, prominent sericulturists and other representatives connected with the industry.

GOLD & SILVER

On the Bombay Bullion Exchange, prices generally displayed a steadier tendency although the steadiness in silver was more pronounced than in gold. However, there is a general feeling that the conditions prevailing at present hardly raise any hope of an appreciable improvement in the supply of the yellow metal. With imports prohibited, the only source of fresh supplies is through smuggling; but the authorities have plugged most of the loopholes.

In the case of gold, the stock position is tight. Fresh supplies are uncertain. Traders expect that the offerings of the metal will gradually tend to dry up. Besides, the traditional busy season is approaching fast. The usual Diwali demand is in the offing. Everything, therefore, points to a rise in price. Arrivals week amounted to 6,000 tolas as against an off-take of 4,000 tolas. Ready gold changed hands at Rs 124.80 to Rs 125, while Sovereign ruled firm at Rs 97.

Silver attracted some speculative support due to firmness in the up-country centres despite increased arrivals. Arrivals amounted to 50 bars as against an off-take of 12 bars. Silver ready (below .996) changed hands at Rs 205.65 to Rs 206.

OILS & OILSEEDS

Bearish conditions were witnessed on the Bombay Oilseeds Exchange where spot and forward rates of all oilseeds and oils recorded a sharp

decline in prices due to persistent selling pressure.

In the Groundnut section, prices slumped to new low levels, inspired by the favourable prospects for the new crop. Upcountry advices indicated helpful weather in most producing areas. Moreover, the latest estimate of the crop was placed at as high as 29 to 30 lakh tons. Sentiment was further affected by the reports that the Government was not inclined to offer any incentive for the export of groundnut oil for the time being. Ground ready Bold was quoted at Rs 43.50 and Groundnut Oil at Rs 18.40.

The weakness in groundnut affected the working of the Castorseed section adversely, not to speak of the poor performance that India has had in her export of castor oil. Traders felt that the supplies held by the growers might be unloaded in the near future. Apart from the sales of 350 tons of commercial oil to the UK at prices ranging from £115 to £113½ per ton, there was little activity in the export section. Castorseed ready was quoted at Rs 32.31 and Castor Oil, commercial quality, at Rs 13.30.

In the Linseed section, trading was devoid of any fresh influence and price variations were usually governed by the behaviour of groundnut. Demand for both linseed and linseed oil was at a low ebb, as crushers and paint manufacturers were inclined to await lower prices. Ready Linseed was quoted at Rs 37.50 and Linseed Oil at Rs 16.10.

HIDES & SKINS

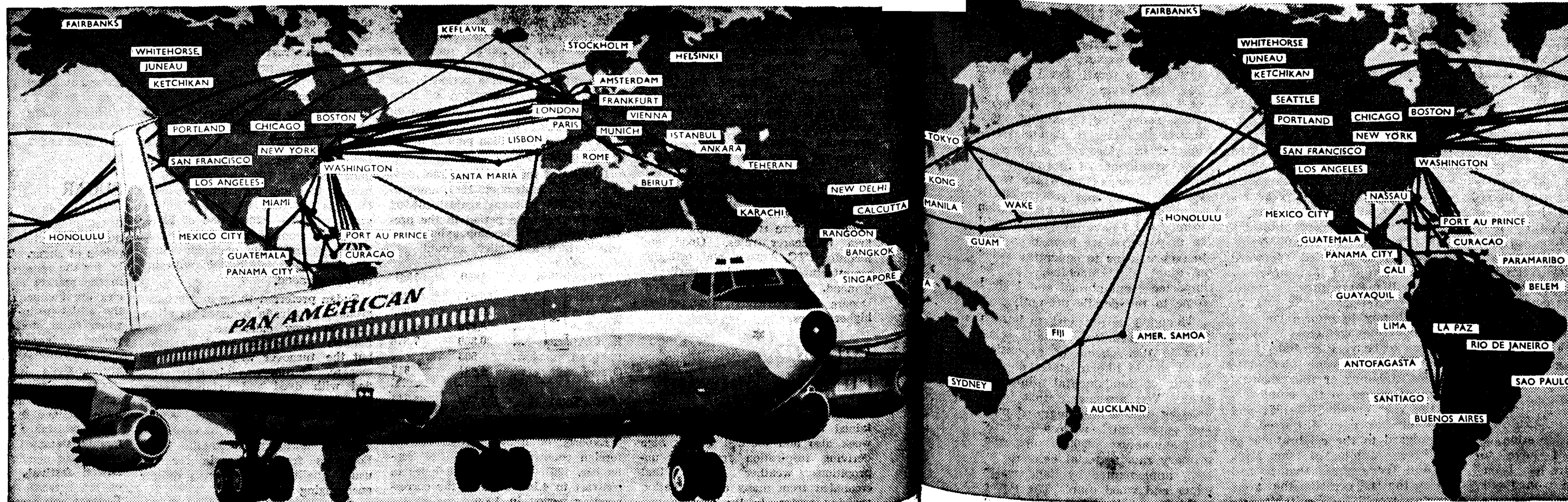
It was quite a different tone this week in the tanned cow hides market where the trend was towards higher levels. Absorption of the arrivals was good. Britain wanted to import fifties in all kinds. As for the lower weights, those of 5½ lbs were settled on the basis of 53d. For the weightier 8½ goods the price fixed was at 43d. Light weight goods could be had for 81d, 71d and 60d for runs, fourths and fifties.

The semi-premium market continued to be firm and stable. Quotations were based on 76d, 66d and 56d for 5½ lb. Negotiations at a slightly higher level than this were also noticeable in some cases. There were good inquiries for inferior fifties also.

As far as tanned Cow Calf was concerned, the price was firm. Tanned Buffalo hides were not changed. In tanned Buffalo Calf, the market trend was also unchanged.

As for tanned Goat skins, the trend was mixed. For 8/9 lbs, there was good demand for thirds and fourths. There were no changes in tanned Sheep skin prices also.

The following were the prices of tanned skins and hides per lb: cow prime 5½ lb Rs 3.12 to Rs 3/25; 6/6½ lb Rs 2.87 to Rs 2.94; 8/8½ lb Rs 2.37 to Rs 2.44; 10/12 lb Rs 2.19 to Rs 2.31; inferior fifties 4/4½ lb Rs 2.50 to Rs 2.56; 5/5½ lb Rs 2.30 to Rs 2.35; buffalo 12/13 lb Rs 2 to Rs 2.06; cow calf 1½/2 lb Rs 4.12 to Rs 4.37; buff calf 1½/2 lb Rs 2.75 to Rs 3; goat prime 8/9 lb Rs 10 to Rs 10.50; sheep ordy: 6/7 lb Rs 7 to Rs 7.50; 5/6 lb Rs 9 to Rs 10. Prime 6/7 lb Rs 11.50 to Rs 12.50.



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Mysore Paper Mills Limited

Big Expansion Programme

Continued Increase in Price of Raw Materials Affect the Earnings

Mr. M. D. Shivananjappa, Chairman, on New Financing Programme

Presiding at the Twentysixth Ordinary General Meeting of the Mysore Paper Mills, Limited, held at Bangalore on Friday the 29th September 1961 Sri M. D. SHIVANANJAPPA, I.A.S. Chairman and Managing Director said:—

Ladies and Gentlemen,

It gives me very great pleasure to welcome you to this the 26th Ordinary General Meeting of the Shareholders and to place before you the Report of the Directors and the Audited Balance Sheet for the year ended 31st March 1961. These have been circulated already and with your permission, I shall take them as read and would proceed to review the main features of the year's operations.

PRODUCTION

Production during the year under review is quite satisfactory. Sales realisation during the year amounted to Rs. 123.22 lakhs as against Rs. 141.31 lakhs in the previous year. The reduction in turnover is largely due to the revised prices fixed by the Government of India in accordance with the recommendations of the Tariff Commission from 1-1-1960, the effects of which were felt for the full year under review as against only one quarter during the previous year. The efforts of the Paper Industry to move the Government of India for a suitable revision of prices in the interest of existing units, particularly to minimise the adverse effects on smaller units like ours and in the interest of expansion of existing units and starting of new ones have not borne fruit and repeated requests are being made to Government of India by the industry for a suitable revision and I hope that the Government of India would view this question with sympathy.

In regard to despatch of papers, I would like to keep you informed that during some months in the year, there were continuous railway booking restrictions and this led to accumulation of stocks which caused strain on our liquid resources—common to Companies which finance capital projects by current resources—which necessitated draws from the Cash Credit Account. This year, we had also to meet tax liability to the extent of Rs. 9,32,700/- and also to deposit advance tax under Sec. 18 A of the Income-tax Act to the extent of Rs. 7,44,775/-. To provide for adequate working capital, your Directors have taken

steps to raise the limit of cash credit account with the State Bank of Mysore to Rs. 25 lakhs. I should hasten to state that conditions have improved now and our products are moving quickly and there is no cause for anxiety.

I must bring to your notice that manufacturing costs are mounting on account of increase in prices of raw materials, power, coal and chemicals and there are no signs of decline. Recently, Government of India have levied an excise duty of Rs. 40 per tonne on Caustic Soda. Having regard to the rates of excise duty for writing and printings, it must be said that the rates of excise duty levied on packing and wrapping paper are disproportionately high and in addition there has also been an increase in Railway freight and all these have added considerably to our expenses. The only hope, as it appears to my mind, lies in increasing production and improving efficiency and securing maximum economies calculated to reduce costs. It is with this view pending implementation of the expansion scheme-action was taken to secure Dorr Oliver's Re-austicising Unit, and I am glad to inform you that the equipments have been installed and taken to service and it is expected that appreciable economies would be secured which would go to reduce production costs.

BALANCE SHEET AND ACCOUNTS

Coming to the consideration of the Balance Sheet, I have to mention that provision has been made for depreciation on fixed assets calculated in accordance with the rates allowed for normal depreciation and extra shift allowances as per Income-tax Act, amounting to Rs. 6.69 lakhs; Rs. 1,69,700/- towards Development Rebate and a further sum of Rs. 55,000/- towards Retirement Gratuity. A provision of Rs. 6.5 lakhs has been made towards taxation. I am glad to inform you that the only one instalment of Rs. 4 lakhs that was due to the Industrial Finance Corporation of India has been paid during the year under review and the loan of Rs 50 lakhs obtained from them for financing the First Expansion Scheme has now been fully repaid, about a decade ahead of due date. A sum of Rs. 12,50,000/- remaining in the Industrial Finance Corporation of India Loan Redemption Fund has been trans-

ferred to General Reserves. As the loan has been completely repaid, the Industrial Finance Corporation of India have withdrawn their nominee, Sri T. Bhaskara Rao, from our Board of Directors. I am glad to acknowledge that the Board received valuable assistance and advice from Sri T. Bhaskara Rao and your Board have placed on record their appreciation of his services to the Company.

In regard to disposal of surplus namely Rs. 6,61,663/- including carry over of last year, which stood at Rs. 51,988/- your Directors have decided to transfer Rs. 2,50,000/- to Dividend Equalisation Fund, which fund now stands at Rs. 3,12,500/- a sum of Rs. 62,500/- having been provided for in 1954. Further your Directors, having regard to the satisfactory working during the year under review have proposed to maintain the rate of dividend at the level of previous year and to recommend declaration of a dividend of 15 per cent, subject to tax, absorbing Rs 3,75,000/-; the balance being carried forward, and I am confident that these proposals will meet with your approval.

I am happy to inform you that the labour-management relations continue to be very cordial. Your Directors have been pleased to sanction a bonus of four months' salary or wages to the employees for the year ended 31-3-1961 and the same has been disbursed.

In regard to the celebrations of the Silver Jubilee of our Mills you will remember that I had said on the last occasion that your Directors would fix a suitable date and I am glad to announce that it has been proposed to celebrate the Silver Jubilee in a befitting manner during the last week of March or 1st week of April 1962, and invitations will be sent to the Shareholders and I do hope that a very good number of shareholders will participate in the Function.

EXPANSION PROGRAMME

I now come to the important subject of the Development activities of our Mills in which you are deeply interested. When I had the privilege of addressing you for the first time in August 1959, having regard to the tightness of the foreign exchange position obtaining two years preceding, I cautiously expressed the hope that our application for increasing the production capacity of our

Mills from the present level 8,000 tons to 18,000 tons would receive sympathetic consideration at the hands of the Government of India and that I would be able to formulate specific proposals for expansion. Last year about this time I informed you that the necessary Industrial Licence had been received from the Government of India and that discussion with the Commonwealth Development Finance Co., Limited and Industrial Credit and Investment Corporation of India for exchange loans had been encouraging, the only difficulty that had delayed implementation of our scheme of expansion. I should also like to recall that I informed you that having availed myself of the opportunity of studying close range the conditions and trends obtaining in Capital Goods Market in foreign countries. Was confident of formulating a scheme of expansion which would be both sound and economical. I am indeed a matter of gratification to me, and I have no doubt it will be to you—that we have been able to secure loans to cover the value of Plant and Machinery to be imported from abroad and I shall come to the details presently.

Though I do not wish to burden you with technical details relative to the scheme of expansion yet I should like to state a few details of fundamental importance. You are aware that our existing unit is an integrated pulp and paper unit with a capacity to manufacture 8,000 tons, the primary raw material being bamboo, supplemented by Rags, waste paper and wood pulp. The Paper making capacity exceeds the pulp making capacity, if only the primary raw material, bamboo is used. It has been explained in previous years that it is this imbalance between pulp making and paper making capacity that stood in the way of achieving the target production earlier.

The current capacity of the Mills does not permit installation of a Modern Soda Recovery Plant, which alone secures higher percentage of chemical recoveries, procuring considerable economies. The present scheme of expansion contemplates use of only bamboo for manufacture of pulp, discarding rags and waste paper used at present. In this connection, I am glad to inform you that the Government of Mysore have agreed to supply annually 50,000 tons of bamboo required for the

expanded plant. The Pulp Plant expansion will have a capacity to produce sufficient quantity of pulp to feed the existing two Paper Machines of 15 tons each also the New Paper Machine 30 to 35 tons capacity. This increased capacity will enable us to install a Modern Soda Recovery Plant which secures considerable economies and reduce cost of production to a great extent.

The production of 18,000 tons of marketable paper will help to reduce costs of way of overheads, labour charges etc., and also help to meet the needs of the community. I have heard it said that the going into production of new units and additional units of the existing units produced may exceed demand by 1965. I feel that with the progress of educational and developmental activities of the Government of India and State Governments under the five year plans, entailing expenditure of crores of rupees, there will be created a demand for paper in the ensuing years which will be positively favourable to the indigenous paper manufacturers. Speaking for ourselves, I should like to say that production of 18,000 tons of marketable paper will undoubtedly increase the earnings of our Company and will place the Company on a firm and sound basis ensuring a fair return on capital and so far as marketability is concerned, I wish to add that our steady and sustained supplies during good years and bad have established for our products a ready and an assured market. The scheme of expansion is estimated to entail a total expenditure of about Rs. 350 lakhs which is proposed to be financed under:—

	Rs.
Re Capital by Rights	in lakhs
Issue	100
Loan from I.F.C.I.	60
Foreign exchange loans from DFC and ICICI .. .	140
Bank Borrowings and other resource	30
	350

As you are aware, the Shareholders at their meeting held on 10-10-1960 accorded approval to increase of authorised capital from Rs. 25 lakhs to Rs. 150 lakhs. Pursuance of that resolution, application had been made to the Controller of Capital Issues and sanction obtained to raise Rs. 10 lakhs by issue of 10 lakhs of Equity Shares of Rs. 10/- per share attaching a premium of Rs. 10/- per Share. I do not wish to go into great details regarding the same as you have all been in possession of the Letters of Offer in terms of the Controller Capital Issues sanction order. I am glad to inform you that the Government of Mysore have agreed to take 10% of the Shares which are their quota of Right

Shares and the balance of 90% has been under-written in compliance with the condition laid down by lending Institutions, under-writing commission being 1½% without brokerage.

I am happy to inform you that the response from our Shareholders has been encouraging and there have been numerous enquiries from non-members regarding the availability of the Shares and I am hopeful that the issue would be a success.

FINANCE

Reverting to the question of loans, I am very happy to inform you that I signed the Subscription Agreement with Commonwealth Development Finance Co., Ltd., on 18th August 1961, when I happened to be in London in connection with the expansion scheme of the Mysore Iron and Steel Works. According to the agreement, the Commonwealth Development Finance Co., Ltd., would give us a loan of £5,25,000 or Rs. 70 lakhs carrying an interest of 7½% repayable in 7 equal annual instalments, the 1st instalment to be paid on 31st March 1970. This amount will suffice to finance 50% of our purchases of equipment in U.K. and Europe. Further, I am glad to inform you that the agreement between Industrial Credit and Investment Corporation of India Ltd., and ourselves has also been signed on 1-9-1961 and according to the terms and conditions the Industrial Credit and Investment Corporation of India Ltd., will give us a loan of United States \$1,470,000 or Rs. 70 lakhs carrying interest at the rate of 7½% repayable in 13 half-yearly instalments, the first instalment to be paid on 1st May 1965. This loan will finance the purchases abroad to the extent of 50% and the two loans referred to above will fully cover our foreign exchange requirements. I am very happy to keep you informed that all the necessary permissions, consents and licences have been received from the Government of India. The terms and the conditions governing the loan from Industrial Finance Corporation of India have been settled, and the agreement is being signed. According to the terms and conditions the Industrial Finance Corporation of India have agreed to give us a loan of Rs. 60 lakhs carrying an interest at the rate of 7% subject to a rebate of ½% repayable in 15 instalments, the first instalment to be paid on 1st July 1965. I should like to add that the Industrial Finance Corporation of India and Industrial Credit and Investment Corporation of India Ltd., have each sought representation on our Board of Directors and we have agreed to it. In compliance of a Statutory requirement, the Industrial Finance Corporation of India have stipulated a condition that the repayment of their loan should be guaranteed by a scheduled Bank and I am glad to in-

form you that the Canara Banking Corporation Ltd., one of our Bankers has agreed to stand guarantee on a nominal guaranteeing commission of ½% on the day today balances due to the Industrial Finance Corporation of India.

As you know, certain legal formalities have to be observed for execution of loan documents referred to above. To simplify the procedure and to avoid somewhat heavy expenditure it has been agreed to appoint a common Trust Deed and to execute a common Trust Deed for the purpose, and I am happy to inform you that the State Bank of Mysore has accepted our offer to be appointed trustee, who will look after the interests of the three lending Institutions and on a nominal commission of 6 nP. per cent on the amount of the loans. You have before you resolution No. 5 relating to the borrowing powers of the Directors and as stated in the explanatory note you are requested to pass the resolution to comply with the Statutory requirement.

Having dealt with the question of finances you will naturally expect me to say a word or two regarding the Plant and Machinery to be imported from abroad. We have had full discussions and consultations with well known manufacturers and suppliers of Plant and Machinery in U.K. and Europe and it is important to bear in mind that we are free to select and buy equipment from well known firms in U.K. or the Continent as ours is not a package deal, and funds are available for the necessary purchases in U.K. and Europe. As a result of extensive survey and study, we have formulated a scheme and a schedule of purchases and in accordance with it arrangements have been made to secure best equipments at economic prices. We have concluded arrangements to secure Pulp Plant and Paper Machine from Germany and Boilers and Modern Soda Recovery Plant and Cross Cutters from U.K. I should mention here that agreeably with the policy of the Government of India provision has been made in our scheme for the purchase of balance of equipment necessary from indigenous sources.

I feel it a pleasant duty particularly to bring to your notice that the chief merit of our scheme lies in the fact that the work of erection assisted by two or three foreign erectors, installation, supervision and co-ordination of several units of the scheme is being under-taken by a devoted team of our own technical and administrative officers and operatives, who have the requisite knowledge, experience and skill, acquired and accumulated over years and I am glad to acknowledge that it is these human resources that embolden me to launch this scheme of expansion and I am quite hopeful that the scheme will be implemented successfully and expeditiously.

I have now to refer to Resolution No. 6 regarding amendments to our Articles of Association. As has been stated in the explanatory note that our Articles of Association were framed and incorporated in 1936 at the time of inception of the Company. The Indian Companies Act 1956 and the subsequent Amendment Act 1960 have introduced considerable changes. As you are aware, our Shares are quoted in the Stock Exchanges of Bombay, Calcutta and Madras and certain amendments to Articles are called for to be in conformity with their regulations and all these amendments have been made and I seek your approval to the same.

I am happy to say that as mentioned in your Directors' Report, your Directors have contributed a sum of Rs. 5000/- towards the Centenary Celebrations of Bharata Ratna Dr. Sir M. Visvesvaraya, Engineer-Statesman of Mysore who has rendered meritorious services to the State and I hope you will appreciate and approve of contribution made.

I am obliged to you all for the whole-hearted support you have been extending and look forward with confidence for a full measure of support and encouragement in the implementation of the scheme of expansion.

On behalf of the Company, I should express my grateful thanks to the Government of India and the Government of Mysore for their abiding interest in the progress of the Company and for having granted the necessary permission and consents and concessions in connection with our scheme of expansion. On behalf of the Company, I should also express my grateful thanks to the Board of Directors of the Commonwealth Development Finance Co., Ltd., London; Industrial Credit and Investment Corporation of India Ltd., Bombay; and the Industrial Finance Corporation of India, New Delhi; the State Bank of Mysore and the Canara Banking Corporation Ltd., for their valued assistance in securing funds for the expansion scheme.

I am grateful to my colleagues on the Board for the uniform courtesy, consideration and valuable guidance I have been receiving. I wish also to express on behalf of the Directors and myself our warm appreciation of the willing and efficient co-operation of all our employees.

Ladies and Gentlemen, I now move that the Directors' Report and the Audited Balance Sheet and the Profit and Loss Account for the year ended 31st March 1961 be "APPROVED AND ADOPTED."

N.B.: This does not purport to be a report of the proceedings of the shareholders' meeting, a copy of which shall be sent to the Shareholders separately.

Jay Engineering Works Limited

Usha a By-word for the Highest Value in Sewing Machines and Fans

New Sewing Machine Unit in Hyderabad

Lala Charat Ram Exhorts Employers and Employees for Dedicated Efforts for Export

THE following is the speech delivered by Lala Charat Ram, as Chairman of 24th Annual General Meeting of Shareholders of The Jay Engineering Works Limited, held on 28th September, 1961:—

Ladies and Gentlemen,

It is a matter of pleasure for me to welcome you at the 24th Annual General Meeting of Shareholders of the Company. I am however saddened by the fact that, due to illness, our Chairman, Sir Shri Ramji, has been unable to preside personally at this Year's meeting. Sir Shri Ramji is now well on the way to recovery, and all of us fervently hope that he will soon be in a position to resume his active interest in the Company.

I am very much touched by the feeling reference of Lala Kishen-lall Poddar to Sir Shri Ramji, and though, as a son, it is somewhat embarrassing for me, I must say that he has echoed the feelings of all those who have watched with interest and appreciation the progress of Jay Engineering Works Ltd. I shall convey these sentiments to Sir Shri Ramji who will

be greatly cheered by the expression of affection by the Directors and Shareholders of the Company, for him.

The Directors' Report and the Balance Sheet and Profit and Loss Account for the year 1960-61, have been with you for some time, and with your permission, I shall take them as read.

HIGHER EXPORTS & REDUCTION IN FAN PRICES

As you will have seen, Company's profit, after providing Employees' share of profit amounted to Rs. 58.4 lacs in the year under review against Rs. 52 lacs in the previous year. The increase in profit is comparatively lower because of higher exports and reduction in Fan prices to the consumer. Due to higher provision for Income Tax, the disposable profit is only slightly more than last year, and the Directors have therefore recommended to maintain the dividend at last year's level.

An idea of progress made by the Company during the last 5-year period can be had from the following figures:—

	Unit	1955-56	1959-60	1960-61
Net sale value	Crore Rs.	3.1	7.2	8.9
Profit (after providing employees' share of profit)	Lac Rs.	28.4	52.0	58.4
Production:				
— Sewing Machines	Lac Nos.	1.1	2.4	2.6
— Electric Fans	"	0.8	3.5	5.1
No. of retail points	Number	1115	1800	2000
" „ Schools	"	150	700	800
" „ Students	"	11000	50000	55000
Value of Exports	Lac Rs.	21.0	82.5	113.0

PRODUCTION INDEX IS MUCH HIGHER

It is interesting to see that while the All-India index number of industrial production for all manufacturing industries, with 1956 as base, has gone up to 126 in 1960, the corresponding figures of our Company are, 207 for Sewing Machines and 440 for Fans.

Working results for the year are quite gratifying, and you will no doubt join with me in congratulating the officers, staff, and workers of the Company for putting in the hard work which has produced these results. Our special thanks are due to Shri Bishan Sarup Agarwala and Shri T. R. Gupta for the fine performance of our splendid team of personnel at all levels.

CONSUMERS ARE BENEFITED BY REDUCTION OF PRICES

During the year, we reduced the prices of ceiling fans by Rs 5 and of table fans by Rs. 2.50 each. This step was in keeping with the Company's policy of continuously sharing the fruits of economy of operations with the consumers. We have found that Indian society is financially so stratified that demand for durable consumer goods tends to be highly elastic, and with every reduction in price, a larger and more numerous class of consumers opens up to the manufacturer. Voluntary price reductions therefore enable the company to move farther towards economies of large scale operation, with consequential benefit to consumers, employees, shareholders and to the national economy.

OPENING A NEW UNIT AT HYDERABAD

The Chairman mentioned in his speech last year that we had applied for Industrial Licence for setting up a new unit for producing 3 lacs Sewing Machines per year. Government of India has since then granted the Licence, and plans for establishing the new unit—at Hyderabad—are in hand.

As I mentioned earlier, our exports during the year under review exceeded Rs. 1 crore. This has been possible because of vigorous selling effort put in by the Company and its Selling Agents, at considerable sacrifice of immediate profits. It is a matter of pride for us that we have been in the fore-front of export promotion of engineering items like Sewing Machines and Fans, and have been able to get foothold even in industrially advanced countries like U.K., U.S.A., West Germany, France, Australia, etc. However, the bulk of our exports is still to under-developed countries, and, as is natural, these countries, like our own, are anxious to build up indigenous manufacturing industries. Again, just like us, they have the foreign exchange problem. These factors put a limitation on the size of foreign markets, and the severe international competition for them makes the promotion—or even maintenance—of exports, a function of the efficiency and quality standards that we can command.

Our country's need for foreign exchange for developmental purposes makes exports a matter of vital importance. The achievement of highest standards of productivity, efficiency, and quality thus calls for dedicated effort on the part of managers as well as workers, and no consideration of doctrinaire regard for vested "rights" of employers or employees, should be permitted to interfere with this national effort.

Our country's need for foreign exchange for developmental purposes makes exports a matter of vital importance. The achievement of highest standards of productivity, efficiency, and quality thus calls for dedicated effort on the part of managers as well as workers, and no consideration of doctrinaire regard for vested "rights" of employers or employees, should be permitted to interfere with this national effort.

PLANNING TO PUT UP MANUFACTURING AND ASSEMBLY PLANTS IN FOREIGN COUNTRIES

We have proposed to meet the challenge of exports by re-orientation of our policy in three respects. Firstly, we plan to develop further our exports to developed countries by making our products continuously more attractive to them on the basis of quality and prices; this will release us somewhat from depend-

ence on under-developed markets which, by their very nature, will shrink as they develop. Secondly, we propose to start assembly and progressive manufacture of our products in those of our present export markets which are seeking to establish industries of their own. We have already got a Licence for putting up a unit in Ceylon, and are registering a Company under the name "Usha Industries Ltd." as a subsidiary of our Company. It is proposed to have similar arrangements in other countries like Burma, Pakistan, Thailand, etc. Thirdly, we plan to help the industrial concerns in other countries to set up assemblies with a phased programme of progressive manufacture by giving them technical know-how, equipment, personnel and the supply of component parts. Such an arrangement has come in operation in South Vietnam and negotiations are going on in Iraq, Egypt and Yugoslavia.

You are probably aware that Government of India is proposing a programme of compulsory exports. A pre-requisite for the success of such a programme is an efficient system of rigid quality control so that sub-standard goods do not get exported. Otherwise there is the danger of export markets being spoiled for Indian goods, and good-will built over long periods will be lost. Means must, therefore, be devised for checking such a situation.

We believe that in the existing circumstances there is no alternative to a programme of enforced exports. At the same time it is necessary to create favourable conditions for those who are themselves willing to export. Our economy is tending to be a high-cost economy; for this reason, the need for matching the incentives which exporters of other competing countries enjoy, becomes all the more emphasized. Amongst export promotion measures awaiting Government action are, reduction in steel prices for Engineering goods, and the availability of long term credit at low rates of interest. Early decision on these will considerably stimulate exports.

It is a matter of gratification that Government has realised the need for offering Income-tax relief to exporting industries. While we are happy that the proposition has been accepted in

principle, I would like to submit to Government that the mechanics of granting the relief should be designed to avoid self-defeating delays and complications. I am moved to make this observation by our experience of existing incentives, with which it has unfortunately been the rule, rather than the exception, that mechanics of obtaining the promised reliefs have been far from simple and speedy.

I would reiterate the suggestion made by our Chairman last year that a High Power Committee should go into the matter of export incentives and should devise ways of weeding out causes which defeat or delay the inducements available to exporters.

USHA DISPLACES THE FOREIGN RIVALS

In internal market, USHA has become a by-word for the highest value in manufactured goods, and

to a very large extent, consumer preference for foreign Sewing Machines and Fans has been displaced. It appears clear from the progress of our Company and from that of other large and small-scale manufacturers, that in our field there is absolutely no need for foreign know-how or capital, and indigenous resources are adequate for meeting the country's requirement of Sewing Machines and Fans.

MALPRACTICES IN THE TRADE

In this connection I refer with some distress to what our Company considers to be a situation not conforming with rules of fair trade practice. My reference is to the exploitation of internationally established trade-names by applying them to goods which are produced neither by the owner of those names, nor in conditions under which it is customary to permit such use. To the extent

that such a practice conveys to the consumer an assurance which is not founded on facts, it needs to be discouraged in the interest of business ethics. There appear to have been only isolated instances of this type so far, particularly one in Sewing Machine industry, but the industry and Government have to safeguard against the continuance and spreading of this practice.

PROGRESSIVE EMPLOYMENT POLICY

This leads us to the need for building up the intrinsic strength of our industry. I referred a little while back to the pressing demand for high standards of productivity, efficiency and quality. Our Company is committed to a policy of 'High wages—low unit costs', and has been practising it for the past many years. By and large our experience with this concept has been encouraging,

but the realization that the monetary impact of this policy must be reciprocated in ever-increasing measure by higher performance standards, requires more to be driven home. Employee relations in our Company are a worthy example to industries anywhere. I am therefore mentioning this not in a spirit of dissatisfaction, but as a live fact which must be increasingly realised and translated into practice if progressive employment policies are to survive the forces of competition in internal and foreign markets.

Ladies and Gentlemen, I am very proud of this opportunity of addressing you today, and I hope that operations of the Company in the year have been a matter of satisfaction to you. Thank you.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

The Praga Tools Corporation Limited

Technical Collaboration with Foreign Firms

Sound Financial Position

Shri S. Ranganathan, Chairman, on Company's Future Prospects

The following is the speech of Shri S. Ranganathan, Secretary, Ministry of Commerce & Industry, Government of India and Chairman of the Board of Directors at the Seventeenth Annual General Meeting of the Shareholders held on September 28, 1961:—

Gentlemen,

We met last on March 27, 1961 for the Sixteenth Annual General Meeting of the Company and I am happy to welcome you to the Seventeenth Meeting in six months' time. This is possible because we have been able to close the accounts for the year ended March 31, 1961 and present the same to you within the period of six months stipulated in the Companies Act.

2. The audited statement of accounts and the Directors' Report thereon have already been sent to all shareholders. You would have also received, as on the last occasion, a simplified Balance Sheet and Profit and Loss Account. These would give at a glance the working results of the Company. With your permission, I shall take them as read.

3. As you are aware, the Government of India started taking an interest in the affairs of our Company in 1956 and appointed

some of their officers to serve on the Board, even when the Industrial Trust Fund of the erstwhile Hyderabad Government acted as the Managing Agents. Later, the Managing Agents resigned as from July 1, 1958, from which date the management of the affairs of the Company has been the direct responsibility of your Board of Directors assisted by a General Manager.

4. I propose, with your permission, to review briefly the progress achieved by the Company since your Board assumed direct charge of its affairs. At the outset I am glad to report that during the period of 2 years 9 months from July 1, 1958 to March 31, 1961 the Company earned a gross profit of Rs. 17.36 lacs, after providing for full depreciation. Almost all this profit, however, has had to be utilised in writing off past losses, value of intangible assets and unsaleable finished goods, developmental expenses, etc. so that the final carry over of profit on March 31, 1961 is only Rs. 23.631. Your Directors can take justifiable pride in the fact that today the Company has been placed on a comparatively sound footing and its financial position is such that a reasonable share of the surpluses accruing in succeeding years could go to the payment of dividends, and the

balance ploughed back for expansion programmes.

5. The capital of the Company was reconstituted in 1958 by writing down the share value from Rs. 50 to Rs. 35 per share. Even so the loss carried forward was Rs. 9.99 lacs. Another important step was the decision of the Central Government to invest Rs. 70 lacs in the Company. At the same time the Andhra Pradesh Government agreed that the loan granted by them to the Company of Rs. 17.75 lacs could be converted into share capital. They also agreed to forgo the outstanding interest of Rs. 5.29 lacs due to them. These steps put the Company in ready funds to meet its various commitments and its business could thereafter be conducted without the nightmare of constant financial difficulties to which it had been subject in the preceding years.

6. One of the handicaps this Company suffered from was the lack of adequately experienced personnel at the middle management levels. This deficiency has been remedied by the appointment as heads of departments of persons with considerable experience in their respective lines. The post of Works Manager, however, continues to be vacant since November 1959 and attempts to recruit a suitable person have not

yet succeeded owing to the paucity of persons with requisite technical experience.

7. In the factory itself, considerable improvements have been effected. The drainage was improved to prevent storm water entering the machine shop and causing damage to machinery as has happened in past years. The machines were re-laid out to form productwise sections to the maximum extent. Considerable re-wiring of the plant was undertaken in order to minimise electrical losses and breakdowns which were occurring frequently. Over sixty machines have been reconditioned. In order to minimise running repairs and sudden breakdowns a preventive Maintenance Unit has been formed. A systematic lubrication procedure has been introduced. A new and hygienic canteen has been built. All these steps have already yielded results in the greater utilisation of machines.

8. With the available plant and machinery the factory had reached a production level of Rs. 60 lacs per annum in 1959 itself, but during 1960, due to unsettled labour conditions, production came down to Rs. 48 lacs in 1960-61. In the current year 1961-62 we have every hope of reaching the Rs. 70 lacs target provided labour continues to co-operate, and if this

figure is reached the shareholders could not reasonably complain.

9. As at the time of my last report to you, labour situation has been continuing to cause us concern; but I am glad to report that on the 1st July 1961 the management and the Employees' Union signed a settlement which gave the workers an additional dearness allowance of Rs. 10/- per month and certain other benefits in the form of a night shift allowance and supply of uniforms. In its turn the Union has entered into a truce agreement for three years and has also agreed to the revision of work-norms and work standards by mutual negotiation. This settlement if implemented in the spirit, will be a landmark in the labour-management relations in this company, and we may look forward to peace in the industry and to a climate for better working and productivity in the coming years. The General Manager who has conducted these delicate negotiations deserves our congratulations.

10. Thus, we have so far, with some measure of success, consolidated the position of the Company and ordinarily there should be no fear of its sliding back. With this assurance, we have now taken in hand a substantial expansion. As you are all aware our Company has signed technical collaboration agreements with three British firms for the manufacture of drill chucks, lathe chucks and tool and cutter grinders respectively. Negotiations, are currently under way with a fourth British firm for the manufacture of milling machines under licence. The Government of India have already assigned to this Company a definite role in the machine tool industry. Three hundred acres of land on the outskirts of Hyderabad near Maula Ali Railway Station are being acquired. When these expansion schemes are completed the factory would produce about Rs. 2 crores worth of machine tools and accessories annually besides the other products the Company is currently manufacturing.

11. Since we last met here, there has been another significant development. The Company has negotiated and signed an agreement with CEKOP of Poland for the preparation and supply of a Project Report for a unit manufacturing machine tools of various types. This Project Report is expected to reach us in a month or two. The Government of India have already earmarked Rs. 1 crore for the use of our Company out of the Polish Credit. A second agreement with CEKOP for the supply of machinery under this credit arrangement is under negotiations.

12. You will expect me to say something about the future. All I would say is that I am optimistic, even though some of our

products are in the competitive field. Already there is keen competition from other entrepreneurs in same lines; this competition could be expected to increase rather than decrease. But quality is our hall mark and if we maintain our standards, I am not unduly pessimistic about sales. There may however be need to reduce prices. Greater productivity is the answer and our management is fully alive to this need.

13. Our General Manager Shri B. Venkataraman who has been with us since July 1958 is due to retire shortly from the Company on October 18th next. I am sure you will wish to express our sincere appreciation of his services to the Company and to wish him a happy retirement.

Shri A. M. Kelkar, an Officer of the Industrial Management Pool who joined the Company as Officer on Special Duty on July 21, 1961 will be taking over from him and we propose, with your permission, to designate him as Managing Director.

14. This will be the last occasion I shall attend your meeting as Chairman of the Board of Directors. The President has decided to appoint Shri P. S. Rau as Chairman and I am confident that the Company's affairs will register under his able and experienced stewardship greater and greater success.

N.B.—The above does not purport to be the report of the proceedings of the seventeenth annual general meeting of the Company held on September 28, 1961.

JESSOP AND CO. LTD.

Notice is hereby given that in compliance with the provisions of the Preference Shares (Regulation of Dividend Act, 1960, the Board of Management has sanctioned the payment of an Interim Dividend on 5% Cumulative Preference Shares for the half year ending 31st October, 1961, at the rate of Rs. 3.25 per share subject to deduction of tax in accordance with the Finance Act currently in force.

The Preference Share Transfer Register will be closed from 28th October to 1st November, 1961, both days inclusive.

Dividends will be paid only to the Shareholders whose names are registered in the Books of the Company on the 1st November, 1961 or to their Mandatees.

BY ORDER OF THE BOARD

K. S. BASU
SECRETARY.

63, Netaji Subhas Road,
Calcutta, 28th September, 1961.

THE INDIAN IRON AND STEEL COMPANY LIMITED

Notice is hereby given that the Register of Members and Share Transfer Books for Preference Shares in the Company will remain closed from the 10th October to 13th October, 1961, both days inclusive, for the purpose of payment of Preference Dividend for the half-year ended 30th September, 1961, on or after the 1st November, 1961, to those Preference Shareholders whose names appear on the Company's Register of Members on the 13th October, 1961 or to their mandatees.

By Order of the Board,
Martin Burn Ltd.,
F. G. Liversedge
Managing Director,
Managing Agents.

Registered Office,
12, Mission Row,
Calcutta-1.
2nd October, 1961.

MARTIN BURN LIMITED

Notice is hereby given that the Register of Members and Share Transfer Books for Preference Shares in the Company will remain closed from the 10th October to 13th October, 1961, both days inclusive, for the purpose of payment of Preference Dividend for the half-year ended 30th September, 1961, on or after the 13th October, 1961, to those Preference Shareholders whose names appear on the Company's Register of Members on the 13th October, 1961 or to their mandatees.

By Order of the Board,
L. K. Sen Chowdhry,
Acting Secretary.

Registered Office,
12, Mission Row,
Calcutta-1.
2nd October, 1961.

THE CHAMPDANY JUTE COMPANY, LIMITED

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held at its Registered Office at 2, Netaji Subhas Road, Calcutta-1 at 3-30 p.m. on 26th October 1961 to consider and if thought fit to pass the following resolution as an Ordinary Resolution:—

"That the Directors be and they are hereby authorised to sell the land and premises comprising the Company's Champdany Mill and the appurtenances thereto together with the plant, machinery, equipment and installations situated thereat to Kothari & Company Private Limited for the sum of Rs. 48,20,000 upon and subject to the terms comprised in an Agreement entered into between the Company and the said Kothari & Company Private Limited, and that the said Agreement submitted to this Meeting be and the same is hereby approved."

By order of the Board,
JAMES FINLAY & CO., LTD.
Managing Agents.

Dated Calcutta,
30th September, 1961.

EXPLANATORY STATEMENT

As your Directors indicated in their Report to the Shareholders for the year ended 31st March, 1961, it has been decided to concentrate the manufacturing operations of the Company at Wellington Mill and to close down Champdany Mill in order to reduce manufacturing costs. In pursuance of this policy, negotiations have taken place between your Directors and Kothari & Co. Pri-

vate Ltd. for the sale of the Company's Champdany Mill and, subject to your consent under Sec. 293(1) (a) of the Companies Act, 1956, it is your Directors' intention to proceed with the sale to Kothari & Co. Private Ltd. on the terms indicated in the resolution and in the Agreement referred to therein. The Agreement contains the usual stipulations that the sale is subject to the Company making out a good and marketable title to the property to be sold and to the property being free from encumbrances, and also to a provision that it is subject to your consent under the above Resolution.

Inspection

A copy of the said Agreement is available for inspection at the registered office of the Company, No. 2, Netaji Subhas Road, Calcutta-1, during the usual office hours and will also be available at the meeting.

Interest of Directors and Managing Agents

Your Directors and Managing Agents are or may be deemed to be interested in the resolution as follows:—Mr. A. I. Murison, Mr. N. S. Coldwell, Mr. R. G. Edwards, Mr. K. P. Goenka and Mr. B. Gill as members and directors and James Finlay & Co. Limited as Managing Agents and members of the Company.

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

Company Reports

Excellent Results of Jay Engineering

THANKS to the upward trend in production, Jay Engineering Works Limited has produced excellent working results for the year ended 31 March, 1961. The output of sewing machines has risen to 256,000 from 242,000 and fans to 514,000 from 346,000. Sales also have kept pace with production. Total sales are shown higher at Rs 3.89 crores against Rs 7.21 crores.

The net profit for the year, after providing for Depreciation and Taxation, amounts to Rs 34.76 lakhs as against only Rs 32.44 lakhs for the preceding year. Except for General Reserve which is reduced from Rs 4.80 lakhs to Rs 2.70 lakhs, all other allocations have been increased: Depreciation from Rs 23.55 lakhs to Rs 29.36 lakhs; Taxation from Rs 19.50 lakhs to Rs 22.85 lakhs and Development Rebate Reserve from Rs 7.00 lakhs to Rs 8.56 lakhs. The dividend on the Ordinary shares is, however, maintained at 17.15 per cent, subject to tax.

The directors have, in their report, stated that the zig zag sewing machine will be introduced in the home market during 1961. The company has continued its efforts towards exports, which show an increase of 50 per cent over last year. It has received the Government's approval for putting up a factory for the manufacture of sewing machines with a capacity of one lakh machines per annum on single shift basis. Since the end of accounting year under review, the company has placed orders for capital goods amounting to Rs 10.19 lakhs.

Mg. Agents:—Madan Mohan Lall Shri Ram & Company, Limited.			
Year ended March	1961	1960	
	Rs.	Rs.	
Sales	88,934,401	72,063,503	
Stocks	15,049,050	10,855,822	
Stock in progress	5,677,734	3,942,062	
Net profit	8,691,232	7,549,759	
Taxation	2,285,000	1,950,000	
Depreciation	2,936,025	2,355,397	
Reserve Fund	270,000	480,000	
Development Rebate Reserve	856,000	700,000	
Div. Amount Ord.	1,843,356	1,562,794	
Div. Amount Pref.	500,000	499,893	
Carry Forward	7,173	6,322	
Div. % Ord.	17.15T	17.15T	
Div. % Pref.	10T	10T	

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

Liabilities.	1961	1960
	Rs.	Rs.
Capital P up:		
10% TRC Pref.	5,000,000	5,000,000
Ordinary @ Rs 10	9,112,500	9,112,500
Ordinary @ Rs 5	1,636,233	...
Share Application Money	8,005	...
5% Debentures	5,000	203,000
5 1/2% Debentures	800,000	1,000,000
6% Debentures	900,000	1,000,000
6 1/2% Debentures	2,700,000	2,800,000
Share Premium	1,308,987	...
Capital Reserve	1,535,306	1,535,306
Reserve Fund	4,150,000	3,880,000
Other Funds	2,340,000	1,484,000
Loans Secured	30,587,210	18,827,680
Loans unsecured	11,397,999	8,846,387
Taxation Provision	7,813,889	5,537,495
Debts	21,986,083	16,389,443
Carry Forward	7,173	6,322
Total	101,288,385	76,422,133

Assets.	1961	1960
	Rs.	Rs.
G. Block	43,486,950	37,115,564
Depreciation	16,945,698	14,036,750
Block (net)	26,541,252	23,078,814
Capital Assets	115,299	38,902
Miscellaneous Exp.	...	9,000
Stores	3,218,531	2,147,316
Stocks in progress	5,677,734	3,942,062
Raw Materials	11,657,373	8,197,936
Stocks	15,049,050	10,855,822
Outstandings	29,028,211	22,138,040
Do More than 6 months	946,063	...
Mis. Deposits & Advances	7,928,756	5,368,638
Investments	6,183	6,183
Cash	1,119,933	639,420
Total	101,288,385	76,422,133

Expansion Plan by Aluminium Corporation

The construction work on the expansion project of the Aluminium Corporation of India is reported to be going on well and the equipments for the metal production section have been since shipped. The directors hope that the additional metal will flow out of the plant early in 1962. Orders for the plants to fabricate aluminium metal into finished products like sheets, circles, foils, extrusions, ACSR cables, etc. and for the alumina plant are being finalised.

Meanwhile, the company has reported a substantial rise in the net profit, after providing for Depreciation and Taxation, to Rs 25.48 lakhs from Rs 11.58 lakhs for the preceding year. The directors have made the following allocations:— Depreciation Rs 4.76 lakhs (Rs 9.00 lakhs); Taxation Rs 13 lakhs (Rs 14.50 lakhs); General Reserve Rs 14 lakhs (Rs 1.00 lakh) and Development Rebate Reserve Rs 7,107 (Rs 6,356). The dividend is, however, repeated at Rs 1.20 per share, subject to deduction of tax.

The subscribed capital is Rs 1,02,50,000 divided into 6,25,000 ordinary shares of Rs 10 each; 20,000—5 per cent Cumulative Preference shares of Rs 100 each and 20,000—6 per cent Cumulative Preference shares of Rs 100 each. The gross block at Rs 4.00 crores is depreciated by Rs 1.14 crores, leaving a net block of Rs 2.86 crores.

Mg. Agents:—J. K. Industries (Private), Ltd.			
Year ended March	1961	1960	
	Rs.	Rs.	
Sales	12,812,093	12,937,863	
Stocks	1,672,273	791,565	
Stock in progress	1,551,792	1,880,276	
Net profit	4,324,220	3,507,939	
Taxation	1,300,000	1,450,000	
Depreciation	475,751	900,000	
Reserve Fund	1,400,000	100,000	
Development Rebate Reserve	7,107	6,356	
Div. Amount Ord.	750,000	750,000	
Div. Amount Pref.	306,000	306,000	
Carry Forward	133,107	47,745	
Div. % Ord.	12T	12T	
Div. % Pref.	8.8T	8.8T	
Div. % 2nd Pref.	6.5T	6.5T	

(Annual General Meeting held on 28-9-61).
*After writing back Rs 983,660 being depreciation excess provided over normal and Rs 168,090 being excess provision for liabilities.

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

Liabilities.	1961	1960
	Rs.	Rs.
Capital P up:		
6% C Pref.	2,000,000	2,000,000
5% RC Pref.	2,000,000	2,000,000
Ordinary	6,250,000	6,250,000
5% Debentures	1,000,000	1,000,000
5 1/2% Debentures	2,000,000	2,000,000
Share Premium	324,162	324,162
Capital Reserve	17,382,556	17,382,556
Reserve Fund	4,000,000	2,600,000
Other Funds	52,884	45,777
Staff Prov. Fund	1,104,244	950,737
Taxation Provision	4,700,000	3,400,000
Debts	4,339,330	3,596,289
Carry Forward	133,107	47,745
Total	45,286,283	41,599,266
Assets		
G. Block	40,022,956	39,523,323
Depreciation	11,417,317	11,943,880
Block (net)	28,605,639	27,579,443
Cap. Exp. in progress and Advance	2,321,052	...
P. F. Trustee A/c.	1,104,244	950,737
Stores	1,770,417	1,663,331
Stocks in Progress	1,551,792	1,880,276
Raw Materials	428,986	329,219
Stocks	1,672,273	791,565
Outstandings	1,253,502	1,293,189
Do More than 3 months	105,219	...
Mis. Deposits and Advances	3,255,491	1,390,497
Investments	457,740	442,665
Deposits in Banks	2,500,000	4,900,000
Total	45,286,283	41,599,266

Orissa Textile Fares Well

Despite serious floods which dislocated the entire transport system, and communications in Orissa last year, the Orissa Textile Mills Limited has been able to maintain production and report better results for the year ended 31 March, 1961. While sales have gone up to Rs 3.31 crores from Rs 2.86 crores, the net profit, after providing for Depreciation, amounts to Rs 12.35 lakhs as against Rs 2.94 lakhs for the previous year.

The present profit has been adjusted against the previous year's debit balance, leaving still a debit balance of Rs 22.18 lakhs, which is carried forward. The directors state that the company is now in a position to enter the export markets.

The authorised and issued capital is Rs 75,00,250. The subscribed capital is Rs 73,78,564, divided into 4,80,020 Ordinary shares of Rs 10 each and 25,002 1/2—5 per cent Redeemable Cumulative Preference shares of Rs 100 each. Forfeited shares amount to Rs 78,114. The gross block at Rs 2.47 crores is depreciated by Rs 1.39 crores, leaving a net block of Rs 1.08 crores.

Mg. Agents:—B. Palnaick & Co. (Private) Ltd			
Year ended March	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	33,127,262	28,601,325	25,699,241
Stocks	1,464,052	2,066,975	3,637,867
Ram Materials	10,689,011	6,237,444	1,896,453
Stock in progress	1,592,458	1,434,641	1,163,537
Net profit	2,167,599	1,264,734	1,601,617
Depreciation	932,857	971,035	1,032,870
Carry Forward	—2,217,524	—3,452,266	—3,745,965
Div. % Ord.	nil	nil	nil
Div. % Pref.	nil	nil	nil

(Annual General Meeting held on 5-10-61).

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

Liabilities.	1961	1960	1959
	Rs.	Rs.	Rs.
Capital P up:			
5% RC Pref.	2,500,250	2,500,250	2,500,250
Ordinary	4,800,200	4,800,100	4,740,100
Forfeited shares	78,114	78,164	78,164
Loans Secured	22,018,318	18,403,656	18,161,229
Debts	4,164,658	3,847,705	2,943,052
Total	33,561,540	29,629,875	28,452,795

Assets.			
G. Block	24,739,462	24,314,617	23,794,145
Depreciation	13,929,109	13,064,532	12,034,420
Block (net)	10,810,353	11,310,085	11,759,725
Stores	3,534,438	2,570,116	2,387,479
Stocks in progress	1,592,458	1,434,641	1,163,537
Raw Materials	10,689,011	6,237,444	2,892,538
Stocks	1,500,282	2,121,209	3,637,367
Outstandings	1,886,475	1,626,301	1,769,633
Do More than 6 months	230,327	236,497	?
Mis. Deposits and Advances	866,483	582,305	634,346
Investments	10,000	10,000	210,000
Cash	224,189	49,011	451,735
Debit Balance	2,217,524	3,452,266	3,745,965
Total	33,561,540	29,629,875	28,452,795

Higher Profits for Bisra Stone

Thanks to the increase in production and despatches, the Bisra Stone Lime Company, Limited has reported increased earnings for the year ended 31 March, 1961. Raisings of Limestone are higher at 12,50,435 tons against 10,09,789 tons. The output of Dolomite has increased by 1,48,323 tons to 4,39,269 tons. The output of Lime is, however, lower by 2,87,197 maunds at 10,31,763 maunds.

The net profit, before providing for Depreciation and Taxation, is higher at Rs 33.45 lakhs as against Rs 28.04 lakhs. A sum of Rs 5.48 lakhs (Rs 3.50 lakhs) is set apart for Depreciation; Rs 13.28 lakhs (Rs 11.37 lakhs) for Taxation; Rs 9.00 lakhs (Rs 2.50 lakhs) for General Reserve and Rs 2.45 lakhs (Rs 65,000) for Development Rebate Reserve. The dividend is, however, maintained at 30 per cent, taxable.

Mg. Agents:—Bird & Co. (Private) Ltd.			
Year ended March	1961	1960	1959
	Rs.	Rs.	Rs.
Raisings Lime-stone (tons)	1,250,435	1,009,789	980,933
Dolomite (tons)	439,289	290,946	...
Lime (mds)	1,031,763	744,586	...
Sales	19,421,140	14,285,521	11,256,549
Stocks	511,078	499,420	637,168
Net profit	3,945,264	2,802,938	1,629,372
Taxation	1,328,000	1,137,000	616,477
Wealth Tax	548,441	349,900	278,463
Depreciation	900,000	250,000	...
Reserve Fund	245,000	65,000	203,000
Development Rebate Reserve	...	700,000	300,000
Other Funds	...	...	...
Div. Amount:	300,000	300,000	187,000
Ordinary	59,420	35,597	33,581
Carry Forward	307	307	18 7/10
Div. % Ord.	...	...	...
(Annual General Meeting held on 29-9-61)			

Synopsis of balance sheet as on the last day of March.			
Liabilities	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid-up	1,000,000	1,000,000	1,000,000
Capital Reserve	113,580	113,580	113,580
Reserve Fund	3,960,056	550,256	300,128
Other Funds	1,152,901	3,135,653	3,454,480
Loans Secured	3,184,853	2,219,905	2,141,7
Taxation Provn.	829,989	618,784	21,417
Debits	4,984,214	3,922,154	2,852,707
Carry Forward	59,420	35,597	33,581
Total	15,284,993	11,595,889	9,986,807

Assets.			
G. Block	9,222,366	7,731,751	8,122,085
Depreciation	4,537,856	4,117,891	3,830,422
Block (net)	4,684,510	3,613,860	4,291,663
Capital Exp. in progress	345,666	214,820	293,296
Stores	2,167,868	1,875,089	1,377,034
Stocks	511,078	499,420	637,158
Outstandings	5,384,819	4,010,566	3,042,084
Do More than 6 months	1,294,310	840,323	...
Mis. Deposits and Advances	517,200	403,467	206,238
Investments	70,888	8,001	6,333
Cash	308,859	130,343	133,021
Total	15,284,993	11,595,889	9,986,807

NISCO Skips Dividend Again

The reduction in sales from Rs 1.49 crores to Rs 1.42 crores is reflected in the working results of the National Iron & Steel Company, Limited for the year ended 31 March, 1961. The accounts reveal a loss of Rs 75,562 as against a net profit of Rs 1.17 lakhs for the preceding year. The Depreciation is lower at Rs 5.22 lakhs against Rs 6.09 lakhs. Including the year's loss, there is a debit balance of Rs 9.55 lakhs. This is set off against the balance of the General Reserve account, leaving a debit balance of Rs 7.05 lakhs, which is carried forward.

The directors state that the scarcity of raw materials, in particular billets and first grade melting scrap, continued throughout the year and there is not still much improvement. They have however, assured the shareholders that all efforts are being made to improve the position.

Board of Directors.			
Year ended March	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	14,195,966	14,910,039	10,555,666
Services rendered	297,588	356,667	441,227
Stocks	2,356,848	2,891,276	1,931,617
Net profit	-75,562	117,163	1,355,444
Taxation	...	...	2,72,000
Wealth Tax	...	...	34,886
Depreciation	521,744	608,644	648,230
Reserve Fund	...	...	1,344,000
Development Rebate Reserve	...	...	38,500
Other Funds	...	...	630,000
Div. Amount:	...	...	374,700
Ordinary	-955,279	-357,973	133,508
Carry Forward	Nil	Nil	61/5
Div. % Ord.	...	...	...
(Annual General Meeting held on 30-9-61).			

Synopsis of balance sheet as on the last day of March.			
Liabilities.	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid-up	4,996,000	4,996,000	4,996,000
7% Debentures	2,000,000	2,000,000	2,000,000
Share Premium	490,631	490,630	490,630
Capital Reserve	189,987	140,008	140,008
Reserve Fund	249,890	249,890	250,083
Other Funds	697,800	697,800	697,800
Loans Secured	1,862,323	2,198,343	1,990,835
Loans unsecured	265,238	1,508,040	834,171
Taxation Provn.	85,028	483,657	727,963
Debits	5,369,067	4,164,694	4,330,539
Carry Forward	...	...	123,508
Total	16,185,934	14,929,062	14,791,517

Assets.			
G. Block	14,434,142	13,717,076	13,032,992
Depreciation	8,632,008	8,110,264	7,525,700
Block (net)	5,802,134	5,606,812	5,507,292
Stores	2,320,977	1,882,805	2,237,822
Stocks in progress	12,292	248,037	252,235
Raw Materials	715,783	951,439	895,952
Stocks	2,356,848	2,891,276	2,971,617
Outstandings	1,736,672	1,255,733	1,371,674
Do More than 6 months	364,970	...	...
Mis. Deposits and Advances	1,575,410	1,310,370	1,218,837
Investments	305,207	305,207	305,207
Cash	40,362	119,610	240,901
Debit Balance	955,379	357,973	...
Total	16,185,934	14,929,062	14,791,517

Expansion Programme of Praga Tools

The directors of the Praga Tools Corporation Limited have, in their latest report, stated that arrangements for putting a new factory are on hand. The expenditure, incurred on this account to the end of the year ended 31 March, 1961, amounts to Rs 10.40 lakhs.

In addition to the collaboration arrangements concluded with the three British firms for the

manufacture of drill chucks, lathe chucks and tool and cutter grinders, it is proposed to develop the manufacture of milling machine in collaboration with another British firm. Negotiations in this regard are in progress.

The Government of India have authorised the company, to enter into an agreement with Centrala Handlu Zagranicznego Obiektow Przemyslowych-CEKOP of Warszawa, Poland, for the manufacture of Polish type machine tools by the company, utilising the Polish credit to the extent of Rs 1 crore, available under the agreement on Economic Co-operation between the Government of India and the Polish People's Republic.

Meanwhile, the company has reported a rise in sales from Rs 47.89 lakhs to Rs 67.15 lakhs, although the net profit is slightly lower at Rs 3.15 lakhs as against Rs 3.45 lakhs for the preceding year. Adding the balance brought forward of Rs 3.73 lakhs, there is an available balance of Rs 6.88 lakhs. Out of this, a sum of Rs 6.64 lakhs is written off against losses and expenditure on the development of work-in-progress and Rs 19,291 against expenditure on jigs and fixtures, leaving a balance of Rs 23,631 to be carried over.

Board of Directors.			
Period ended	1-4-60	1-7-59	1-7-58
	to	to	to
Sales	6,714,566	4,788,850	7,334,168
Stocks	883,763	1,573,547	1,612,829
Stock in progress	2,939,767	2,417,618	1,802,742
Net profit	174,918	1,349,255	1,123,222
Taxation	...	...	65,000
Depreciation	523,954	389,071	481,270
Development Rebate Reserve	...	80,000	85,000
Carry Forward	23,631	372,667	-507,517
Div. % Ord.	Nil	Nil	Nil
(Annual General Meeting held on 26-9-61).			

*After setting off Rs 644,886 towards losses and expenditure on the Development of Work-in-Progress and Rs 19,291 towards expenditure on jigs and fixtures.

*After writing back Rs 529,316 being interest on loans waived by Government of Andhra Pradesh.

*The debit balance of Rs 3,064,039 has been reduced to Rs 999,469 by reduction of share capital by Rs 2,064,570.

Note:—The working results are not comparable as the periods of closing of accounts are different.

Synopsis of balance sheet as on the last day of March.			
Liabilities.	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid-up	13,592,320	13,592,320	13,592,320
Forfeited shares	97,450	97,450	97,450
Capital Reserve	180	...	...
Other Funds	243,032	248,486	168,486
Taxation Provn.	...	68,854	86,454
Debits	1,585,401	1,172,238	1,461,896
Carry Forward	23,631	372,667	...
Total	15,542,014	15,552,015	15,406,606

Assets.			
G. Block	9,638,482	7,938,368	7,509,366
Depreciation	5,251,396	4,739,217	4,357,548
Block (net)	4,387,086	3,199,151	3,151,817
Capital Exp. in progress	344,495	335,187	231,722
Stores	2,399,503	1,809,399	1,548,096
Stocks in progress	2,797,759	2,307,457	1,802,742
Raw Materials	1,824,456	1,551,353	1,333,082
Stocks	883,763	1,573,547	1,612,829
Outstandings	1,867,597	813,908	1,050,262
Do More than 6 months	110,037	179,529	...
Mis. Deposits and Advances	646,092	615,710	888,808
Investments	1,986	...	1,986
Deposits in Banks	3,000,000	3,000,000	3,000,000
Cash	368,945	164,788	477,947
Debit Balance	...	...	807,517
Total	15,542,014	15,552,015	15,406,606

Quoted Shares

Preference Shares

CALCUTTA

BANKS

COAL

MININGS

CEMENT

COTTON

JUTE

MISCELLANEOUS

TEA

SUGAR

SHIPPING

PRESSING

NEAL PROPERTY

SAW MILLS

SHIPPING

SUGAR

SHIPPING

PRESSING

NEAL PROPERTY

SAW MILLS

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SHIPPING

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[illegible]

NAME	Paid-up per Share	Quotation as on 29-9-61 Rs. 100
Laxmi Starch	100	172.50
Madhya Pradesh Ind.	10	14.70
N. I. Fisheries	100	105.00
New India Indus.	100	405.00
Ogale Glass Works	5	5.32
Permanent Magnet	50	86.00
Phillips Carbon	78	19.00
Rohtas Indus.	10	16.44
Selected Satgram Col.	100	116.50
Supreme Industries	100	145.00
Synthetic & Chemis.	100	194.00
Thacker & Co.	50	40.00

Ordinary Shares (Cleared) COTTON TEXTILES

Ambedkar Advance	100	183.00
Ambedkar	2	1.98
Ambedkar Jamb.	100	75.00
B. R. Cotton	100	44.25
Bombay Dyeing	25	69.50
Central India	100	138.00
Century	100	560.50
Edward Textile	200	305.00
Elphinstone	50	85.50
Finlay	100	321.00
Gokak	100	194.00
India United	10	15.16
India United (Dtd.)	100	169.00
Indore	1	2.00
Khatia	100	437.50
Kohinoor	100	295.50
Minerva	100	80.00
Morjee	100	395.00
Mysore	50	87.50
New Great	100	230.00
Omanahali	100	70.00
Podar	100	138.00
Shrinivas	100	267.00
Simplex	50	165.00
Standard	50	1262.00
Svadeshi	100	271.50
Swan	100	615.00
Tata	25	67.00

ELECTRICS

Ahmedabad	100	94.00
Andhra Valley	100	1035.00
Bombay Suburban	100	102.50
Tata Hydro	100	110.75
Tata Power	100	1147.50

CEMENT

Andhra C.	10	9.40
A-C-C	100	166.75
Crista	10	14.72
Shree Digvijay	100	178.00

STEEL

Indian Iron	10	24.52
Mukund	10	27.35
Tata	75	145.75

ENGINEERING

Alcock	100	307.00
Cooper	100	187.00
Larsen and Toubro	10	39.00
Tata Engg. and Loco.	100	344.50
Metals	10	17.28
Texmaco	100	297.00

SHIPPING

Great Eastern	10	13.72
Scindia	20	12.68

SUGAR

Balapur	50	265.00
Bhopal	10	24.80
Phalari	50	133.00
Shree Chandee	124	23.92
Walchand	100	163.50

MISCELLANEOUS

Bombay Burnah	125	608.00
B. B. Petrol	144	1.36
Industries Motor	100	19.44
Indian Copper	24	4.82
Ind. Inv. Trust	100	75.00
National Rayon	100	548.50
Nelson	100	170.50
Premier Auto	100	156.00
Premier Const.	30	190.25
Shivrajpur	10	97.50
Sriram Paper	10	16.12
Tata Chemical	10	17.76
Tata Oil	25	76.80
Wimco	100	291.00

For the Investor

INVESTMENT GOSSIP

Dull Phase

The stock market has generally been ruling somewhat dull during the past week. While the more speculative counters have been moving within narrow margins, selected shares all along the list have been meeting with support mainly on indications of growth and other prospects such as bonus and rights shares issues. There are a number of factors in the investment situation favouring a cautious approach to equities. Perhaps an urgent consideration is the forthcoming long Puja holidays in Lyons Range. The dislocation to traffic and damage to crops caused by the recent floods in Eastern India and the continued shortage of coal may slow down industrial production, prospects of which are not brightened by the new import policy with its emphasis on capital imports.

If sentiment has not deteriorated, it is probably because the first meeting of the Presidents of the Stock Exchanges and the AICC session have so far not produced any jitters. It would appear that at Thursday's meeting in Bombay, it has been concluded that whatever reform is needed is to be implemented without much ado. The meeting is reported to have finalised only one measure. This refers to margin; a graded scale of carry-over margins ranging from 2 to 50 per cent, depending on the quantum of carried forward business in all the cleared shares from one settlement to another, will be levied. In determining the margin the value of the membership card and the security deposit of a member will be taken into account. Although the meeting is said to have noted the need for curbing curb trading, no decision seems to have been taken. The matter is to be left to be tackled by the various stock exchanges themselves. It is evident from the behaviour of the market during the past two days that it is not unduly disturbed by the outcome of the meeting of the Committee of the Presidents of the Stock Exchanges. The AICC has now approved the election manifesto without any major changes. Marketmen may derive some comfort from the fact that the amendment seeking to put a ceiling on urban property income has been thrown out.

The outlook for the stock market in the immediate future appears to be a phase which will be a continuation of the present dull conditions with selected shares receiving support on favourable news. Soon after the Puja holidays in Calcutta, Dalal Street will start preparing for its Diwali recess. A pronounced bullish phase may therefore not be in the offing for some time to come.

NEW ISSUE NOTES

Upper Doab Sugar

The Upper Doab Sugar Mills Limited, Shamli (U.P.), an existing public company having a paid up capital of Rs 63,76,200 has been accorded consent, to issue a capital of Rs 25 lakhs divided into equity shares of Rs 100 each for cash, at a premium of Rs 25 per share, to the existing shareholders of the company.

Dehri-Rohtas Light Railway

Dehri-Rohtas Light Railway Company Limited, Dalmianagar, Bihar, running a narrow gauge railway line for movement of public traffic and having a paid-up capital of Rs 30,02,600, have been accorded consent to issue 1,00,000 equity shares of Rs 10 each as bonus shares to their existing shareholders on capitalisation of the company's reserves to a like extent.

Victoria Mills

The Victoria Mills Limited, Bombay, has a paid-up capital of Rs 25,60,000 (Rs 8 lakhs in Preference shares and Rs 17,80,000 in Equity). It has been granted consent to issue bonus shares of the value of Rs 4,40,000 to be made in the ratio of one bonus share for every four equity shares held. The company is engaged in the business of spinning-weaving, manufacturing and processing of cotton and piece goods.

Kalasa Tea

The Kalasa Tea & Produce Company Limited, Mangalore, has been granted consent to the issue of capital of Rs 3 lakhs divided into 1,50,000 equity shares of Rs 2 each to be issued as bonus shares on capitalisation of reserves to a like extent. The present paid-up capital is Rs 6,00,000 in ordinary shares of Rs 2 each.

Ghaziabad Engineering

Ghaziabad Engineering Company Private Limited an existing private company engaged in the manufacture of engines, diesel engines etc. and deal in Bosch Parts and Tractors, have a paid-up capital of Rs 4,50,000. The company has been accorded consent to the capitalisation issue of bonus shares of the value of Rs 1,12,500 to its existing shareholders in the ratio of one for four shares held.

Struthers Wells

Struthers Wells (India) Limited has obtained the necessary industrial licence and will be in the capital market, sometime in December, with a public issue of Rs 37 lakhs. This company is formed for the manufacture of plants and equipments for use

by industries, such as fertilizer factories, petroleum refineries, chemical dyes and pharmaceuticals. The technical collaborators are Struthers Wells International Corporation of the USA. The capital outlay of the project is estimated at Rs 2 crores. This is to be met by way of Rs 37 lakhs from public subscription, Rs 30 lakhs from subscriptions from promoters and their friends; Rs 32 lakhs from the foreign collaborators and a long-term credit of Rs 1 crore. The factory will be located at Chinchwad, near Poona.

Hind Rectifiers

Hind Rectifiers Limited, Bombay, is expected to enter the market for raising capital in December next. The company, which was converted into a public limited concern in April 1961, has an authorised capital of Rs 30 lakhs in equity shares of Rs 100 each, of which the issued and paid-up capital is Rs 5 lakhs. Out of the new issue of Rs 20 lakhs, the existing members will subscribe Rs 5 lakhs, while the foreign collaborators will take up shares worth Rs 3 lakhs, subject to Government's approval. The public will be offered Rs 12 lakhs. On completion of the scheme, the annual output is expected to reach Rs 50 lakhs in about three years. At present, the company produces selenium rectifier apparatus. It proposes also to manufacture silicon rectifier apparatus and silicon diodes.

INVESTMENT NOTES

South India Viscose

The South India Viscose Limited proposes to set up a plant in Coimbatore for the manufacture of dissolving pulp from hardwoods, such as eucalyptus and wattle. The company's plant for the manufacture of viscose, rayon yarn and staple fibre is at Mettupalayam. The new plant will be set up in collaboration with an Italian firm. The plant will have a production capacity of 21,000 tons a year.

Bisra Stone Lime

The Bisra Stone Lime Company Limited has decided to issue bonus shares in the ratio of three fully paid-up equity shares of Rs 10 each for every share held, by the capitalisation of General Reserves to the extent of Rs 30 lakhs. The company has applied to the Controller of Capital Issues for the necessary sanction.

Hasimara and Huldibari

It is understood that the Hasimara Industries Limited and the Huldibari Tea Company Limited have applied to the Controller of Capital Issues for issuing bonus shares in the ratio of one share for each share held.

Digvijay Cement

Shree Digvijay Cement Company Limited has been successful in concluding an agreement with a well-known US firm for securing financial as well as technical collaboration for the asbestos sheet and high pressure pipe-making project. The American

collaborators have agreed to provide the necessary technical know-how for the manufacture of asbestos cement products on the payment of royalty, both on the internal and export sales. The terms have, it is understood, been approved by the Government of India with some modifications. Further negotiations are being carried on with the Government in this connection.

Travancore Chemical

The Travancore Chemical and Manufacturing Company Limited will be issuing 50,000 equity shares of Rs 10 each, at par, to the equity shareholders, as on 1 December 1961. A sum of Rs 5 per share is payable on or before 15 January 1962 and the balance on or before 15 April 1962. The new shares will rank for dividend pari passu with the old shares from 1 April, 1962.

J. K. Synthetics

J. K. Synthetics Limited is putting up a Nylon factory at Kota. This is the first plant to be set up in India by J. K. Organisation. The building is almost complete. The plants and machinery is under erection. The erection work is going on in full swing and every possible effort is being made to complete it as early as possible. It is expected that the plant will go into production before the close of the current year. The nylon industry has a very bright future and the scheme is expected to yield good return.

IISCO

According to the figures released by the Indian Iron & Steel Company Limited for last month, the output of Pig Iron has shown a sharp fall to 97,760 metric tonnes from 101,000 tonnes in August, while that of Steel Ingots is slightly higher at 76,888 tonnes against 76,053 tonnes. The output of saleable steel has declined to 60,138 tonnes from 62,809 tonnes. Despatches have also declined to 58,138 tonnes from 62,156 tonnes. In this connection, the directors have stated that 3,200 tonnes could not be despatched, because of non-availability of B. R. Ts on the last day of the month under review and due to destination restrictions.

TISCO

The Tata Iron & Steel Company has reported a slight increase in the output of saleable steel to 107,000 metric tons in September from 102,700 tons in August. On the other hand, the production of Pig Iron is lower at 123,900 tons as also that of Steel Ingots at 128,300 tons as compared with 131,500 tons and 131,700 tons respectively. The shortfall between scheduled and actual steel production in September was, it is learnt, due to irregular receipts of raw materials compelling an average withdrawal of 4,838 tons per day from the reserve stock. There was the usual difficulty of increase in ash content of coal. The fall in pig iron output was due to heavy shortfalls in supplies of iron ore from

the mines as a result of which operation of the furnaces had to be slowed down.

STOCK EXCHANGES

See-Saw

Movements

Watch-Dog Writes:

CONDITIONS in stock markets have remained, on the whole, steady during the week under report. Both the bulls and the bears have been extremely cautious in their commitments. Whatever transactions, that have been taking place, are in the nature of squaring-up.

The general trend is unlikely to change much, as there is an anxiety to watch the deliberations of the Madurai Congress meeting as well as the final decision to be made by the Stock Exchange Presidents in their jurisdictions with regard to share reform.

Apart from a few firm features, conditions in other counters on the Calcutta Stock Exchange remained generally steady.

Values on the Bombay Stock Exchange moved indecisively during the major part of the week under review.

Steadier conditions were witnessed on the Madras Stock Exchange where activity was more prominent in the Textile and Miscellaneous sections.

CALCUTTA

Calcutta, Friday Evening.
ALTHOUGH activity continued to be restricted, the local stock exchange displayed a steady trend with prices responding to selective support. Apart from a general reluctance to extend commitments in view of the ensuing holidays for the Puja festival, operators were unable to take a constructive idea about the future trend of the market.

Even a times, apprehensions grew that the bulls had perhaps been weakened rather to a point of being scared by the recent recession that drained out much of their available funds. The decision made at Bombay by the Committee of the Stock Exchange Presidents to adopt a uniform system of margin on carry-over business, the Government decision to continue development imports even at the cost of maintenance imports, reports of damage to the crops by the widespread rains and floods in various parts of the country, anxiety to watch the deliberations of the Madurai Congress meeting, the growing shortage of credit, the shocks induced by a crop of adverse corporate news and the uncertainty in the international political situation—all these factors had an adverse effect on sentiment.

Nevertheless, some of the shrewd operators seemed to be optimistic about the investment outlook especially when many companies had already framed plans for the diversification of their activities. With the result, bears, too, were not bold to hammer down values by taking advantage of a stalemate. Thus, in the absence of any aggressive buying or selling, prices moved within a narrow groove. There was a general feeling that there would not be any major change in values in the near future.

The Giltedged market was dull and interest was limited to a few loans. Medium-dated loans were on offer. Some of the State Loans were also marked down due to moderate offerings. 3 per cent 1986 Conversion Loan, after opening lower at Rs 72.90, improved gradually towards the close to Rs 74.25.

Bank shares remained generally steady. Punjab National came in for business at Rs 18.50 to Rs 18.69.

Jute shares met with only small business. Prices, where changed, were inclined to be upward, reflecting the growing feeling that the industry had now turned the corner due to the easing position of raw jute supply. Howrah were enquired up to Rs 20.62 from Rs 20.25; Fort William up to Rs 26.87 from Rs 26.69; Champdany up to Rs 131 from Rs 125 and Khardah up to Rs 17/12 from Rs 17.00. New Central were, however, sticky at Rs 17.06.

Coal shares were generally neglected in the absence of any news of fresh import to boost sentiment. Burakur moved rather irregularly between Rs 18.06 and Rs 18.31 due to alternate buying and selling, while Bengal met with some enquiry at Rs 385 and also Amalgamated at Rs 21.44. Western Bengal were rather quiet at Rs 9.34 against Rs 9.44.

Teas, too, were in a section in which nothing peculiar happened to report except that Hasimara and Huldibari met with sustained support following the proposals made by these companies to issue one-for-one bonus issues. Even in the case of these companies, there was considerable profit-taking at the higher levels, resulting in Hasimara being marked back to Rs 30.37 from Rs 32.44 and Huldibari to Rs 29.12 from Rs 29.50. Basmatia turned quiet at Rs 26 after being done up to Rs 26.25, while Bishnauth changed hands on the ex-dividend basis at Rs 19.37 to Rs 19.62.

Sugar shares continued to remain weak following the abolition of controls on the distribution and price of the sweet commodity. Raza/Buland came in for offer at as low as Rs 10.94 and SKG at Rs 10.81. Carew were, however, nearly maintained at Rs 13.19.

If there was any section, which displayed conspicuous strength on active bull support, that was the Textile, thanks to the hopes of larger offtake of cloth during the ensuing Puja festival. Jay Shree were enquired up to Rs 18.12 (Rs 17.06); Elgins up to Rs 22.25 (Rs 22); Cawnpore up to Rs 9.25 (Rs 9.09) and J. K. Rayon up to Rs 19.06 (Rs 18.81). Figures shown within brackets were the week's closing rates.

In the Engineering section, price movements were rather irregular due

to the speculative activity in Indian Irons which, in turn were subjected to settlement considerations till Wednesday. After opening steady at Rs 24.38, Indian Irons improved to Rs 24.48. Selling pressure at this level brought down the scrip at one time to Rs 24.18 before finishing the week at Rs 24.34. Jessop were taken up to Rs 21 from Rs 19.81; Guest, Keen, Williams up to Rs 41 from Rs 39.94 and TEXMACO up to Rs 17.45 from Rs 16.90, to close finally at Rs 29.62; Rs 40.75 and Rs 17.45 respectively. Binani Metal were rather steady at Rs 12 with J. K. Steel and Dalmia Iron ruling rather quiet at Rs 20.62 and Rs 10 respectively.

Miscellaneous issues showed a mixed trend, as will be clear from the price trends of a few selected shares:

	High	Low	Closing
Orient Paper	36.85	35.20*	35.50*
Shree Gopal	26.75	26.50	26.50
Sriram	16.12	15.81	16.12
Rohtas	16.69	16.37	16.44
Dunlop Rubber	54.84	53.75	54.25
H. Motor	19.31	18.72	19.31
Asso. Battery	37.19	36.75	37.12
Goodyear	38.12	37.75	37.75
Isaac Holden	19.75	19.12	19.12
I. Oxygen	39.15	39.15	39.15
I. Cable	37.50	35.81*	35.81*
I. Aluminium	35.25	35.00	35.19
I. Steamship	8.12	7.94	8.03
I. Copper	4.78	4.71	4.75
BIC	10.50	9.19	9.50

*=Xd.

Grading of Mica

Rapid and accurate classification of mica, micanite and other laminated sheets can now be made with an apparatus developed at the Central Glass and Ceramic Research Institute Calcutta. The development of the apparatus is of significance in view of the fact that India meets nearly 80 per cent of the world's total requirements of good quality sheet mica.

The quality of mica is generally evaluated visually on the basis of properties such as colour, waviness and presence of stains and spots. Tests with the new apparatus developed at the CGCRI reveal that visual evaluation is not a satisfactory method for determining the quality of mica and a correct assessment can be made only by determining its power factor. The conventional methods of power factor determination are too slow and elaborate for commercial routine testing of mica sheets. These limitations have been overcome in the new apparatus. The new apparatus is portable, self-contained, battery-run and is easy to operate. This renders it eminently suitable for use in industry. Test-pieces of any size and thickness can be evaluated with the apparatus.

Another process for making modified phenolic and urea resin adhesives was developed at the Shri Ram Institute for Industrial Research, Delhi.

RESERVE BANK OF INDIA ISSUE DEPARTMENT: (In 000's of Rupees)			
	Week Ended		
	29-9-61	22-9-61	30-9-60
LIABILITIES:			
Notes in Banking Dept.	34,79.88	31,98.89	14,99.33
Notes in Circulation...	1857,23.93	1868,69.58	1799,63.84
	1892,03.81	1890,68.47	1895,63.16
ASSETS:			
(A) Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Starting Securities	116,86.07	116,86.07	123,00.89
Total of A	234,62.10	234,62.10	240,76.92
(B) Rupee Coin	128,61.31	127,22.24	131,52.23
Rupee Securities	1538,80.40	1538,78.13	1431,74.91
	1892,03.81	1890,68.47	1895,63.16

BANKING DEPARTMENT:			
	Week Ended		
	29-9-61	22-9-61	30-9-60
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	50,00.00	50,00.00	40,00.00
National Agricultural Credit (Stabilisation) Fund	6,00.00	6,00.00	5,00.00
Deposits:			
(a) Central Govt.	59,46.37	55,04.84	63,31.71
(b) Other Govt.	12,49.47	11,36.27	18,46.04
(c) Banks	78,67.78	84,30.57	104,93.04
(d) Others	146,69.86	173,65.83	87,62.49
Bills Payable	24,38.27	24,71.03	31,17.80
Other Liabilities	17,51.57	18,99.81	15,32.61
	491,91.86	518,08.35	640,64.39
ASSETS:			
Notes	34,79.88	31,98.89	14,99.33
Rupee Coin	2,00	1,41	4,91
Subsidiary Coin	3,95	3,79	4,90
Bills Discounted:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	12,76.74	18,44.48	16,85.33
Balances held abroad	12,87.34	18,42.42	16,17.86
Loans & adv. to Govt.	49,36.26	48,53.28	27,36.86
Other Loans & Adv.	138,32.97	135,84.93	130,52.72
Investments	231,23.70	260,60.79	232,31.98
Other Assets	17,49.12	17,14.38	18,81.84
	491,91.86	518,08.35	640,64.39

(1) The item 'Other Loans and Advances' included Rs. 5,34,50,000 advanced to scheduled banks against unsecured bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA (In 000's of Rupees)			
	Week Ended		
	22-9-61	15-9-61	22-9-60
Demand Liabilities in India			
(a) Borrowings from banks other than the State Bank & a notified bank (A)	13,44.14	19,02.12	16,00.21
(B) Other demand liabilities	729,34.87	920,14.39	918,87.63
Time Liabilities in India			
(a) Borrowings from banks other than the State Bank & a notified bank (A)	20,34.32	19,14.40	19,31.35
(B) Other time liabilities	1164,09.73	1116,39.26	1131,90.44
Borrowings in India from the State Bank and/or a notified bank			
(a) Demand Liabilities	16,46.36	9,10.32	7,24.97
(B) Time Liabilities	57.00	9,11.00	10,20.00
Borrowings in India from the R. B. I.			
Capital in India	45,45.85	44,14.85	44,49.46
Balances with the Reserve Bank of India	198,40.81	77,08.82	77,40.81
Balances with other banks in current account in India	15,70.86	15,23.91	16,04.86
Money at call and short notice in India	26,54.64	43,85.87	42,43.67
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposits	720,34.66	606,61.38	487,38.06
Advances in India	978,07.04	1067,41.93	1071,81.48
Unpaid Bills Purchased and Discounted in India	97,69.29	113,64.65	117,49.30
Foreign Bills Purchased and Discounted in India	40,59.81	45,59.72	45,70.28

*Figures are provisional since complete returns have not been received from Banks.
A-Including borrowings from R.B.I. also.

STATE BANK OF INDIA (In 000's of Rupees)			
	Week Ended		
	29-9-61	22-9-61	30-9-60
LIABILITIES:			
Capital Paid-up	5,62.50	5,62.50	5,62.50
Reserve Funds	7,45.00	7,45.00	7,30.00
Deposits and other Accounts	532,61.52	524,46.40	591,65.45
Borrowings from other Banks, Agents, etc.	17.00	17.00	16.76
Bills Payable	10,24.63	9,93.39	9,11.60
Bills for Collection as per contra	2,06.19	2,90.17	2,15.94
Acceptances etc. for constituents as per contra	87.50	89.91	1,70.86
Other Liabilities including Inter-office Adjustments	15,33.37	15,16.51	26,40.94
Total	575,37.70	566,66.88	644,10.85
ASSETS:			
Cash in hand and with R. B. I.	23,69.68	26,08.88	26,23.73
Balances with other Banks	4,32.92	3,15.00	3,24.35
Money at call and short notice	1,60.00	2,30.00	1,18.33
Government and other Treasury Securities	161,28.59	210,27.05	359,62.91
Other Authorized Investments	9,24.37	9,39.36	9,80.01
Loans Advances cash credits & Over Drafts	231,45.87	231,09.63	210,87.94
Bills Discounted and Purchased	11,01.28	11,59.04	8,17.04
Bills for collection as per contra	2,86.19	2,90.17	2,18.94
Constituents' Liab. incl. etc. as per contra	87.50	89.91	1,70.86
Dead Stock	3,32.31	3,32.56	2,56.10
Other Assets	23,69.68	25,35.28	18,48.94
Total	575,37.70	566,66.88	644,10.85

CLEARING HOUSE RETURNS

Week ended 29 September, 1961

Clearing House	No.	Amount
		Ra. nP.
Madras	104807	14,38,22,099 00
Delli	52252	12,29,66,993 27
Kanpur	30646	3,80,90,690 00
Bombay	611644	94,61,90,000 00

BANK OF ENGLAND
(In Million £)

	Week ended		
	27-9-61	20-9-61	28-9-60
Notes in Circulation	2,309.7	2,309.7	2,316.9
Notes in Banking Department	21.6	18.7	33.6
Govt. debt and securities	1,314.0	1,314.0	2,367.8
Other securities	0.7	0.7	0.7
Gold Coin and Bullion	0.4	0.4	0.4
BANKING DEPARTMENT:			
Deposits—			
Public Accounts	14.6	13.7	11.7
Treasury Special Account	232.9	232.9	149.0
Banks	265.3	251.4	257.6
Other	71.4	69.2	66.6
Total	584.5	567.1	485.8
Securities—			
Government	517.5	515.9	445.1
Discount and Advances	43.4	30.8	12.2
Other	19.6	19.5	19.1
Total	580.6	566.1	476.4
Banking Department reserves	23.5	19.5	34.5
Proportion %	3.8	3.4	7.1

Government debt is £11,015,100 Capital £14,553,000
Fiduciary issue reduced by £25 million to £2,333 million on 30 September, 1961.

STATE BANK OF PAKISTAN ISSUE DEPARTMENT: (In 000's of Rupees)			
	Week Ended		
	22-9-61	8-9-61	23-9-60
LIABILITIES:			
Notes in Banking Dept.	12,00.11	12,58.87	12,02.84
Notes in circulation	348,04.54	352,26.96	342,02.82
	360,04.65	364,80.83	354,04.36
ASSETS:			
(A) Gold Coin & Bullion	24,93.90	24,93.90	24,64.79
Approved Foreign Exchange	71,06.87	71,73.95	73,06.09
India Notes receivable from Reserve Bank	43,01.64	43,01.64	43,01.61
(B) Rupee Coin	3,84.31	3,00.49	3,11.15
Govt. of Pak. Securities held with Reserve Bank of India pending transfer	211,37.87	215,60.79	203,28.66
Gold coin & Bullion	19.02	19.02	19.02
Starting Securities	4,40.63	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90	1,00.90
Rupee coin	29.51	29.51	29.51
Total	360,04.65	364,80.83	354,04.36

BANKING DEPARTMENT:			
	Week Ended		
	22-9-61	8-9-61	23-9-60
LIABILITIES:			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	4,65.00	4,65.00	5,15.00
Rural Credit Fund	2,00.00	2,00.00	2,00.00
Deposits—			
(a) Central Govt.	25,35.15	20,52.80	9,85.60
(b) Provincial Govts.	95.54	8,58.54	2,80.95
(c) Banks	17,17.43	17,99.32	30,73.99
(d) Others	113,18.43	111,34.86	101,89.83
Bills payable	11.06	13.76	1,95.78
Other Liabilities	8,07.34	7,65.72	10,49.90
ASSETS:			
Notes	174,49.84	170,85.00	152,60.13
Rupee Coin	12,00.11	12,58.87	12,02.84
Subsidiary Coin	70	79	61
Bills purchased & disc'd.	61	69	51
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. Treasury Bills	...	...	...
Balances held outside Pk. Loans & Adv. to Govts.	17,44.69	16,35.87	26,14.91
Provincial Governments	80.00	75.00	6,95.00
Debtor Balances	...	...	...
Other Loans & Advances	42,74.14	43,95.79	5,09.53
Investments	91,97.95	87,65.03	93,60.76
Other Assets	9,51.64	9,57.96	8,76.67
Total	174,49.84	170,85.00	152,60.13

ISSUE OF GOLD COIN AND BULLION, SILVER BULLION, Sterling securities and approved Foreign Exchange to Banks' notes issued, 40.17 per cent.

SCHEDULED BANKS IN PAKISTAN
(In 000's of Rupees)

	Week Ended		
	15-9-61	8-9-61	16-9-60
DEMAND LIABILITIES:			
(a) General	202,17.99	201,57.21	202,68.56
(b) Deposits from Banks	5,25.87	5,10.16	5,61.75
(c) Borrowings from Banks	11,11.80	11,06.02	10,31.82
TIME LIABILITIES:			
(a) General	116,80.07	117,32.73	105,76.26
(b) Deposits from Banks	3,63.38	3,63.31	3,01.77
(c) Borrowings from Banks	8,52.72	9,38.08	8,40.78
Borrowings from the State Bank			
(a) Against Unsecured promissory notes	31,23.25	34,48.50	12,50.00
(b) Other Borrowing	3,70.95	4,12.34	1,48.25
CASH IN PAKISTAN:			
(a) Pakistan Notes	6,51.71	6,32.24	5,99.19
(b) Pakistan Rupee Coins	34.48	32.46	28.55
(c) Pak. Subsidiary Coins	12.26	12.88	10.00
BALANCE WITH THE STATE BANK:			
(a) Principal Office	9,25.82	9,30.45	11,07.10
(b) Other Offices and Branches	6,96.30	6,45.34	6,82.16
Balances with other banks in Current Account in Pk.	4,35.04	4,30.04	4,38.70
Money at call & short notice in Pakistan	18,07.02	18,72.80	19,76.50
INVESTMENT (AT BOOK VALUE):			
(a) In Central Govt. Securities including Treasury Bills	109,14.17	109,64.30	111,73.04
(b) In Provincial Govt. Securities including Treasury Bills	17,87.38	19,10.98	19,75.77
(c) In Others	3,38.01	3,39.61	3,15.86
ADVANCES IN PAKISTAN:			
196,41.39	201,57.04	147,30.70	
BILLS DISCOUNTED IN PAK.	6,19.44	6,14.09	4,14.17
FOREIGN BILLS BUILT. PK.	16,32.71	15,76.21	15,11.80

INDEX NUMBERS OF SECURITY PRICES
(1952-53=100)

Week ended	24-9-60	16-9-61	23-9-61
Government and semi-Government securities—All-India			
TOTAL	101.1	101.1	101.1
Government of India	101.0	101.0	101.0
State Governments	102.5	102.2	102.2
Municipal, Port Trust, etc.	100.0	99.6	99.6
Debentures of Joint Stock Companies—All-India			
Total	100.7	101.2	101.3
Preference shares—All-India			
Total	86.8	83.3	83.1
Variable dividend industrial securities—All-India			
TOTAL	169.7	177.6	177.9
Agriculture and Allied Activities			
Total*	165.3	164.5	164.3
Tea Plantation	157.0	159.0	158.6
Coffee Plantation	205.9	172.3	171.0
Rubber Plantations	169.1	174.1	173.7
Mining and Quarrying: Total	145.9	157.1	157.0
Coal	115.7	122.3	120.5
Other Mining	166.7	181.0	182.1
Processing and Manufacturing:			
Total	183.7	191.4	191.7
Processing & Mfg. (Food stuffs, Textiles Etc. Total*)			
	184.7	199.7	199.1
Sugar	190.6	159.6	159.6
Cotton, Textiles	151.9	173.8	175.0
Jute Textiles	89.9	83.7	83.3
Silk & Woollen	103.0	115.0	116.1
Processing & Mfg. (Metals, Chemicals Etc.) Total*			
	193.4	195.0	195.3
Iron & Steel	160.2	156.2	155.5
Transport Equipment	385.0	394.0	393.3
Electrical Machinery	132.3	163.4	167.0
Machinery Other than Transport and Electrical	205.9	206.4	207.8
Basic Industrial Chemicals	215.2	204.9	20.0
Processing and Mfg. (Others): Total*			
	162.4	159.1	162.4
Cement	143.8	144.4	148.5
Paper	218.0	206.2	210.0
Other Industries: Total*	108.6	100.5	110.6
Electricity Generation and Supply	81.5	85.2	85.1
Trading	110.9	110.9	119.3
Shipping and other Transport	104.5	93.3	94.4
Construction	316.2	286.9	286.9
Financial Total	171.6	198.9	199.0
Banks	191.1	225.7	225.4
Insurance	134.2	144.2	146.8
Investment Trusts	87.1	90.3	90.3

are you a victim of executive fatigue?

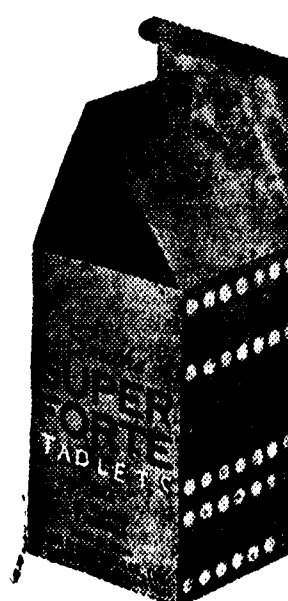
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Indian Finance

INVESTOR'S SUPPLEMENT

Irregular Price Movements in September

AN irregular trend prevailed on the stock market during September with equities alternatively subdued and cheerful. In early trading prices staged a mild rally which, however, proved short-lived. Sentiment again revived in the second week and this time the recovery lasted for about a week. Although bears continued to be subdued during the third and fourth weeks of the month, bulls were found to be reluctant to extend commitments.

The withdrawal of enhanced margins on certain scrip in the forward list in Calcutta was the signal for a renewed bear attack. The downtrend was further aided by the depressed sentiment in steel shares and prices were marked down on a wide front. The reiteration by the Chairman of the Indian Iron and Steel Company Limited at the annual meeting of the shareholders of the company adversely affected Indian Iron shares. Although the Chairman of the Tata Iron and Steel Company Limited had pointed out that there was no cause for undue pessimism as regards the prospects of the company, the fact that its working results were somewhat disappointing kept interest in steel shares at a low ebb.

Fresh buying had also been hindered by a number of restraining influences that were at work during the early part of the month. The resumption of nuclear tests first by Russia and then by the US and the growing anxiety in the country on account of the fast undertaken by the Akali leader Master Tara Singh in connection with his demand for a Punjabi Suba called for caution. Operators were also worried over the talks that were to be held at the end of the first week between the Union Finance Minister and the presidents of the principal stock exchanges in the country relating to the reform of stock markets. It was generally believed that the outcome of the meeting would be some more restrictions on trading on stock markets.

During the second week of the month, there was a distinct improvement in sentiment, particularly on Lyons Range. The rally stemmed mainly from the fact that contrary to earlier apprehensions, the Union Finance Minister in his discussions with the presidents of the stock exchanges had made it clear that the responsibility of curbing speculation should primarily rest with the stock exchanges themselves and that Government would have to interfere only when the stock exchanges were found unable to maintain order. Far from reducing the stock exchanges to a position of secondary importance, the Finance Minister had made them shoulder

the responsibility for effecting whatever reform was considered necessary. A committee comprising presidents of seven recognised stock exchanges has been entrusted with the new task. The first meeting of the committee was expected to take place early in October.

While the uncertainty as regards curb measures issuing from Government all of a sudden has been removed, it does not follow that there will not be any restrictions on trading. But the fact remained that the responsibility of ensuring the proper conduct of the stock market devolved on the authorities of the stock exchanges themselves. The basis of the renewed apprehension was that it was not claimed that unhealthy practices were totally absent and

consequently, there might be some self-imposed regulations. The publication of the Congress Party's election manifesto did not produce any visible reaction presumably because there was nothing new in it as far as the stock market was concerned. Towards the close of the month, there were other considerations such as the forthcoming Puja holidays in Calcutta and the reported government decision on the recommendations of the Tariff Commission as regards cement prices. Rumour had it that the price of cement would not be increased to the full extent of the Tariff Commission's recommendation. There was also a tendency to await the outcome of the first meeting of the Committee of Presidents of Stock Exchanges.

Sectionwise, jute shares were easy most of the time in view of the heavy loss incurred by the industry in recent months. However, there was a mild rally during the second half of the month following increase in working hours of mills. The outlook for the industry in the current year is considered good as raw jute will be available in sufficient quantities to enable mills to increase production further.

Despite the bright prospects of expansion of the industry, coal shares continued to rule dull. It was evident that investors were of the view that unless there was improvement in the transport position and coal prices were revised upward, dividends might not show much improvement.

Tea shares were a generally dull market although selected shares met with good support from time to time. Buyers were not encouraged by the lower prices obtained at the auctions and the growing apprehension that there might be a glut in the market due to over production.

Sugar shares which were dull in earlier dealings turned easy later on following the abolition of controls on price and distribution. The reactionary tendency was impelled by the apprehension that sugar prices might develop a steady downward trend.

Perhaps the only section that ruled steady throughout the month was textiles. The sustained interest in the section stemmed from hopes of larger offtake of cloth during the festival season. The fact that an additional export quota for the UK had been obtained further stimulated interest in the section.

While engineering shares were generally subdued, the miscellaneous section provided some firm spots on encouraging developments. Banks were a dull market with glitged ruling quietly steady most of the time.

PRICE TRENDS DURING SEPTEMBER, 1961				
	Opening Rs.	Highest Rs.	Lowest Rs.	Closing Rs.
FORWARD LIST:				
Indian Iron	25.14cd	25.56cd	24.18xd	24.38xd
TEXMACO	18.40	17.90	16.10	17.05
Orient Paper	35.80	37.15	34.70	36.70
Shree Gopal	24.25	26.87	23.94	26.25
Rohtas	15.69	16.69	15.25	16.30
Dunlop Rubber	48.37	54.81	47.62	53.75
Hindustan Motor	19.06	20.09	17.81	19.00
Indian Cable	36.12	37.94	35.62	37.25
Indian Aluminium	34.06	35.81	33.56	35.25
Indian Copper	4.72	4.88	4.64	4.77
Howrah Jute	20.00	20.25	19.37	20.25
Burrakur Coal	18.25	18.44	17.81	18.44
GILTDEDGED:				
3% 1986 Conversion	73.25	73.25	72.30	72.90
BANKS:				
Punjab National	24.00	18.56	18.12	18.31
United Commercial	90.00	91.00	89.75	90.50
TEXTILES:				
Cawnpore	8.09	9.62	8.03	9.31
Elgins	19.00	22.19	18.87	22.06
J. K. Rayon	18.37	19.44	17.81	19.31
JUTES:				
Anglo-India	177.00	177.00	167.00	177.00
Birlas	24.87	25.81	24.50	25.62
New Central	17.69	17.75	16.87	17.12
COALS:				
Bengal	359.00	362.00	359.00	360.00
TEAS:				
Brooke Bond	16.12	16.12	15.75	15.75
Hasimara	31.87	35.56	30.50	34.50
Hantapara	120.00	123.00	120.00	121.00
SUGARS:				
Carew	13.06	13.81	13.06	13.81
Cawnpore	13.25	13.44	13.06	13.12
Dyer Meakin	34.25	35.12	34.00	34.62
ENGINEERINGS:				
Jessop	19.50	20.00	19.09	20.00
G. K. Williams	37.62	40.37	37.62	40.25
J. K. Steel	21.00	21.37	19.62	20.81
Jay Engineering	28.12	29.19	28.06	27.25xd
MISCELLANEOUS:				
Alkali Chemical	38.87	39.00	38.06	38.87
Associated Battery	34.75	37.12	34.75	37.12
Binani Metal	11.44	11.94	11.12	11.75
British Paints	27.19	27.87	26.87	27.19
Goodyear	37.25	38.50	37.25	37.37
Indian Oxygen	38.87	40.25	38.87	39.15
India Steamship	7.25	8.06	7.19	7.97
Isaac Holden	19.50	20.37	18.37	19.56
Jay Shree Tea	18.00	18.31	17.69	18.06
Kesoram	28.87	30.31	27.00	29.50
NICCO	36.69	39.12	36.69	37.50xd
Phillips Carbon	19.25	19.56	18.62	19.37
Sirpur Paper	14.19	16.69	14.06	16.19
Titaghar Paper	33.50	36.00	33.25	35.37
Union Carbide	49.50	52.00	49.25	51.25

*Quoted on X-Bonus basis.

NAME	Managing Agents, Agents/Secretaries	Loans		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents Commission and allowances Rs. 000	Year ended Rs. 000	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	DIVIDEND		
		Hessian	Sacking								Latest	First previous	Se pre
Agarpara ...	B. N. Elias & Co. 7% C.P. ...	554	325	12,499	28,861	3,557	...	3-61	1,640	2,371	21T 9-1T	10T 7T	
Alexandra ...	McLeod & Co. Ltd. 7% C.P. ...	296	150	905	18,857	4,748	...	12-60	1,604	864	44T 9-1T	15T 9-1T	
Alliance ...	McLeod & Co. Ltd. 6% C.P. ...	797	467	13,454	22,998	2,397	77	5-61	1,245	(a)1,134	6T 6T	nil 6	
Anglo India ...	Duncan Bros. & Co. 7% C.P. ...	1,589	972	26,056	72,584	16,420	...	3-61	2,800	5,644	74T 9-1T	20T 9-1T	
Auckland ...	Bird & Co. Private Ltd. 5 1/2% C.P. ...	450	360	16,141	28,579	6,502	25C	3-61	3,051	3,629	12T 7-15T	27T 7-15T	
Bally ...	Birla Bros Private Ltd. 7% C.P. ...	659	300	10,309	19,771	715	212	3-60	2,550	1,706	25T 10T	10T 7T	
Barnagore & ...	Jardine Henderson 5% C.P. ...	1,200	690	...	...	...	...	3-60	309	341	30T 5T	10T 5	
Belvedere ...	Andrew Yule & Co. Ltd. 7% C.P. ...	601	219	9,268	14,275	768	50	12-60	517	1,418	5T 9-1T	134T 5-1T	
Bengal Jute ...	Saorajmull Nagarmull 5 1/2% R.C.P. ...	350	250	14,463	25,843	1,985	62	6-60	872	691	5T 54T	5T 54T	
Bharat ...	Das Group Private 4 1/2% Debentures ...	...	...	2,972	5,007	188	30	3-59	328	-2,744	nil 15T	...	
Birla ...	Birla Brothers Private 7 1/2% C.P.T. ...	982	391	25,860	58,965	2,149	682	3-60	10,550	7,436	15T 74T	10T 74T	
Budget Budget ...	Andrew Yule & Co. Ltd. 1% C.P. ...	552	439	12,015	18,413	1,770	92	10-60	1,603	1,528	10T 8-11T	15T 9-1T	
Caledonian ...	Andrew Yule & Co. Ltd. 7% C.P. ...	371	245	4,630	9,506	622	68	11-59	875	841	12T 7T	15T 7T	
Champdany ...	James Finlay & Co. Ltd. 7% C.P. ...	761	639	20,752	32,005	5,170	50	3-61	1,316	1,907	5T 9-1T	10T 9-1T	
Chariot ...	Andrew Yule & Co. Ltd. 7% C.P. ...	480	50	8,348	12,195	1,481	44	11-60	479	(j)595	nil 9-1T	124T 9-1T	
Chitavalah ...	McLeod & Co. Ltd. 7% C.P. ...	124	376	8,359	15,088	4,765	45	7-60	(c)955	(k)1,807	5T 9-1T	15T 9-1T	
Clive ...	5% Deb. Directors 6% C.P. ...	546	423	7,665	12,022	3,825	...	3-60	802	247	nil 6T	nil 7T	
Dalhousie ...	Bird & Co. Private Ltd. 7% C.P. ...	496	270	12,091	19,541	3,170	17	3-61	923	(f)1,713	1T 9-10T	1T 9-10T	
Delta ...	5 1/2% Debentures Andrew Yule & Co. Ltd. 5% C.P. ...	458	321	9,143	13,568	1,225	35	11-60	832	1,148	74T 65T	14T 7-15T	
Empire ...	McLeod & Co. Ltd. 7% C.P. ...	295	205	6,496	12,309	2,578	108	7-60	1,250	1,148	124T 9-1T	121T 9-1T	
Fort Glost ...	Kettellwell Bullen & Co. Ordinary Rt 7% C.P. ...	1,098	786	24,340	38,473	13,947	297	3-60	4,047	(a)3,328	25T 25T	20T ...	
Fort William ...	5% 2nd C.P. 5 1/2% Debentures Bangor Brothers Ltd. 7% C.P. ...	633	381	12,419	29,679	6,202	...	3-61	2,242	2,091	224T 9-1T	224T 5-1T	
Ganges ...	Directors 8% C.P. ...	1,001	708	18,654	32,800	1,391	...	3-60	2,878	894	10T 8T	nil 8	
General Indral Society ...	Directors 6% C.P. ...	409	198	19,176	25,574	4,180	...	12-60	1,311	1,463	40T 40T	40T 40T	
Gowarsore ...	Macneill & Barry 6% C.P. ...	962	432	22,905	51,174	12,261	...	3-61	4,110	(c)4,052	25T 7-8T	30T 7-8T	
Hastings ...	Bangor Bros. Ltd 6% C.P. ...	661	417	15,093	35,708	6,862	...	3-61	3,020	3,098	6T 7-8T	6T 7-8T	
Hongkly ...	Directors 10% Pref. (i) ...	466	254	14,904	20,136	3,323	...	3-60	1,150	1,127	10T 10T	6T 5	
Howrah ...	Jardine Henderson Ltd. 7% C.P. ...	1,234	706	35,860	46,007	11,163	179	3-61	2,730	2,562	10T 9-1T	124T 9-1T	
Hukmehand ...	7% 'A' C.P. ... 5 1/2% Debenture Ramdutt Ramkissandas 7% C.P. ...	1,519	753	29,673	44,668	12,988	374	3-60	5,627	3,978	284T 84T	20T 7T	
India ...	Directors ...	522	554	13,566	23,720	672	...	3-60	3,645	2,681	14T	9,92	
Kamarhaty ...	Jardine Henderson Ltd. B. Ord. 6% C.P. ...	1,250	547	29,211	40,973	7,253	50	12-60	(d)1,119	3,710	5T 7-8T	20T 7-8T	

COMPANIES

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Deprecia- tion	LIQUID ASSETS				
	September 1961 Rs. 000	September 1960 Rs. 000			General Rs. 000	Others Rs. 000	Carry forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Balances Rs. 000	Others Rs. 000
Agarpara ...	9 82xd	12 06	10	6,000	4,922	1,594	21	10,274	15,213	5,666	289	10,943	3,877	109	241
7% Cum. preference ...	82 00xd	89 50	100	1,000											
5 1/2% Debentures ...			1000	1,200											
Alexandra ...	124 00xd	153 00	100	600	700	940	222	7,099	7,747	4,941	293	5,535	2,255	172	
7% Cum. preference ...	79 00xd	90 00	100	900											
5 1/2% Debentures ...			500	600		544	117	7,787	14,102	10,160	210	7,417	923	456	
Alliance ...	84 00	103 00	100	3,000											
6% Cum. preference ...	64 50	65 00	100	1,500											
Anglo India ...	177 00	201 00	100	4,921	5,900	3,341	374	22,421	28,086	18,494	5,807	17,203	7,253	433	
7% Cum. preference ...	93 00	83 06	100	4,000											
Auckland ...	147 00xd	157 00	100	4,000	1,396	1,419	46	7,558	14,686	8,352	365	7,692	4,070	19	19
5 1/2% Cum. preference ...	65 93xd	70 00	100	1,000											
4 1/2% R. Cum. preference ...	53 08xd	61 50	100	1,500											
1% Debentures ...			1000	4,500											
Bally ...	218 00	203 00	100	2,000	2,000	1,454	28	6,510	14,613	7,761	644	4,796	1,161	540	
7% Cum. preference ...	93 00	93 00	100	2,000											
Barnagore & ...	120 00	125 00	85	275	365	433	92	265	1,614	1,065	17	544	276	249	
5% Cum. preference ...	38 00	35 00	85	200											
Belvedere ...	150 00	147 00	100	2,800	1,399	1,448	78	2,720	10,053	5,848	114	3,772	1,092	12	
7% Cum. preference ...	81 00	84 00	100	700											
Bengal ...	9 00	11 05	10	4,500	1,375	1,317	133	14,630	7,048	4,086	6	4,845	16,268	888	7
5 1/2% R.C.P. ...	53 00	60 50	100	1,000											
5 1/2% Debentures ...			1000	1,000											
Bharat Jute ...	6 12 N	6 12	25	1,500	255	14	-3,624	4,185	1,323	303		573	596	112	87
Birla ...	25 62	27 50	10	9,126	5,500	23,172	93	24,819	73,486	22,636	7,842	9,853	4,827	352	
7 1/2% C.P.T. ...	84 50	85 37	100	2,364											
5 1/2% R.C.P. ...	83 14	89 00	100	10,000	1,521	1,251	34	4,841	13,696	7,034	136	4,765	534	51	
Budge Budge ...	122 00	122 00	100	3,600											
7% Cum. Preference ...	86 50	90 00xd	100	900											
Caledonian ...	142 00	141 00	100	1,800	2,444	307	30	873	8,460	4,912	70	2,390	431	12	
7% Cum. preference ...	80 00	80 00	100	1,000											
Champdany ...	122 00	111 00	100	5,916		8,218	137	5,575	21,454	12,166	205	6,108	3,624	57	575
Chariot ...	14 44	14 50	10	3,856	1,451	3,629	7	2,384	12,229	6,216	233	5,261	739	11	73
7% Cum. preference ...	91 50	97 50	100	1,000											
Chitavalah ...	10 56	13 11	10	3,015	3,200	754	39	7,930	12,098	6,667	795	5,806	4,031	213	291
7% Cum. preference ...	89 00	87 00	100	500											
5% Debenture ...			500	1,069											
Clive ...	9 67	11 31	10	2,400		900	-309	3,296	8,212	6,831	8	4,401	2,058	38	
5% Cum. preference ...	61 00xd	66 50	100	800											
7% Cum. preference ...	68 00xd	84 00	100	800											
Dalhousie ...	88 50	125 00	100	3,149	806	663	10	3,808	11,014	6,967	488	4,338	1,902	11	925
7% Cum. preference ...	73 95xd	94 00	100	1,500											
5 1/2% Debentures ...			1,000	1,773											
Delta ...	140 00	142 00	100	2,800	1,638	2,347	16	1,700	9,799	5,128	90	4,088	344	9	
5% Cum. preference ...	69 25	64 35	100	500											
Empire ...	15 50	16 31	10	1,300	2,550	1,312	70	3,675	11,403	7,473	937	3,488	2,208	129	
7% Cum. preference ...	74 30	76 00	100	1,000											
5% Debentures ...			500	886											
Fort Gloster ...	297 00	380 00	100	2,100	5,637	2,725	72	20,941	34,170	16,904	209	15,598	3,411	595	105
Ordinary Rt ...		293 00	50	2,100											
7% Cum. preference ...	98 00	114 00	100	1,400											
5% Cum. preference ...	66 00	71 00	100	700											
1 1/2% Debenture ...			100	1,504											
Fort William ...	24 75xd	24 19xd	10	2,100	2,000	113	248	9,554	13,543	8,235	116	6,991	2,418	166	
7 1/2% Cum. preference ...	80 80xd	105 50xd	100	1,000											
Ganges ...	11 00xd	10 87	10	8,432	500	17	56	12,294	22,467	14,600	23	11,202	2,659	348	
3% Cum. preference ...	99 60xd	110 00	100	608											
General Indust. Society ...	35 00	46 00	10	1,080	2,550	886	14	7,434	9,804	5,306	78	5,158	1,561	38	62
Gomapore ...	346 00xd	360 00xd	100	2,400	5,000	2,186	82	17,012	27,415	18,106	4,412	12,590	2,814	206	
7% Cum. preference ...	80 50	73 50xd	100	2,650											
Hastings ...	113 00xd	119 00xd	100	4,000	3,905	5,010	376	8,244	14,507	8,277	4,629	8,019	4,898	239	
6% Cum. preference ...	72 40xd	83 00xd	100	2,500											
Hongkong ...	16 00xd	17 25	10	1,680	650	1,876	38	3,756	8,349	5,508	1,201	3,928	1,140	65	
10% Preference (A) ...	9 95xd	9 87	10	1,176											
Hawtath ...	20 25	21 00	10	6,562	3,900	363	98	10,979	22,524	14,523	466	13,610	3,748	399	1,23
7% Cum. preference ...	88 45	97 00xd	100	875											
7 1/2% A.C.P. ...	86 45	92 50	100	1,750											
5 1/2% Debentures ...				3,000											
Hutchinson ...	18 12	20 25	7 1/2	5,250	2,800	1,010	163	20,755	31,843	17,768	1,460	13,776	7,979	687	
7% Cum. preference ...	91 50	92 00	100	4,000											
India ...	14 65	15 00	12 1/2	8,790		2,179	494	7,788	17,480	10,024	3,333	4,201	4,059	142	
Amaranth ...	123 00	154 00	100	2,400	1,550	1,170		12,609	20,049	14,058	339	9,363	2,374	644	2,36
8% Ordinary ...	127 00	142 00	100	1,920											
6% Cum. preference ...	67 00	76 00	100	1,600											
1 1/2% Debentures ...				1,304											

NAME	Managing Agents, Agents/Secretaries	Loans		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents' Commission Rs. 000	Year ended	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	Dividend %		
		Hessian	Sacking								Latest	First previous	Second previous
Kankarrah...	Jardine Henderson Ltd.	1,239	288	24,305	36,658	5,486	50	12-60	614	2,601	Nil	nil	nil
	6% Ord.										Nil	nil	nil
	4% C. P.										Nil	nil	nil
	4% R. C. P.										Nil	nil	nil
	5% Debentures										Nil	nil	nil
Solvin ...	McLeod & Co. Ltd.	394	309	8,773	18,063	3,772	164	6-60	1,800	1,683	15%	14%	12%
	7% C. P.										7%	7%	7%
Khardah ...	Anderson Wright Ltd.	914	616	19,675	34,305	9,839	265	3-60	3,041	p)2,495	20%	20%	8%
	6% C. P.										6%	6%	6%
Kinnison ...	F. W. Heiglers & Co. Pri.	672	578	20,483	40,738	10,636		3-61	2,955	3,470	9% T	20% T	10%
	7% C. P.										9% T	9% T	7%
	5% Debentures												
Lansdowne ...	Bird & Co. Private	579	352	15,147	22,449	5,355	17	3-61	401	1,161	nil	nil	nil
	7% C. P.										15% T	15% T	2%
Lawrence ...	Bird & Co. Private	484	356	3,080	5,341		63	3-61	1,251	1,174	15% T	9% T	7%
	7% C. P.										7% T	9% T	7%
	5% B. C. P.										7% T	7% T	7%
Mahabir ...	Agrawal Brothers & Co.	28	123	2,873	5,166	1,384	30	9-59	252	118	6%	nil	nil
Maheswari Devi ...	Directors			1,544	3,223	613		9-59	212	-256	nil	nil	nil
Magna ...	Directors	612	396	18,494	36,303	2,510		3-60	2,774	2,942	12% T	10%	17%
Naihati ...	Directors	493	322	7,332	15,204	3,789		3-60	1,130	(i) 732	Nil	nil	nil
	7% C. P.										Nil	nil	nil
	4% R. C. P.										Nil	nil	nil
	5% Debentures										Nil	nil	nil
Nasharpura ...	Howrah Trading Co. Private	333	92	4,675	8,654	276	43	10-59	516	272	3%	2%	2%
	5% Debentures												
National ...	Directors	573	279	8,121	12,256	1,160		10-59	1,759	(b) 846	10%	7%	7%
	7% C. P.										7%	7%	7%
Nallimaria ...	McLeod & Co. Ltd.	100	216	7,619	12,144	4,218		7-60	(v) 722	(m) 1,347	3% T	14% T	10%
	6% C. P.										7% T	7% T	6%
	4% Deb.												
New Central ...	Sahu Jain Ltd.	10,39	7,26	44,963	66,363	6,829	313	3-60	(b) 10,399	(a) 4,266	15%	15%	15%
	7% C. P.										7%	7%	7%
Northbrook ...	Bird & Co. Private Ltd.	214	353	15,143	26,219	6,459	377	3-61	4,201	(n) 3,418	30% T	30% T	12%
	5% C. P.										7% T	7% T	7%
	4% Deb.												
Nuddos ...	Macneill & Barry	644	448	15,329	34,706	7,173		3-61	1,947	2,412	1% T	8% T	6%
Premchand ...	R. J. Roy Bros. Private Ltd.	364	240	285	1,782		25	4-59	—(u) 339	—604	Nil	Nil	Nil
Presidency ...	McLeod & Co. Ltd.	238	162	6,249	10,896	2,542	50	7-60	720	(a1) 1,162	8% T	10% T	6%
Rameshwara ...	Hindustan Invest Corpn		305	5,229	10,141	2,057	60	3-60	627	795	Nil	Nil	Nil
	6% C. P.										Nil	Nil	Nil
Reliance ...	Jardine Henderson	924	352		1,352		50	3-61	475	846	Nil	Nil	Nil
	7% C. P.										Nil	Nil	Nil
	5% Deb.												
Shree Ambica ...	Bagaria More	703	208	15,080	24,947	3,589	89	3-59	1,110	1,024	6%	5%	5%
	7% C. P.										7%	7%	7%
Scorah ...	Hind Inv. Corpn.	201	200	4,820	9,896	391	110	12-59	1,265	1,039	25%	15%	15%
	7% C. P.										7% T	7%	7%
Union ...	Bird & Co. Private Ltd.	758	568	14,350	21,102	4,487	68	3-61	1,098	2,586	6% T	20% T	20%
	7% C. P.										10% T	9% T	7%
	4% Deb.												
Waverley ...	McLeod & Co. Ltd.	306	159		1,007		56	5-60	607	423	25%	2%	nil
	5% C. P. P.										10%	10%	5%
	3% Debentures												

(a) After transferring Rs 275,000 from General Reserve.

(b) After transferring Rs Rs 125,000 from Dividend Equalisation Reserve and Rs 80,811 from Capital Reserve.

(c) After transferring Rs 73,950 from Development Rebate Reserve.

(d) After transferring Rs 200,000 from Stores and Spare Parts Reserve and Rs 100,000 from Debenture Redemption Reserve.

(e) After transferring Rs 6,800 from Contingency Reserve and Rs 2,08,700 from Dividend Equalisation Reserve.

(f) After transferring Rs 45,000 from General Reserve and writing back Rs 104,880 being excess provision for depreciation.

(g) After transferring Rs 580,000 from General Reserve.

(h) After transferring Rs 2,885,218 from General Reserve No. 1.

(i) After transferring Rs 100,000 from General Reserve and writing back Rs 90,000 being liability in respect of Inter-state Sales Tax.

(j) Included Rs 80,000 transferred from contingency Reserve.

(k) After writing back Rs 168,400 from Development Rebate Reserve.

(l) After transferring Rs 100,000 from General Reserve and Rs 100,000 from Debenture Redemption Reserve.

(m) After writing back Rs 85,000 from Development Rebate Reserve; and after transferring Rs 9,78,000 from Machinery Renewal Reserve.

(n) After transferring Rs 800,000 from Taxation Contingencies Reserve.

(p) After transferring Rs 8,88,375 from General Reserve.

(q) After transferring Rs 7,00,000 from Reserve No. 1.

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

(u) After writing back Rs 1,00,000 from provision against jute stocks and jute contracted for.

(v) After transferring Rs 1,00,000 from General Reserve.

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Deprecia- tion	Liquor Assets				
	September 1961	September 1960			General	Others	Carry forward				Invest- ments	Stocks and Stores	Out- standings	Cash Balance	Others
	Ra. np.	Ra. np.			Ra. 000	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Kankarrah ...	69 00	79 50	100	3,000	600	344	-1,478	8,360	17,803	11,938	203	7,184	1,174	281	1,209
B. Ordinary ...	68 50	78 00	100	2,400											
6% Cum. preference ...	75 25	92 00	100	1,000											
6% R. C. P. ...			100	423											
5% Debentures ...				1,269											
Kelvin ...	148 00	141 00	100	2,800	4,700	506	121	3,806	15,165	10,330	849	4,676	1,914	617	
7% Cum. preference ...	92 00	89 50	100	1,000											
Kardish ...	17 12	18 50	10	5,400	1,900	476	74	14,754	21,695	13,239	493	11,438	2,960	156	
6% C. P. ...	79 50	70 00	100	908											
Kannison ...	143 00xd	161 00	100	5,986	2,866	1,874	62	12,805	20,721	13,378	2,363	12,495	5,267	121	
7% Cum. preference ...	85 45xd	86 50	100	1,500											
5% Debentures ...			1000	2,500											
Lansdowne ...	91 75	113 00	100	2,448	959	272	-354	7,607	10,823	7,108	362	6,585	1,711	14	45
7% C. Preference ...	91 00	95 00	100	1,500											
Lawrence ...	160 00xd	133 00	100	2,800	612	801	55	992	6,577	4,223	414	461	593	2,938	
7% Cum. preference ...	67 45xd	88 00	100	500											
5% B. cum. preference ...	66 97xd	72 00	100	1,000											
Mahabir ...	85 00 N	85 00	100	1,078		5	99	2,188	2,105	1,589		2,070	243	542	
Maheswari Devi ...			100	1,319		425	-503	1,844	1,781	1,494	551	992	440	15	
Magna ...	12 00	11 56	10	8,165		3,464	57	16,080	27,091	15,568	26	10,523	5,188	507	
Naihati ...	64 00	61 50	100	2,999	1,199	2,237	-390	3,171	16,480	9,860	151	4,731	1,666	137	161
7% cum. preference ...	98 00	100 00	100	750											
4% R. C. P. ...	80 00	66 50	100	1,000											
5% Debentures ...			1000	2,500											
Naskarpura ...	8 94	12 13xd	10	2,000	1,151	20	9	4,548	3,649	2,669	5	1,566	1,164	4,512	
5% Debentures ...			1000	500											
National ...	19 75	23 50	10	3,500	2,328	1,974	20	2,205	5,805	1,763	100	4,525	1,634	227	
7% C. P. ...	81 80xd	93 00	100	500											
Nallimaria ...	9 50	12 50	10	2,625	2,575	661	43	5,899	6,866	3,212	635	5,270	2,538	472	233
5% Cum. preference ...	76 00	76 00	100	500											
4% Debentures ...			500	500											
New Central ...	17 12	24 62	10	17,082	7,915	14,818		70,196	93,093	13,654	1,817	27,165	3,817	1,089	
7% Cum. preference ...	91 75	91 00	100	3,300											
Northbrook ...	24 00xd	22 50	10	1,680	3,186	2,007	32	8,446	13,021	7,730	408	8,136	4,912	11	34
5% Cum. pref. ...	66 43xd	74 50	100	1,500											
4% Debentures ...			1000	2,000											
Nudda ...	47 50xd	54 50xd	50	6,680	3,350	778	108	11,643	22,360	11,932	442	8,144	3,311	235	
Premchand ...			100	3,996											
Presidency ...	4 62	5 12	5	2,500	750	391	-4,142	1,915	6,201	4,620	76	44	28	48	
							23	4,351	10,608	7,593	334	3,116	1,465	85	
Rameshwara ...	6 75	9 25	10	2,000		43	21	2,319	3,396	1,206	72	2,676	127	18	
6% Cum. preference ...	8 75	9 62	10	700											
Reliance ...	5 25	6 87	10	4,950		200	-2,832	1,951	12,488	6,733	195	1,003	393	1,322	
7% C. P. ...	83 00	82 50	100	2,000											
5% Debentures ...			1000	2,500											
Sree Ambica ...	22 69	24 50	10	3,000	975	209	70	9,520	12,450	9,165	1,328	4,450	5,333	361	
7% Cum. preference ...	92 00	93 50	100	1,170											
Soorah ...	21 50	22 19	10	1,400	1,180	80	64	4,243	7,257	5,250	1,445	2,614	808	93	
7% Cum. pref. ...	93 50	101 00	100	1,000											
Unon ...	148 00xd	185 00	100	3,599	2,406	1,888	9	3,639	9,319	5,510	1,237	5,238	2,457	92	8
7% C. P. ...	77 35	87 50	100	600											
4% Debentures ...			1000	1,200											
Waverley ...	3 75	3 87	1	250	185	335	194	684	5,407	4,554	60	283	353	1,769	
5% Cum. P. P. ...	40 50	40 12	50	750											
3% Debentures ...			500	1,000											

INDUSTRIALS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	September 1961	September 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
WESTERN AND CENTRAL INDIA															
Alcob Chemicals ...	238 09	241 25	100	8,500	2,900	2,738	20	1,521	18,707	6,576	2,343	8,983	3,226	294	...
14% 1st C. P. ...	81 00	91 20	100	500	...	...	...	...	...	...	...	...	...	...	...
14% 2nd R. C. P. ...	77 00	86 00	100	500	...	...	...	...	...	...	...	...	...	...	...
6% 3rd C. P. ...	75 00	75 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Amar Dychem ...	297 50	400 03	100	5,998	...	110	30	6,047	7,467	1,127	421	5,890	1,684	233	38
6% R.C.P. ...	101 90	98 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Anil Starch Products ...	...	...	100	2,989	101	2,393	47	10,086	11,863	4,989	6	5,635	3,418	183	...
4% C. P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Associated Cement ...	166 00	142 50	100	190,628	15,700	92,146	42	144,526	420,540	167,069	11,110	105,490	47,559	15,894	9,567
Associated Stones Indust ...	21 16	21 28	10	1,850	1,100	71	6	2,416	1,401	795	171	1,537	2,192	1,138	...
6% C. P. ...	100 00 N	100 00 N	100	200	...	...	...	...	...	...	...	...	...	...	...
Atal Products ...	...	...	100	20,000	...	3,908	73	39,705	35,604	10,540	10,245	10,685	4,532	7,055	...
Automobile Products ...	12 00	...	10	1,700	...	113	-918	10,944	14,365	3,495	...	12,698	3,261	79	...
Ordinary at Rs 7 1/2	...	...	7 1/2	1,290	...	...	...	...	...	...	...	...	...	...	...
5% R.C.P. ...	...	...	100	28,000	...	...	...	...	...	...	...	...	...	...	...
5% R.C.P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Bagelkot Cement ...	7 84	9 32	10	8,427	...	66	2	15,124	22,619	3,188	8	2,575	1,071	68	466
Bharat Line ...	4 96	7 64	10	10,000	6,826	3,289	-711	18,296	39,922	20,517	6,221	2,265	7,271	2,395	...
Bombay Burma Trading...	...	...	2500	250	5,396	34,184	67	22,798	56,339	22,717	11,027	11,205	15,702	5,184	1,075
Old Shares ...	609 50	576 00	125	8,925	...	...	...	...	...	...	...	...	...	...	...
New Shares ...	222 00	202 50	50	4,200	...	...	...	...	...	...	...	...	...	...	...
Bombay Cycle ...	27 50	31 25	20	1,600	410	530	32	1,453	1,020	490	482	1,590	1,156	268	...
Bombay Gas ...	...	...	21	4,000	576	2,102	48	4,267	8,959	4,706	3,862	1,275	1,342	262	...
Bombay Potteries & Tiles ...	175 00	190 00	100	1,418	200	955	10	1,499	3,358	1,532	10	500	512	2,352	...
61% C. P. ...	75 00	75 00	100	113	...	...	...	...	...	...	...	...	...	...	...
41% C. P. ...	62 50	60 00	100	863	...	...	...	...	...	...	...	...	...	...	...
Bombay Safe Deposit ...	375 00	405 00	200	240	64	...	1	168	584	427	261	...	17	37	...
Bombay Uganda Co. ...	58 00	49 00	80	1,596	200	...	31	6 3	266	148	1	2,310	59	14	...
W. H. Brady & Co. ...	430 00	356 25	50	4,500	2,700	4,481	285	7,209	1,217	569	6,143	5,852	5,458	1,075	...
Burma Shell ...	...	...	100	138,200	90,000	20,284	11,398	53,107	256,961	94,528	...	20,779	36,331	161,955	2,488
54% Debenture ...	...	...	...	80,000	...	...	...	...	...	...	...	...	...	...	...
Caltox Oil ...	...	...	100	45,000	...	16,920	24,102	57,248	145,449	21,980	...	8,122	31,492	187	...
54% Debs ...	...	...	...	20,000	...	...	...	...	...	...	...	...	...	...	...
Cast Tyres ...	208 75	235 00	50	11,490	...	13	...	1,907	812	15	...	750	684	875	1,305
C. Chrledge & Co ...	215 00	195 00	100	800	630	510	6	1,311	2,575	1,732	1	1,451	1,158	50	...
Colour Chem ...	347 50	390 00	100	10,000	900	1,471	30	4,716	11,087	1,545	...	3,083	3,512	917	43
Crescent Iron ...	...	...	20	574	35	102	7	870	1,480	504	...	651	50	10	10
G.G. Dandekar Mce. Works	...	...	100	399	70	128	1	766	1,191	638	278	122	221	540	...
Partly Paid Ordry ...	...	...	50	248	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Delhi Safe Deposit ...	10 00 N	10 00 N	10	194	82	25	1	389	441	105	359	2	93	138	...
Ordry P.P. ...	7 00 N	7 00 N	7	37	...	...	...	...	...	...	...	...	...	...	...
6% C.P. ...	100 00	100 00 N	100	200	...	85	3	240	19	6	2,638	...	76	1	100
Dene Invt. ...	11 52	10 28	25	2,590	...	797	44	6,541	7,737	3,610	56	3,472	3,074	4	...
Dharamsi M. Chemical ...	120 50	253 75	100	1,369	2,020	...	49	19,919	41,540	16,822	8,995	8,450	3,773	136	836
Dijwaj Cement ...	176 50	168 00	100	13,441	3,050	2,442	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	76 30	82 50	100	7,994	...	...	...	...	...	...	...	...	...	...	...
Empire Dyeing ...	70 00	52 00	15	900	410	356	35	1,415	2,241	1,659	199	320	658	1,358	...
Eastern Shipping Corpn.	...	...	100	82,000	1,450	6,697	-361	42,685	85,139	22,601	6,428	73	13,279	30,290	19,869
Estrola Batteries ...	70 00	60 00	50	1,497	315	163	18	3,505	3,856	2,254	4	3,002	2,158	129	...
5% C. P. ...	32 00	37 75	50	997	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Shipping ...	13 72	15 48	100	9,000	6,495	15,127	132	54,313	85,180	21,553	60	56	5,016	18,758	...
54% R. C. P. ...	91 00	90 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Graves Cotton & Co. ...	185 00	167 00	100	13,500	3,400	1,612	44	24,826	2,126	706	15,875	13,295	31,062	2,605	...
5% C. P. ...	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P. ...	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Gwalior Rayon ...	46 30	32 50	10	25,000	17,500	6,447	2,081	23,340	64,253	41,224	45	22,470	4,314	37,837	748
6% R.C.P. 'A' ...	104 50	101 00	100	15,000	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P. 'B' ...	...	...	100	76	...	...	...	...	...	...	...	...	...	...	...
Hind Cycles ...	101 00	115 50	100	3,107	700	730	-933	8,713	12,561	7,969	4	6,703	4,189	79	...
5% T. R. C. P. ...	65 00 N	65 00 N	100	500	...	...	...	...	...	...	...	...	...	...	...
54% T. R. C. P. ...	75 00 N	75 00 N	100	700	...	...	...	...	...	...	...	...	...	...	...
54% T. R. C. P. ...	25 00 N	25 00 N	25	48	...	...	...	...	...	...	...	...	...	...	...
6% T. R. C. P. ...	78 50	100 00 N	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Hindustan Aluminium ...	12 96	...	10	1,500	...	...	...	615	317	...	...	...	684	14	1,100
Hindustan Electric Co. ...	151 25	120 60	100	4,000	300	114	57	12,342	6,224	2,198	236	8,743	5,518	290	...
6% C. P. ...	80 00	80 00	100	1,998	...	...	...	...	...	...	...	...	...	...	...
Hindustan Lever ...	50 00	42 50	10	55,700	4,132	8,817	20,969	62,200	57,710	20,419	3	68,875	16,116	30,339	...
Indian Cement ...	25 00	25 00	10	152	100	79	3	129	142	...	178	...	41	101	...
Indian Vegetable Products	135 50	151 00	100	2,117	276	465	5	1,796	2,714	2,030	79	2,300	1,530	67	...
Indus. Cr. & Invest. Corp.	83 50	70 00	100	50,000	3,300	3,980	77	120,305	2,554	186	67,745	...	60,854	46,675	...
Investment Investment ...	75 50	75 00	100	9,999	2,008	2,008	4	3,409	23	17	14,929	...	424	61	...
Investa Machine Tools	138 00	...	100	1,500	...	27	5	2,400	2,583	652	...	2,557	492	12	...
41% C. P. ...	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Jaipur Metals ...	141 07	150 50	100	1,956	100	811	7	7,453	4,867	1,920	245	7,198	1,364	570	2
6% C. P. ...	57 00	56 00	100	800	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	45 00	60 00	10	200	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	...	...	...	1,000	...	...	...	...	...	...	...	...	...	...	...
Jyoti ...	179 00	170 00	100	4,000	300	1,436	10	7,508	6,092	1,667	192	5,695	3,128	14	...
Kamani Metals ...	...	...	10	2,000	60	260	5	5,925	9,662	5,647	503	4,157	560	114	...
5% C. P. ...	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	100	1,100	...	...	...	...	...	...	...	...	...	...	...
Kemp & Co. ...	302 50	382 50	200	1,200	350	288	47	1,656	2,744	1,420	12	1,441	737	29	...
Khandelwal's Ferro Alloys	71 00	97 00	50	4,749	...	...	-13	5,320	1,432	...	1,357	1,359	1,284	1,347	5,773
71% R. C. P. ...	93 30	41 00	50	2,500	...	...	...	...	...	...	...	...	...	...	...
Kirloskar Brothers ...	47 75	53 00	25	3,000	6,969	1,021	12	8,059	10,587	5,917	1,858	8,111	3,970	554	...
Kirloskar Oil Eng. ...	35 00	20 56	10	2,500	775	666	4	11,475	6,011	2,394	50	7,062	3,273	290	1,705
Ordinary Partly Paid	...	...	5	578	...	...	...	...	...	...	...	...	...	...	...
Kulick Industries ...	97 00	104 00	100	12,483	500	2,817	6	9,093	4,823	1,685	16,778	1,475	2,481	72	994

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

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	September 1961	September 1960			General	Other	Carry Forward				Investments	Stock & Stores	Out Standing	Cash	Others
	Rs. np.	Rs. np.			Rs.	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
WESTERN AND CENTRAL INDIA (Contd.).															
Machinery Manfrs. Corpn.	...	...	100	1,907	...	267	21	8,326	14,512	6,383	20	5,703	3,744	111	49
4% Cum. preference	...	...	100	1,395	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspathi Chems.	...	...	10	3,134	...	...	...	5,850	5,804	2,082	32	5,839	273	88	...
6% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Man. Industrial Corpn.	125 00	100 00	...	3,000	...	78	40	3,673	4,682	1,674	2	2,310	1,356	116	...
4% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
T. Maneklal Manufacturing	557 50	550 00	100	1,000	100	235	17	3,265	2,308	811	8	914	1,583	525	...
National Elec. Industries	76 00	89 00	50	1,358	125	904	11	3,296	2,639	1,126	316	2,896	2,608	15	...
4% C. P.	80 00 N	80 00 N	100	542	...	...	...	...	...	...	...	...	...	...	...
National Machy. Manfrs.	...	...	100	25,240	...	304	-1,829	23,087	29,088	9,936	...	20,362	7,170	96	22
National Newspaper & Paper	...	...	10	487,21	...	402	-9,861	16,126	51,939	14,181	...	6,289	2,105	15,090	4,148
National Rayon Corpn.	544 00	473 00	100	24,110	4,900	15,427	441	37,549	134,290	60,253	160	17,283	890	2,573	4,953
Ord. Partly Paid	...	...	80	6,331	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference	70 00	69 50	100	17,425	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	150,000	...	...	...	...	...	...	...	...	...	...	...
Pakistan Veg. Products...	...	...	10	1,500	...	...	849	3,375	2,757	...	10	193	84	4	28
5% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Pioneer Magnesite Works...	...	...	100	1,189	11	68	2	620	1,456	837	317	331	388	233	2
Polson Ltd.	171 00	152 50	100	2,600	1,000	1,460	30	1,853	6,597	1,894	3	2,357	975	944	...
6% C. P. T.	76 00	76 20	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Polychem	200 00	235 00	50	3,999	1,200	...	...	...	...	...	...	...	...	...	...
7% T.R.C.P.	41 50	50 50	50	13,592	...	...	23	1,683	9,638	5,251	2	7,905	2,423	369	455
Preston Tools	...	...	100	21,733	1,973	6,390	479	75,116	39,061	19,368	466	70,494	10,558	2,529	...
Premier Automobiles	155 50	156 50	100	2,250	75	209	7	13,178	1,733	364	2,896	6,045	6,893	502	...
Radio Lamp Works	...	...	50	738	...	...	...	...	...	...	...	...	...	...	...
Ord. Partly Paid	...	...	100	173	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	...	...	10	1,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	1,000	...	...	...	...	...	...	...	...	...	...	...
Raymond Woolen	117 00	110 00	100	7,900	1,238	740	57	15,675	16,961	8,175	2,299	12,438	3,567	464	147
5% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Sanitex chem Indus.	...	...	50	1,162	...	42	9	2,345	2,534	375	3	1,491	740	94	...
5% C. P.	...	...	50	511	...	...	...	...	...	...	...	...	...	...	...
Sathe Biscuits	100 00 N	100 00 N	100	473	...	237	29	1,640	3,067	969	1	586	527	178	...
Partly Paid	50 00 N	50 00 N	50	511	...	...	...	...	...	...	...	...	...	...	...
7% R. C. P.	94 20	94 20	100	500	...	...	...	...	...	...	...	...	...	...	...
Scindia Steam	12 60	14 12	20	112,799	4,621	111,525	1-1,613	188,221	350,361	96,313	88,388	34,198	56,715	29,798	22,866
4% Debenture	...	...	...	35,476	...	...	...	...	...	...	...	...	...	...	...
Shangrilla Food Products	...	...	100	1,700	...	...	-1,665	4,008	4,049	616	32	552	294	14	13
5% C. P.	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...
Shivra pu Syndicate	98 50	69 00	10	1,046	2,000	5,482	5	6,897	10,215	3,853	302	5,439	3,163	22	122
Sirpur Paper	16 12	17 12	10	21,855	3,047	3,209	35	32,068	65,732	18,732	150	13,136	3,362	346	2,319
6% R.C.P.	87 00	87 00	100	7,093	...	...	...	...	...	...	...	...	...	...	...
Supreme Industries	145 00 N	170 00	100	622	...	...	273	1,197	845	239	97	1,105	719	30	...
5% C. P.	69 00	68 50	100	462	...	...	...	...	...	...	...	...	...	...	...
Tata Chemical	17 2 0	16 20	10	23,172	526	2,508	7	28,857	49,541	18,653	1,878	19,797	6,431	886	5,690
5% Cum. Preference	86 50	88 70	100	5,997	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	2,500	...	...	...	...	...	...	...	...	...	...	...
Tata Oil Mills	77 00	73 80	25	7,807	2,000	3,528	29	59,636	30,196	16,591	1,256	30,403	17,932	4,108	1,862
4% C. P.	60 00	56 50	100	2,989	...	...	...	...	...	...	...	...	...	...	...
United Salt Works Ind.	...	...	250	1,355	2,016	1,064	1	361	7,666	4,315	30	1218	67	239	...
Volts	294 50	260 00	100	23,500	3,700	1,838	425	111,681	10,745	2,435	1,542	66,458	62,295	3,627	112
NORTHERN INDIA															
Alkali & Chemical	38 87	31 25	10	10,997	1,800	7,350	140	25,6	57,440	9,228	22	12,415	6,041	330	1,993
5% Cum. Preference	90 00	99 00	100	3,100	...	...	...	...	...	...	...	...	...	...	...
All India Finance & Com.	...	...	100	300	53	18	29	1,089	...	53	27	151	...	2,398	31
Ord.	...	...	10	190	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	...	...	110	128	...	...	...	...	...	...	...	...	...	...	...
Alumina Corpn.	15 69 N	18 12	10	6,250	4,000	17,759	133	10,144	48,023	11,417	1,562	5,423	4,614	2,760	...
5% Cum. preference	88 00 N	98 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	65 45 N	75 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
Amrit Banaspati	...	...	10	5,325	19,25	3,83	-14,14	152,86	160,85	53,32	36,36	85,91	25,33	1,40	...
6% C. P.	...	...	10	1,600	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	10	2,450	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	100	...	...	...	...	...	...	...	...	...	...	...
Anderson Wright	...	...	10	2,000	350	1,173	31	7,205	84	56	5,189	...	4,336	10	4,194
4% C. P.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Anglo Brothers	23 25	19 75	10	3,000	2,584	1,470	223	2,907	3,709	2,634	745	5,159	2,022	1,151	...
Ashtoka Cement	9 44	9 25	10	5,990	550	388	22	10,989	17,887	2,250	7	5,169	1,404	17	15
5% Debentures	...	...	25	4,250	...	...	...	...	...	...	...	...	...	...	...
Assam Bengal Cement	4 12	5 06	10	4,314	1,054	259	-99	7,384	15,145	8,105	534	3,468	3,717	1,122	...
Deferred	0 62	1 06	1	471	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	500	2,498	...	...	...	...	...	...	...	...	...	...	...
Assam Match Co.	25 12	16 57	10	3,000	1,050	708	198	1,681	3,932	2,088	6	2,484	2,100	78	125
Assam Sew Mills	2 44	3 06	3	1,400	...	1,950	-275	1,936	3,398	1,649	2	2,317	769	58	1
Assam Sillimanite	9 94	12 52 N	10	3,000	...	...	...	...	...	...	...	...	...	...	...
Associated Hotels	5 80	7 00	10	2,600	1,000	2,485	155	3,030	10,572	4,222	4,279	794	1,545	788	...
7% C. P. T.	55 25	52 50	100	2,167	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	2,200	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	530	...	...	...	...	...	...	...	...	...	...	...
Associated Mining	9 27	8 62	10	892	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	27 50	36 00	50	500	...	...	...	...	...	...	...	...	...	...	...
Deferred	4 90	5 00	10	410	...	...	...	...	...	...	...	...	...	...	...
Ashtoka Cement	...	...	100	3,628	625	1,804	15	8,672	6,535	1,524	1	6,936	1,889	1,408	...
5% R.C.P.	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...

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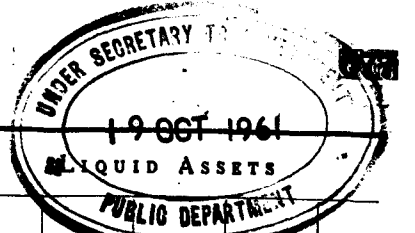
NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	September 1961	September 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
	Ra. nP.	Ra. np.													
NORTHERN INDIA (Continued)															
East India Hotel	...	...	10	4,655	...	...	...	54	2,950	39	...	27	41	147	3,296
6% C.P.	...	...	100	1,249	...	...	...	...	...	...	...	...	...	...	...
Eastern Investments	140 00	137 00	100	5,126	3,920	...	349	2,457	...	...	16,350	...	...	...	...
5% Cum. preference	67 44	69 94	100	2,500	...	...	...	...	...	...	...	...	...	2	...
Eastern Manufacturing Co.	...	...	100	850	5,00	3,70	10	16,10	28,71	19,24	1	17,29	5,21	1,09	35
5% Cum. preference	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
Electric Construction	14 12	14 62	10	3,047	900	283	27	10,776	3,552	1,470	23	8,992	3,913	34	5
Frank Ross	2 94xd	3 31	6	495	...	57	2	930	239	140	...	1,176	443	42	...
4% Cum. preference	45 15xd	60 10	100	275	...	...	...	...	...	...	...	...	...	...	...
Fraser & Co.	10 06	13 00	10	605	200	457	563	584	1 474	612	1	...	392	27	...
French Motor	38 50xd	41 00	20	3,000	400	2,108	182	10,099	3,852	1,504	938	7,574	3,971	959	...
Ganges Rope	216 50	214 00	100	1,400	400	948	71	3,180	3 798	2,268	5	2,565	1,882	18	...
General Inv. & Trust	...	...	75	225	26	30	5	73	...	...	550	...	...	7	...
5% Cum. preference	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Prefr. Tax	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot	13 69	12 25	10	6,500	2,300	1,324	171	27,052	3,058	1,591	11,559	3,326	18,989	2,707	1,800
5% R.C.P.T.	58 00	51 50xd	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Gladstone Llyall & Co.	...	...	10	4,000	775	162	25	5,764	915	567	3,854	1,535	4,868	163	1,375
6% C.P.T.	...	...	100	1,417	...	...	...	...	...	...	...	...	...	...	...
Godfrey Phillips	21 75	24 25	10	4,000	...	509	1,338	9,079	7,986	4,435	...	8,828	2,952	137	2,546
5% C.P.T.	56 50	55 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Hotel	233 00	250 00	250	3,000	1,000	811	21	1,177	8,865	4,329	2	429	833	208	...
Hindusthan Building	3 62	3 69	10	1,500	52	...	8	677	8	3	1,376	...	915	20	920
4% C.P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Hindusthan C.E. Corp.	...	...	10	380	...	239	1,697	13,582	6,359	1,698	13	6,640	1,416	43	620
5% c.p.p.	...	...	100	254	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	35	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Housing	...	...	75	1,916	300	...	6	2,391	30	4	1,088	1,698	1,763	37	...
Hindusthan Ice	1 05 N	1 05	5	1,000	45	1,00	3,57	1,73	22,57	10,00	...	31	1,33	26	13
5% Debentures	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Motors	19 00	18 56	10	49,613	...	4,951	363	29,070	73,656	32,548	1,448	36,835	11,153	22,798	...
6% R.C.P.	194 00	171 00	50	32,147	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Pilkington	24 94	27 50	10	8,800	700	...	5	102	2,343	9,649	2,659	9	1,892	541	1,719
Hindusthan Woollen	...	...	10	3,497	...	...	...	...	...	...	...	...	...	...	...
Hoare Miller	6 12	7 00	10	3,520	2,100	...	51	177	3,011	740	1,086	1,436	7,363	459	...
Hooghly Flour	19 75	21 25	10	800	325	105	25	13,713	1,655	1,340	2,603	1,436	7,363	459	5,445
Hooghly & Ganges Hyd.	6 00	7 25	10	800	54	86	7	1,590	1,655	1,340	2,603	1,436	7,363	459	...
5% R.C.P.	54 00	...	100	400	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco	12 00xd	11 19xd	10	151,600	46,500	45,394	2,477	28,855	113,166	28,877	7,754	103,554	47,950	31,289	...
India Genl. Navigation	67 00	58 50	£ 10	656	170	1,022	...	1,914	5,778	3,679	33	644	904	319	3
6% C.P.	77 00	69 50	£ 10	244	...	...	...	...	...	...	...	...	...	...	...
India Linoleum	...	...	100	2,500	2,500	3	38	1,385	3,275	2,692	...	1,392	2,173	27	...
India Paper Pulp	17 94	19 50xd	10	8,820	1,900	6,537	69	4,157	24,529	13,252	134	5,790	3,341	1,916	...
India Steamship	7 97	10 37	10	24,750	14,000	19,299	4,076	154,248	226,882	49,615	1,351	363	20,494	11,226	...
5% R.C.P.	71 00xd	75 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Indian Aluminium	35 25	26 62	10	39,859	6,500	18,474	4,991	41,853	97,994	35,396	13	28,954	17,968	3,685	...
5% R.C.P.	69 00	69 50	100	4,000	...	...	...	...	...	...	...	...	...	...	...
6% Debenture	...	...	...	30,000	...	...	...	...	...	...	...	...	...	...	...
Indian Cable	37 75	31 87	10	23,578	10,500	12,419	4,873	31,079	51,793	15,414	792	36,727	34,904	4,714	...
5% C.P.P.	...	39 25	10	1,288	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	9,780	...	...	...	...	...	...	...	...	...	...	...
Indian Copper & Zinc	4 77	5 34	2ah	1,371	1,798	£46	119	2,440	5,695	2,081	424	1,533	2,552	513	1,840
Indian Oxygen	39 19	37 31	10	20,000	8,724	4,157	1,378	39,587	59,968	24,806	446	16,000	16,460	3,015	2,823
Indian Plastics	9 55	12 00	10	2,988	...	106	4	4,568	5,489	2,121	...	4,184	2,341	28	...
5% C.P.	40 50 N	46 00	100	2,250	...	...	...	...	...	...	...	...	...	...	...
Indian Rubber Manfr.	17 00	18 25	10	828	5,00	53	63	4,1	16,75	9,50	4	615	794	5,85	...
5% C.R.P.	73 00	73 00	100	828	...	...	...	...	...	...	...	...	...	...	...
Indian Wood Products	31 62	28 50	10	2,000	1,800	498	129	2,353	2,270	1,896	2	3,853	235	2,016	301
Indo Burma Petrol	27 19	23 87	10	10,000	5,894	19,464	465	17,973	10,660	5,537	25,674	3,362	6,311	26,113	1,951
5% C.P.T.	80 50	88 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Investment & Finance	...	...	100	500	149	117	26	123	...	...	...	...	...	...	...
5% C.P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
J. K. Comml. Corp. Ltd.	...	...	10	2,080	822	3	...	48,15	29	17	4,167	...	3,546	4	...
J. K. Investment Trust	...	...	700	7,008	25,50	46	7	40,23	2	1	11,502	...	1,578	803	...
B. Ord.	...	...	25	250	...	...	...	...	...	...	...	...	...	...	...
Jeipur Uday	12 00	11 94	10	20,000	500	4,462	144	49,643	79,862	19,221	58	13,076	5,390	171	...
5% C.P.T.	37 00	37 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...
James Wright	2 75	1 56	5	588	38	93	...	877	360	73	581	458	530	7	...
5% C.P.	19 75 N	19 75	50	130	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 43	0 69	1	117	...	...	...	...	...	...	...	...	...	...	...
Jardine Henderson	60 50xd	67 00	100	20,000	6,900	512	310	53,649	4,377	1,715	51,780	1,822	27,186	68	...
5% C.P.T.	56 75	57 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Jeevanlal (1929) Ltd.	9 25	7 77	10	7,200	1,440	148	10	6,746	4,774	2,739	6	9,491	4,779	608	625
Jensen & Nicholson	...	...	10	3,250	1,850	813	593	9,980	6,390	3,532	88	6,289	8,824	214	784
7% R.C.P.	...	...	100	2,569	...	...	...	...	...	...	...	...	...	...	...
John Paterson	2 25	2 50	10	529	10	22	13	381	500	104	17	109	936	17	...
Kalimpong Ropeway	1 50	2 25	10	450	65	...	1,28	1,38	5,97	2 63	9	1,34	33	134	...
Kanpur Lime & Cement	106 00	103 00	100	6,425	...	3,351	416	11,201	16,681	3,851	52	2,472	3,858	241	2,102
5% P.T.	80 00 N	80 00	100	400	...	...	...	...	...	...	...	...	...	...	...
5% 2nd Pref.	106 50 N	108 50	100	1,575	...	...	...	...	...	...	...	...	...	...	...
Kanara Valley State	89 00 N	89 00	100	158	72	62	...	49	299	157	2	22	90	66	...
Kanara Development	18 87	13 44	10	1,500	2,105	579	255	4,964	4,505	1,324	1,859	149	12,980	1,755	...
Kanara	...	...	10	508	...	...	...	...	...	...	...	...	...	...	...
Kanawati Bullen & Co.	128 00	138 00	100	4,000	2,400	755	215	6,159	329	154	9,532	123	824	68	5,806
5% C.P.T.	51 12	58 25	100	2,000	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	48 10	56 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Kanara Trading Co.	65 50xd	75 00	100	2,000	...	2,689	...	1,064	3	1	5,025	...	666	1	...

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Previous	Second Previous
		Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
NORTHERN INDIA (Continued)												
Kumardhubi Fireclay	Bird & Co. Private Ltd	5,954	2,930	17,432	1,758	213	12-60	2,710	2,366	18 T	18 T	12 T
	51% R.C.P.T.									5 T	5 T	5 T
Kusum Products	East India Development Co.	751	39,531	43,774	3,945	81	3-60	874	1,232	21 T	27 T	nu
	51% R.C.P.T.									51 T	51 T	51
Macfarlane & Co.	Cotton Agents Private	428	1,283	2,216	590	20	3-60	-129	-28	nil	nil	nil
	7% C.P.									nil	nil	nil
	Deferred									nil	nil	nil
Macneil & Barry	Directors	6,902	9,060	25,155			3-61	5,570	4,759	104 T	8 T	7
	51% C.P.T.									51 T	51 T	51
	5% Debentures									51 T	51 T	51
Martin Burn	Directors	9,214	67,781	86,231	19,707		9-60	8,722	8,630	27 T	27 T	21 T
	5% C.P.									61 T	5 T	5
	4% Convertible Notes											
Marwar Trading Corp.	Directors			102			12-59	67	-13	3 T	nil	51
McLeod & Co.	Directors			30,842	1,010		12-60	2,032	2,050	15 T	15 T	12 T
	5% 1st C.P.T.									4 44 T	5	5
	5% 2nd C.P.									6 5 T	5	5
	Deferred									10 T	10	7 T
	Convertible Notes											
Metal Box Co.	Directors	22,123	60,922	99,232	31,161		3-61	14,083	12,657	25 T	25 T	17 T
	6% R.C.P.T.									6 T	6 T	6
Metal Corporation	Directors		8,838	10,025	5,686		3-60	1,266	587	nil	nil	nil
	5% C.P.T.									nil	nil	nil
	51% Debentures									nil	nil	nil
Midnapore Zamindary	Andrew Yule & Co.			158			4-59	-215	-124	nil	nil	nil
Moradabad Water Supply	Noordulla Ghazanfarulla	67		183		9	10-58	54	53	5	5	5
C. & E. Morton India Ltd.	Cotton Agents Private	529	2,596	5,537	818	22	6-60	321	186	nil	5	5
Motor & Genl. Finance	Gupta & Syal Ltd.	78		1,346			6-55	7,88	3,94	40	15	15
	10% 1st C.P.									10	10	10
	7% 2nd C.P.									7	7	7
	3rd C.P.									7	7	7
National Insulated Cable	Asso. Indust. Development Co.	2,211	19,601	34,914	3,607	7-6	3-60	7,502	3,908	25 T	20	20
	51% Debentures											
National Pipes & Tube	Asso Indust. Dev. Co.	1,207	7,500	10,202	2,337	231	9-60	2,370	2,002	20 T	15 T	12 T
	51% R.C.P.									51 T	51 T	51
National Rolling	Asso. Indust. Development			14,189	902	298	6-60	3,130	1,532	13 T	10	10
National Rubber	Directors	2,851	13,222	20,206	4,397		12-59	1,067	886	8 T	6	10
	6% C.P.									6	6	6
National Tobacco	B. N. Elias & Co. Private	6,986	75,692	96,444	10,262	638	12-60	6,561	6,635	16 T	1 T	11
	5% R.C.P.									5 T	5	5
	44% R.C.P.									4 T	4	4
	4% Debentures											
Nev Bharat Vanijya	Directors	46	3,550	2,781	2,721		5-60	577	-147	nil	nil	nil
	44% C.P.									nil	nil	nil
New India Investment	Ramdutt Ramkissondas	6	1,347	1,954	3,531	40	12-59	501	258	61 T	5	51
Octavian Steel & Co.	Directors	1,643		3,846			12-59	1,613	1,728	12 T	8 T	8 T
	6% C.P.T.									6 T	6	6
Orient Paper	Birds Brothers Private Ltd.	10,612	34,769	76,413	6,222	1,073	3-61	19,293	18,494	22 T	22 T	15
	51% C.P.									7 86 T	7 86 T	51
	51% C.P.T.									51 T	51 T	51
Orissa Cement	Dalminia Agencies Private	4,896	15,818	42,693	4,576		12-60	10,895	7,458	15 T	11 T	15
	44% C.P.									15 T	11 T	15
Orissa Minerals	Bird & Co. Private Ltd.	4,645		13,075	941	220	6-60	2,890	2,869	5 85 T	4 T	4 T
Philips India	Directors	9,210		55,900			12-60	8,159	6,939	36 T	36	25
Port Shipping	Andrew Yule & Co.	1,727	742	2,977		12	12-60	242	45	12 T	17 T	8 T
Publicity Society	Directors	248		1,184			3-60	478	306	nil	nil	nil
Punjab Minerals	Bird & Co. Private Ltd.	5	19	27			9-60	—5	324	70 T	37 T	50
R. B. Rodda	Director	123		1,730	499		3-60	405	182	1 T	6	6
Rallis India	Directors	6,041	160,272	183,498	17,384		8-60	5,122	2,855	4 T	6 T	6 T
	6% C.P.T.									6 66 T	6 66 T	6 66 T
Reliance Firebrick	Directors	1,998	1,698	6,602	352		2-58	1,150	1,080	40	40	20
Robins Industries	Sahu Jain Ltd.	16,754	129,753	162,446	72,118		3-61	12,432	21,585	10 T	20 T	15
	7 to 9% C.P.									11 10 T	5 T	4
	44% C.P.									5 52 T	4 T	4
	61% Debentures											
Sahu Properties	Directors	4		140			12-59	60	107	6 T	5	5
	6% Debentures											
Scientific Instrument Co.	Directors			3,820	5,77		3-55	1,91				
San Raleigh	5% C.P.	4,912	20,914	35,838	6,619		9-60	4,450	3,344	8 T	8 T	5
Shaw Wallace & Co.	Directors	9,358	56,109	75,918	17,390		12-60	6,993	6,522	65 T	5 T	10
	6% C.P.T.									15 T	15 T	10
Shiva Jute Press	Kadarnath Mohanlal	28		157			6-58	60	21	6 66 T	6 T	6
Shree Gopal Paper	K. Ch. Thapar & Bros. pri.	4,979	26,409	46,890	2,091	759	12-60	(a) 11,632	10,187	17 T	17 T	13 T
	6% C.P.P.									9 80 T	10 T	7
	7% R.C.P.									9 10 T	10 T	7
	51% Debentures											
Smith Steamtrest	Directors	2,053	12,595	17,196	5,203		6-60	1,181	1,042	25 T	25	1 T
	10% Prof. Cum. as to 7%									10 T	14 25	1 T
Somnath Baling	Bird & Co (Pab) Ltd.	3 44	186 39	200 88	32 00	6	2-55	-2 50	-2 52	nil	nil	nil
	8% C.P.									nil	nil	nil
	5% C.P.									nil	nil	nil
Spice Valley Port Cement	Directors			14,440	2 27		12-59	94	1,106	nil	nil	6
Star Paper Mills	Directors			198			3-60	119	71	3 T	3 T	6
	5% C.P.						9-59	(b) 1,242	1,574	3 T	6	6
	61% R.C.P.									5	5	5
	7% R.C.P.									6 T	6 T	6 T
Star Trading & Inv.	Bajoria & Co.			25			6-59	-6	-25	3 T	3 T	3 T
Star Products	J. K. Agents Private Ltd.	1,201	4,258	6,812	2,690	79	12-59	(a) 1,766	(a) 1,216	15 T	15 T	15 T
Star Stone & Lime	Directors	829	1,286	3,833	8		12-60	677	478	27 T	20 T	20 T

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	September 1961	September 1960			General Ra. 000	Others Ra. 00	Carry Forward Ra. 000				Invest- ments Ra. 000	Stocks & Stores Ra. 000	Out Standings Ra. 000	Cash Ra. 000	Others Ra. 000
NORTHERN INDIA (Continued)															
Kumardhubi Fireclay	18 45 N	20 95	10	3,000	628	3,467	33	9,825	12,681	6,621	397	5,474	5,206	20	196
51% R.C.P.T.	58 20	49 00	100	400											
51% Debentures				2,000											
Kusum Products	10 00	2 25	10	300		578	38	5,360	4,828	2,880	13	4,495	1,781	339	
51% R.C.P.T.	64 00 N	64 00	100	600											
41% Debentures			1000	1,000											
Macfarlane & Co.	7 87	3 75	5	634		10	-140	1,545	871	633	153	1,213	802	18	
7% C.P.			100	309											
Deferred	1 81	0 97	1	66											
Macneil & Barry	93 00xd	104 00	100	15,100	5,000	3,959	328	7,378	12,186	2,180	24 323	1,333	10,478	2 645	
51% C.P.T.	51 57	56 75	100	10,000											
5% Debentures			1000	7,500											
Martin Burn Limited	28 56	26 37	10	14,696	8,000	3,496	260	66,384	5,724	1,819	19,675	20,194	52,510	778	2,318
5% C.P.	85 50	91 00	100	6,000											
4% Convertible Notes			500	835											
Marwar Trading Corp.	149 50	190 00	100	525		1,926	3	141				2,063		517	15
McLeod & Co.	213 00	210 00	100	4,000	3,800	4,080	219	15,495	3,196	1,364	26,385	1,021	7,114	542	
5% 1st C.P.T.	47 78	50 50	100	1,000											
5% 2nd C.P.	59 25	63 00	100	4,000											
Deferred			10	500											
Convertible Notes				4,500											
Metal Box Co.	54 87	42 00	10	16,100	11,500	6 775	2,886	80,354	56,154	14,023	405	32,802	13,195	2,079	
6% R.C.P.T.	84 00	87 00	100	3,000											
Metal Corporation	10 87	9 81	10	5,000		1,043	-1,442	6,882	11,854	6,682	15	7,587	570	39	
5% C.P.T.	99 00	88 00	100	760											
51% Debentures			1000	1,200											
Midnapore Zaminidary	13 62	12 50xd	85	8,693			-2,085	2,165	100	47	51		5,410	3,260	
Moradabad Water Supply	5 25	4 44	10	446		5	1	123	733	286	1	36	55	29	9
C. & E. Morton (India) Ltd			10	885	850	262	20	1,936	2,746	1,626	70	1,789	877	117	
Motor & General Finance			25	400	11,00	4,00	10	70,63	63	24	11,42	26	82,39	1,60	
10% C.P.			25	250											
7% 2nd C.P.			20	100											
7% 3rd C.P.			10	325											
National Insulated Cable	37 56cd	28 50	10	9,000	8,000	5,757	86	24,014	10,946	5,135	8	15,304	23,429	1,136	
51% Debentures			2,000	1,000											
National Pipes & Tubes	27 75	17 44	10	3,000	2,000	352	43	3,786	5,044	2,696	7	5,380	2,404	240	
41% R.C.P.			100	1,000											
National Rolling	21 75	15 81	10	4,000	1,500	1,519	131	4,195	8,322	3,577	3	4,449	2,086	62	
National Rubber	14 31	16 06	10	4,997	400	516	15	10,213	8,355	3,367	10	7,894	3,213	863	151
6% C.P.	73 00	68 00	100	945											
National Tobacco Co.	16 12	19 62	10	7,997	6,000	5,755	904	18,873	15,041	8,118	91	28,641	4,213	2,878	2,422
5% R.C.P.	69 00	70 00	100	2,500											
41% R.C.P.	61 75	61 58	100	1,998											
4% Debentures			1000	1,200											
New Bharat Vanasiya	7 50	4 00	10	1,500			22	686	4	2		2,721	484	1	
44% C.P.	75 00	66 75	50	1,000											
New India Investment	44 50	47 50	75	2,332	1,000	102	45	1,066	5	4	4,012		384	149	
Octavius Steel & Co.			100	5,000	3,300	3,102	334	5,671	1,036	361	8,649		8,898	185	
6% C.P.T.			100	1,000											
Oriana Paper	36 70	41 70	10	14,682	4,700	30,486	180	25,597	103,098	37,573	2,267	15,868	15,302	2,690	1,995
51% R.C.P.	76 14cd	83 00	100	12,000											
51% R.C.P.T.	59 50xd	63 00	100	6,000											
51% Debentures			1000	10,000											
Oriana Cement	14 81xd	13 19	10	22,500	1,000	6,932	52	91,350	56,366	22,408	1,096	15,129	12,844	227	2,581
44% C.P.			100	4,000											
Oriana Minerals	50 37	38 23	10	2,000	1,455	4,400	111	7,396	6,891	2,826	4,342	2,256	5,620	125	104
Philips India	33 94	29 00	10	22,000	446	5,162	64	29,860	21,694	6,670	247	21,949	17,927	1,918	436
Port Shipping	11 00	10 37	10	1,408	111	74	-258	1,522	2,886	1,397	5	143	1,233	4	243
Publicity Society	23 50	15 00	4	286	150	313	122	1,323	195	189	70		1,584	534	
Punjab Minerals			10	300			-140	23	159	2			17	1	9
R. B. Ridda	2 20xd	5 00	10	650	200	52	15	528	158	57	46	1,087	702	72	
Rallis India	151 00	123 00	100	22,500	500	100	449	17,616	7,039	3,389	8,630	18,552	14,901	2,917	
6% C.P.T.	63 50	89 00	100	7,500											
Rahmas Firebrick	23 07	25 00	10	600	319	1,121	37	4,029	3,716	2,569	1,088	952	2,341	152	
Rohata Industries	16 50	22 50	10	49,881	20,700	4,760	596	67,947	150,823	67,634	16,272	57,529	17,786	1,727	
7 to 9 C.P.	115 00	117 00	100	2,000											
41% C.P.	56 00	58 00	100	9,000											
61% Debentures			1000	9,500											
5% Debentures			1000	12,200											
Sahu Properties	2 45	2 69	5	750		369	1	239				1,649		199	10
5% Debentures			500												
Scientific Instrument Co.			100	999	1,45	1,29	4	14,91	1,71		72	5,80	18,27	1,18	
Sun-Raleigh	22 25	26 50	10	7,000	1,750	9,811	117	31,344	27,613	7,219	854	20,766	3,587	1,629	
5% C.P.	155 00	158 00	100	3,000											
Shaw Wallace & Co.	23 12	25 56	10	7,500	3,300	2,368	514	52,853	14,012	3,763	17,983	19,997	15,356	694	9,775
5% C.P.T.	66 50	68 25	100	7,500											
Shree Jute Press			10	450	110	10	32	85	975	522	20	90	178	6	
Shree Copal Paper	26 25	24 50	100	750	4,075	10,364	57	32,667	60,650	16,053	4,910	14,564	4,954	1,171	1,768
7% C.P.	101 50	92 00	100	3,000											
51% R.C.P.	96 75	100 00	1000	1,000											
51% Debentures			1000	3,000											
6% Debentures			1000	3,000											
Smith Stanistreet	15 50	14 00	5	1,000	600	869	99	4,687	2,440	1,505	302	5,203	1,343	448	
10% Pref. cum. ac to 7	63 12	69 62	50	500											
Shankunda Baling			100	600	5,02	16,73	-3,67	6,025	38,53	13,27		5401	7,79	77	
5% C.P.			100	200											
5% C.P.			100	350											
Shree Valley Port Cement	5 00	5 12	5	7,500	1,415	435	62	6,596	22,510	15,876	106	6,282	2,319	423	214
Star Co.	79 00xd	80 00	100	1,040	762	418	81	317	446		1,700	421			
Star Paper Mill	11 00	13 19	10	6,000	450	389	6	9,541	7,736	4,904	107	9,503	5,584	1,209	2,876
5% C.P.	85 40xd	73 50	100	1,000											
51% R.C.P.	85 90xd	93 00	100	3,000											
51% R.C.P.T.	68 50	95 00	100	2,325											
Shree Trading & Inv.	8 00 N	8 00	25	500			-143	736	2	1	122	817	150	2	
Shree	9 12	11 58xd	10	1,500	3,400	6,467	53	4,612	11,849	2,852	989	3,613	1,919	6,061	396
Shree & Lano	18 25	22 25	10	484	115	631	92	854	2,129	842	16	175	996	185	

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INDUSTRIALS—Contd.



NAME	Managing Agents Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended Rs. 000	NET PROFIT		DIVIDEND PER SHARE		
								Latest Rs. 000	Previous Rs. 000	Latest	Pre- vious	Second previ-
NORTHERN INDIA (Continued)												
Tide Water Oil	Andrew Yule & Co. Ltd.	875	6,079	7,037	2,832	34	10-60	426	292	30T	22T	15
Titagur Paper Mills	F. W. Heilgers & Co. Private Pvt. Ordinary	15,398	56,932	95,596	4,509	434	3-61	10,873	11,597	20T	25T	25
	8% C. P.									13T	13T	10
	44% C. P.									10-4T	10-4T	8
	51% Debentures									5-85T	5-85T	4
Tungabhadra Industries	Cotton Agents Private Debentures	753	32,847	35,296	4,219	19	9-59	1,151	676	nil	nil	ni
Union Co.	Directors			339			3-60	123	117	3T	4T	ni
Union Carbide	Directors	10,732	41,039	70,992	24,334		12-59	15,502	10,555	18T	14T	14
United Flour	Shaw Wallace & Co. Ltd.	511	8,498	10,460	365	68	11-59	662	525	52T	37T	40
Walford Transport	Directors	1,402	29,941	27,808	4,494		12-60	1,309	953	30T	20T	14
	Pvt. Ordinary									20T	15T	12
SOUTHERN INDIA												
Aluminium Industries	Seshasayee Brothers Pri.	2,178	29,100	34,072	7,460	398	3-60	4,770	3,355	18T	12T	12
Amrutnjan	R. N. Brothers	139	1,788	3,154	81	56	3-60	541	321	75T	35T	35
	7% C. P.									7T	7T	10
Andhra Cement	Andhra Engineering Co. Pri.	1,033	4,012	9,134	264	95	12-59	1,756	(a) 1,670	10T	7T	10
	6% C. P.									6T	6T	ni
Andhra Scientific Co.	Srinanth Industries Pri. Ltd.	962	1,062	2,893	1,177	59	6-60	599	345	6T	6T	ni
	5% C. P.									6T	5T	ni
Ashok Leyland	Directors	2,753	523,426	57,788	17,195		12-59	5,502	3,943	8T	6T	ni
Aspinwall & Co. (Trav.)	Directors	876	2,874	4,504	716		12-60	138	85	3T	4T	ni
Aspinwall & Co.	Directors	1,862	5,687	10,437	1,653		12-60	840	(b) 546	6T	6T	ni
	6% c. p.									6T	6T	ni
Asso. Industrial Engg.	Gannon Dankerley	52		7,097	1,405		3-60	333	524	6T	9T	ni
Bangalore Printing	Directors	221	180	503	183		12-59	57	84	10T	10T	ni
	Second Ordinary											ni
Binnay & Co.	Directors	1,425	2,125	7,662	334		12-59	3,045	2,384	10T	10T	ni
Contra Scientifics	Guru Agencies Private	88	630	1,054	178	11	3-59	112	100	10T	10T	ni
	6% C. P. P									8T	8T	ni
Coimbatore Chem. & Fert.	Venus & Co.			8,92		5	3-55	11	15	5T	7T	ni
Enfield India	Directors	948	6,544	8,239	2,216		12-59	659	492	5T	nil	ni
	7% R. C. P.									7T	7T	ni
Fertilisers & Chemicals	Seshasayee Bros. Private	5,069	10,027	23,958	4,409	388	12-59	6,272	5,983	6T	4T	ni
Forest Industries	Seshasayee Bros.	107	1,175	2,489	153		3-58	871	1,159	nil	nil	ni
General Papers Ltd.	Gany & Co.	52	2,385	2,980	879	41	3-59	365	303	12T	12T	ni
India Cements	Essen Pri. Ltd.	3,135	23,196	36,468	825	321	3-61	9,564	(a) 7,104	12T	11T	11
	7% C. P.									7T	7T	ni
Investment Trust of India	Kothari Mehta & Co., Pri. Ltd.			85		5	9-60	46	54	5T	5T	ni
Jaypee Mining	R. S. Indus'l Corp.	64	1,14	5,76	7,17	9	6-55	1,08	1,00	10T	6T	ni
Kirloskar Elec.	Kirloskar Associates	2,208	15,532	21,826	2,694	237	6-59	2,476	2,328	10T	7T	ni
Madras Indus'l Invt. Corp.	Directors			3,005			6-60	(a) 1,000	(a) 636	3T	3T	ni
	44% Debentures											ni
Madras Safe Deposit	Kothari & Sons	15		59		2	6-60	28	21	6T	5T	ni
Madras Vanaspati	Kubera Vanaspati				4		4-58	-141	-153	nil	nil	ni
	Ordinary									nil	nil	ni
	5% C. P.									nil	nil	ni
Marikar (Motors)	H. O. L. Marikar & Sons Pri	231	9,822	10,289	1,006	18	3-60	340	153	18T	9T	6
	6% C. P.									14T	6T	6
McDowell & Co.	Directors	231	3,478	4,038	1,222		12-59	(c) 436	388	30T	20T	24
	6% C. P.									8,57T	6T	6
Mettur Chem & Indus. Corp.	Seshasayee Bros. private Ltd.	1,388	6,607	13,389	696	158	3-61	2,957	2,303	12T	12T	8
	6% C. P.									6T	6T	ni
	5% Debentures											ni
	64% Debentures											ni
Modern Housing	Directors	28		1,670			6-60	24	-5	nil	nil	ni
	6% C. P.									nil	nil	ni
Mysore Chem & Fert	Directors	542	2,848	4,755	453		3-60	1,052	867	10T	5T	5
Mysore Chem. Manfr.	Directors	154	2,488	2,889	331		3-60	619	625	20T	20T	20
	6% C. P.									6T	6T	ni
Mysore Chrome	Directors			464	165		6-58	-25	-37	nil	nil	ni
Mysore Coffee Curing	Directors	89	428	812	111		12-59	282	375	14T	12T	15
Mysore Elec. Industries	Directors	1,009	5,900	7,773	346		3-61	1,129	1,021	20T	20T	15
Mysore Glass & Enamel	Directors			581	26		3-61	58	52	10T	6T	ni
Mysore Indus. & Test Lab.	Directors	419	620	1,986	269		3-60	341	349	16T	12T	12
Mysore Lams	Directors	296	961	1,906	196		3-60	275	312	26T	16T	19
	4% C. P.									4T	5T	4
Mysore Match	Directors			1,20	8		6-56	3	10	nil	nil	ni
Mysore Paper	Directors	2,368	8,126	14,131	196		3-60	2,311	1,648	15T	12T	12
Mysore Stone Ware Pipes	Mysore Indus'l Develop. Co.			1,213	107	25	3-60	252	368	14T	10T	10
Mysore Tobacco	Directors	460	1,305	2,114	191		3-60	230	313	10T	12T	12
Mysore Veg. Oil	Directors	106	2,690	1,598	109		6-60	98	137	20T	10T	6
Opale Glass Works	S. P. Opale & Co.	1,774	3,224	7,208	313	55	12-60	321	630	10T	8T	4
Parry & Co.	Directors	9,042	60,805	76,236	12,858		9-59	2,153	1,868	nil	nil	ni
	5% C. P.									5T	5T	ni
	44% Debentures											ni
Parry's Confectionary	Parry & Co.	1,329	6,823	11,398	2,696	123	3-60	1,189	850	30T	20T	20
Punakar Paper	A. & J. Harvey	1,893	5,483	9,849	263	119	6-60	1,442	1,814	15T	15T	10
Radio & Electronics	Directors	42	1,047	1,454	2,226		12-59	238	259	7T	7T	9
Radio & Electronics Manfr.	Directors	1,103		7,585	743		3-60	2,410	2,242	23T	16T	10
Rane (Madras)	Iyer & Co. Ltd.	210		14,623	2,645		3-61	504	473	14T	14T	10
	7% 'A' C. P.									14T	10T	10
	6% C. P.									78T	8-5T	6
Ruby Rubbers	Ruby Industries Private	120	2,222	2,588	1,440	17	6-59	265	226	6T	9T	6
	64% C. P.									6T	6T	ni

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	REVENUE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS PUBLIC DEPARTMENT				
	September 1961	September 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Standing Orders	Cash	Others
	Ra. np.	Ra. np.			Ra.	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Contd.)															
Tide Water Oil	20 25	16 95	10	600	450	489	125	2,263	446	173	7	2,832	1,322	382	823
Titagur Paper Mills	34 37ad	38 62	10	11,205	4,893	30,217	148	49,062	59,590	49,258	1,000	28,793	29,526	659	3,113
Pvt. Ordinary	3 62ad	3 84	24	437											
8% C. P.	107 00ad	116 00	100	1,150											
44% Cum. preference	72 08ad	78 50	100	1,500											
51% Debentures				10,000											
Tungabhadra Industries	8 12		10	3,059		30	56	6,607	6,869	1,769	25	5,400	56	163	
51% Debentures				1,503											
Union Co.	76 00	80 00	100	1,250	728	807	113	2,715	40	18	3,254	2,320	1,115		
Union Carbide	51 25	52 00	10	20,000	5,000	6,535	4,363	39,012	38,512	9,532	303	26,312	7,575	8,941	3,000
United Flour Mills	38 00	47 00	10	500	295	361	10	1,437	862	562	18	466	910	906	
Walford Transport	3 37	2 37	1	841	1,460	1,067	161	5,089	1,385	951	127	5,061	2,340	746	
Pvt. Ordinary	2 22	2 22	1	210											
SOUTH INDIA															
Aluminium Industries	23 70cd	23 40cd	10	8,000	2,000	1,984	153	24,6107	13,872	5,551	84	14,489	12,524	950	379
Amrutnjan			100	250	175	158	5	1,17	873	166	176	304	444	454	
74% C. P.	118 17ad	130 00cd	100	300											
Andhra Cement	9 25	10 45	10	7,102	350	399	23	8,717	16,052	6,938	594	4,807	2,320	41	
6% Cum. preference	92 74	101 80	100	249											
Andhra Scientific Co.	11 15	11 00	10	800		129	17	2,239	1,547	709		1,781	1,234	32	
5% C. P.	7 04	12 50	10	200											
Ashok Leyland	9 12	8 30	5	24,679	650	1,914	20	19,413	22,070	6,077	101	17,509	9,458	84	
Aspinwall & Co. (Trav.)	4 30	4 72	10	1,000		451		684	551	353	60	834	1,009	36	
Aspinwall & Co.	6 40	6 70	10	3,588	44	1,027	19	4,727	3,604	1,880	483	1,125	5,874	411	
6% C. P.	7 62	7 62	10	214											
Asso. Indul. & Engg.	82 10	83 00	100	2,495	35	10	11	2,270	321	179	442	2,080	2,586	71	
Bangalore Printing	13 95	14 30	10	316	188	108	7	151	783	454	50	232	171	82	
Second Ordinary			10	31											
Binnay & Co.	257 00cd	203 00cd	100	10,000	3,650	1,300	439	10,684	3,628	1,881	21,177	399	2,485	264	
Central Scientifics	6 95cd	7 35	5	150	165	70	7	158	128	66	10	180	255	92	
6% C. P. P.	5 10	5 25	5	150											
Coimbatore Chem & Fert			25	139				3,39	1,45	29	1	3,11	21	30	
Enfield Industries	11 75	15 79ad	10	1,499		353	5	2,432	4,801	718		2,666	461	62	
6% C. P.	91 00	95 10	100	1,000											
Fertilisers & Chemicals	9 40	10 75	10	34,598		1,462	1,959	30,424	51,368	28,028	2,575	10,569	6,839	2,068	23,059
Forest Industries	2 66cd	3 37cd	24	1,992			-210	1,627	613	438		324	1,163	1,747	
General Papers Limited	10 65cd	12 12cd	10	750	300	166	6	490	121	43	46	878	616	89	4
India Cements	6 65cd	7 10	5	22,445	3,000	3,872	119	28,686	46,664	13,335	990	9,127	13,852	3,988	
74% Cum. preference	85 00cd	93 00ad	100	3,335											
Invst. Trust of India	68 00	70 50	100	1,000	40	221	4	90			1,212		7	37	
Jaypore Mining			100	400	2,40	31	46	10,94	6,35	1,63	36	8,83	4,10	4	
Kirloskar Elec	14 75	13 30	10	3,871	1,212	1,218	4	8,199	7,808	3,665		6,789	3,113	353	172
Madras Indul. Invt. Corp.			1000	13,211	200	230	5	45,159	22	7	11,440	2	35,638	11,626	
44% Debentures															
Madras Safe Deposit	44 00cd	44 14ad	80	158		14	1	103	119		95		13	50	
Madras Vanaspathi (s.s.)	16 10	15 00	100	1,500			-1,234	2,817	3,943			58	9	1	61
Ordinary			10	193											
51% C. P.	56 00	17 20	100	794											
Marikar (Motor)	63 75	51 00	50	575	450		14	2,020	293	29	89	1,011	1,697	294	
6% C. P.	52 33	48 95	50	298											
McDowell & Co.	32 25	40 25	10	600	390	30	149	1,591	1,486	667	137	1,326	685	194	
6% C. P.	80 00	94 50	100	400											
Mettur Chem. & Indl. Corp.	14 30	13 20	10	8,000	422	2,214	16	2,537	15,617	8,157	1,440	3,925	4,493	921	
6% C. P.	9 33	98 00ad	10	2,000											
5% Debentures			100	1,175											
64% Debentures			100	1,350											
Modern Housing			10	1,792			-1,239	83	622	246	231	265	888	202	5
6% C. P.			100	1,272											
Mysoore Chem & Fert	11 60cd	10 65	10	2,481	693	411	11	2,314	5,564	4,080	359	1,775	828	1,363	
Mysoore Chem. Manfr.	23 85cd	27 87	10	600	200	252	85	2,294	1,119	897	208	1,777	1,303	10	
6% C. P.	8 50	8 40	10	200											
Mysoore Chrome			10	494	90		-206	405	634	169	1	265	42	9	
Mysoore Coffee curing	15 00	15 50	10	799	52	194	1	1,231	752	489	83	560	1,351	21	
Mysoore Electric Indus.	212 00ad	172 80ad		1,750	130	790	3	1,889	1,614	740		2,039	1,600	48	
Mysoore Glass & Enamel			10	316		24		76	533	375		144	54	65	
Mysoore Indus. & Test. Lab	8 13cd	8 00	5	938	76	530	5	1,132	890	511	475	652	963	140	
Mysoore Lamp	27 50cd	26 25cd	10	656	535	384	3	698	1,239	725		1,140	859	6	
6% C. P.	5 95	6 30	10	250											
Mysoore Match Co.	13 89ad	10 00cd	10	499			-1,30	77	3,65	84	16	97	20	30	2
Mysoore Paper	17 50cd	30 12cd	10	2,500	1,250	2,043	52	5,333	15,221	10,396	56	3,594	2,129	390	
Mysoore Stoneware Phys.	14 16ad	15 15	10	600	300	268	7	395	1,132	763	159	246	479	108	
Mysoore Tobacco	9 43	14 05	10	1,000	180	151	1	739	1,939	1,183	188	521	519	97	
Mysoore Veg. Oil			8	270	134	76	3	690	518	398	253	242	317	239	
Opale Glass Works	5 50	5 55	5	1,567		769	973	4,143	5,307	2,662	4	2,369	1,178	382	
Perry & Co.			2	4,000	4,750	2,056	230	27,358	5,363	2,972	2,477	13,103	22,523	1,143	
5% C. P.	7 40	8 40	10	3,000											
44% Debentures				257											
Perry's Confectionery	4 80cd	4 70cd	1	750		302	152	3,919	1,255	600	12	2,956	1,738	248	
Punjab Paper			25	1,505	850	3,952	105	3,205	10,674	5,446	1	2,204	1,998	185	
Radio & Electricals	2 50	4 35	5	1,500	600	10	2	2,028	844	345	11	2,259	836	14	
Radio & Electricals Manfr.	23 25cd	18 16	10	2,457	550	177	22	7,046	3,857	2,169	48	2,758	5,656	176	
Rane (Madras)	7 00cd	6 30	5	334		117		3,855	1,997	574	228	2,663	1,524	418	
6% A.C. P.	4 30cd	4 70	5	175											
6% C. P.	4 40cd	4 65	5	190											
Ruby Rubbers	5 00	8 83	10	890			4	1,785	1,571	276	140	1,051	373	61	25
81% C. P.	10 00	10 00	10	246											

NAME	Managing Agents Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Pre- vious	Second Previous
		Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
SOUTHERN INDIA (Continued)												
Simpson & Co.	Directors	1,731	48,485	59,241	6,341	...	5-58	3,513	5,043	9	6	13
Spencer & Co.	Directors	4,826	28,675	37,924	10,630	...	6-60	2,382	2,342	18T	18T	13
	64% 'A' C. P.	...	...	...	...	...	...	...	...	64	64	64
	84% 'B' C. P.	...	...	...	...	...	...	...	...	84	84	84
Standard Motor Products	Standard Motor Co.	1,819	35,428	38,975	11,746	...	12-60	2,854	1,815	9T	9T	7T
	64% C. P.	...	...	...	...	...	...	...	...	64T	64T	64T
Stanes & Co. T.	Deferred	...	...	...	...	...	...	...	...	...	...	...
	Directors	581	6,243	8,088	740	...	9-60	882	791	32T	20	20
	70% C. P.	...	...	...	...	...	...	...	...	70T	70T	70T
Stanes Motors	Directors	882	5,765	8,714	1,265	...	3-58	567	591	20	15	12T
T. I. Cycles	Directors	...	...	30,470	5,807	...	6-58	2,299	7,785	10	10	6
Textool Co.	Balasundaram & Co.	4,904	9,061	16,637	4,132	82	4-60	1,049	1,085	15T	15T	12
Thomas & Co. A. V.	Directors	265	840	1,394	410	...	12-59	191	233	20T	25	15
	"B" Ordinary	...	...	...	...	...	...	...	...	20T	25	15
	6% Cum. Preference	...	...	...	...	...	...	...	...	6T	6	0
A.V. Thomas & Co., (India) Ltd.	Directors	46	126	204	196	...	6-60	88	52	nil	nil	nil
	5% Cum. Preference	...	...	...	...	...	...	...	...	5	5	6
Travancore Cements	Essel Ltd.	1,120	...	3,334	1,717	30	12-59	(a13)1,008	996	6T	6	6
Trav. Chem. & Manfg. Co.	Directors	184	2,865	5,024	744	...	3-61	940	485	26T	15T	10
	64% R. C. P.	...	...	...	...	...	...	...	...	8,93T	8,93T	6T
Travancore Ogale Glass	Ogale Bros. Private Ltd.	505	703	1,530	40	10	12-60	191	156	6T	6T	4
United Coffee Supply	Directors	452	3,883	5,364	802	...	6-58	205	193	11	10	11
United Elec. Industries	Directors	192	1,332	2,287	17	...	12-59	33	178	nil	nil	nil
	5% Cum. Pref.	...	...	...	...	...	...	...	...	nil	nil	nil
Vanijand Matches	Directors	85	4,24	5,43	1,36	...	12-54	18	31	nil	nil	nil
	64% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Vasant Soap Works	Ramkrishna & Sons	23	162	270	34	6	12-58	30	11	nil	nil	nil
	54% C.P.	...	...	...	...	...	...	...	...	nil	nil	nil
W. I. Plywood	Directors	1,046	2,813	6,787	2,747	...	3-61	1,991	1,621	12T	12T	10
	6% C. P.	...	...	...	...	...	...	...	...	7,8T	7,8T	6

(a) After transferring Rs 2,000,000 from Dividend Equalisation Fund.

(b) After transferring Rs 67,000 from Dividend Equalisation Reserve.

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

(d) After transferring Rs 1,500,000 from General Reserve.

(e) After transferring Rs 1,10,000 from General Reserve Rs 40,000 from Dividend Equalisation Fund.

(f) Includes Rs 135,478 being surplus on sale of Fixed Assets.

(g) After transferring Rs 62,000 from General Reserve.

(h) After writing back Rs 261,971 being over provision in previous years.

(j) After transferring Rs 719,682 from General Reserve.

(k) After transferring Rs 125,000 from General Reserve.

(m) After transferring Rs 800,000 from General Reserve.

(n) After transferring Rs 150,000 from Deferred Taxation Reserve and Rs 129,559 from provision for taxes made in previous years.

(o) After writing back Rs 141,049 being excess provision for depreciation and Rs 19,398 being investments written off.

(p) After transferring Rs 300,000 from General Reserve.

(q) Bonus shares in the ratio of one fully paid ordinary share for every five ordinary shares will be issued in lieu of Dividend.

(r) Includes Rs 17,98,170 being indemnity received from the Government of India.

(s) After transferring Rs 3,379,376 from General Reserve.

(t) After transferring Rs 7,600,000 from Tax Equalisation Reserve.

(u) Dividend in the form shares in The Punjab National Bank at one share for every 20 shares held in Bharat Nidhi.

(v) After transferring Rs 600,000 from Dividend Equalisation Reserve and writing back Rs 263,408 being excess provision made in previous years.

(w) After transferring Rs 450,000 from General Reserve.

COTTON

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Pre- vious	Second Previous
				Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
WESTERN AND CENTRAL INDIA													
Ahmed Advance	Tata Industries Private	49,168	1,016	5,565	13,592	6,849	22	12-60	(a)1,442	(b)3,127	6T	16T	7
	5% Cum. preference	...	...	...	...	...	...	...	...	...	5	5	5
	54% Debentures	...	...	...	...	...	...	...	...	...	16T	24T	17T
Ahmed Mfg. & Calico	Karamchand Premchand Pri.	139,120	2,372	40,893	108,316	28,424	1,267	3-61	22,167	16,611	44T	44T	44T
	44% 1st Cum. preference	...	...	...	...	...	...	...	...	...	44T	44T	44T
	44% 2nd Cum. preference	...	...	...	...	...	...	...	...	...	44T	44T	44T
	44% 3rd Cum. preference	...	...	...	...	...	...	...	...	...	44T	44T	44T
Aix Mills	Anilbhai Chintubhai & Co.	25,376	513	4,729	13,982	2,910	141	12-60	1,698	(a9)830	16T	16T	12T
	44% 'B' R. C. preference	...	...	...	...	...	...	...	...	...	44T	44T	44T
	5% 'C' R. C. preference	...	...	...	...	...	...	...	...	...	5T	5T	5
	44% 'D' R. C. preference	...	...	...	...	...	...	...	...	...	44T	44T	44T
Apollo Mills	Rajputana Textiles Private & Co.	56,468	890	7,390	13,666	2,151	25	12-59	-910	-2,475	nil	nil	nil
Arvind Mills	Narottam Lalbahai	66,412	1,216	11,504	37,387	4,969	892	12-60	9,881	8,407	45T	40T	28
	5% Cum. preference T.	...	...	...	...	...	...	...	...	...	45T	40T	28
	44% Cum. preference T.	...	...	...	...	...	...	...	...	...	44T	44T	44T
	44% R. C. preference T.	...	...	...	...	...	...	...	...	...	44T	44T	44T
Ashoka Mills	Lalbahai Dalpatbhai	37,368	914	8,603	21,206	1,494	50	12-59	(a47)1,632	(a46)1,987	23T	20T	30
	5% C. P. T.	...	...	...	...	...	...	...	...	...	3T	3T	5
	44% R. C. P. T.	...	...	...	...	...	...	...	...	...	44T	44T	44T
Assam Jute Mills	Government of Andhra	36,136	716	12,776	17,409	4,909	...	9-60	633	315	4T	4T	4T
B. R. Cotton	Directors	50,596	1,021	8,986	14,647	2,996	...	3-59	-693	-624	nil	nil	nil
	6% Cum. preference	...	...	...	...	...	...	...	...	...	nil	nil	nil
	44% Debentures	...	...	...	...	...	...	...	...	...	nil	nil	nil
Bined Mills	B. Ram. Balchand	60,640	1,338	141,15	203,58	28,53	6,69	12-55	24,54	4,30	10T	6	6
Bombay Dyeing	Nouvoojee Wadia & Sons Private	223,552	3,964	71,823	100,726	55,251	627	12-60	(a)13,267	(b)11,015	14T	14T	10

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	September 1961	September 1960			General	Others	Carry Forward				Invest ments	Stocks & Stores	Out Standings	Cash	Others
	Ra. np.	Ra. np.			Ra.	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
SOUTHERN INDIA (Continued)															
Simpson & Co.	...	...	10	7,500	2,503	10	1,887	20,428	14,009	7,263	16,355	7,778	1,175	265	...
Spencer & Co.	23 75	22 13	10	4,000	5,609	4,583	756	8,976	15,382	7,819	4,159	11,086	3,140	1,165	2,553
64% 'A' C. P.	7 65	4 35	10	2,320	...	...	...	...	...	...	...	...	...	...	...
84% 'B' C. P.	10 35	10 75	10	3,680	...	...	...	...	...	...	...	...	...	...	...
Standard Motor Products	16 15	17 60cd	10	3,790	600	1,940	3	10,003	13,584	3,974	2	9,257	59	40	3,517
64% C. P.	92 00	102 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	300	...	...	...	...	...	...	...	...	...	...	...
Stanes & Co. T.	32 55cd	33 25cd	10	1,156	200	1,328	41	2,155	1,362	739	1,342	1,042	2,124	431	346
70% C. P.	82 65cd	83 10	100	150	...	...	...	...	...	...	...	...	...	...	...
Stanes Motors	...	...	10	691	400	1,438	7	944	931	477	208	1,338	832	649	...
T. I. Cycles	...	...	100	7,000	2,450	5,997	64	10,374	14,170	3,274	467	9,349	3,340	279	1,547
Textool Co.	178 00cd	189 00	100	3,322	500	868	5	14,490	6,949	2,620	16	6,212	8,541	88	...
Thomas & Co. A. V. (Allap.)	21 00	20 85	10	200	312	406	27	531	682	363	136	451	680	46	...
8. Ordinary	...	...	100	35	...	...	...	...	...	...	...	...	...	...	...
6% Cum Preference	7 25	6 48	10	121	...	...	...	...	...	...	...	...	...	...	...
A. V. Thomas & Co India	4 00	4 00	10	300	...	...	3	150	110	33	158	234	108	55	81
5% Cum Pref.	5 00	5 45	10	200	...	...	...	...	...	...	...	...	...	...	...
Travancore Cements	7 80	8 70	10	5,000	...	1,177	29	6,204	13,789	5,799	48	3,956	397	19	...
Trav. Chem. & Manfg. Co.	18 25cd	16 75cd	10	1,300	...	292	56	2,048	2,176	774	25	1,292	1,228	50	...
64% R. C. P.	9 10cd	10 00cd	10	300	...	...	...	...	...	...	...	...	...	...	...
Travancore Ogale Glass	6 20	7 50	10	999	...	30	3	679	1,698	747	...	438	214	50	...
United Coffee Supply	...	...	15	600	314	419	8	1,086	1,050	590	356	857	545	215	...
United Elec. Industries	9 50	9 50	10	936	...	6	-348	1,549	839	224	...	1,129	356	69	...
5% C. P.	10 20	10 00	10	15	...	...	...	...	...	...	...	...	...	...	...
Vanished Matches	...	...	6	270	...	...	-14	2,43	7,72	3,94	9	3,66	1,63	23	...
64% Cum. preference	...	...	10	450	...	...	-423	455	463	168	...	90	33	2	...
Vanast Soap Works	...	...	100	225	...	49	...	...	...	...	...	...	...	...	...
51% C. P.	...	...	100	121	...	...	7	5,208	10,279	3,559	1	3,142	1,836	124	...
W. I. Plywood	205 60	248 00	100	3,146	250	2,595	...	...	...	...	...	...	...	...	...
6% C. P.	86 54	100 00	100	618	...	...	...	...	...	...	...	...	...	...	...

Indian Finance
COTTON

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit	Net Profit for the previous period	Dividend per cent		
											Latest	Previous	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Central India	Tate Industries Private	115,188	2,064	19,001	32,883	11,875	...	6-60	-893	-5,269	nil	nil	nil
Century Spg. & Mfg.	5% Cumulative preference Birla Gwalior Priv. Ltd.	126,752	2,752	42,628	93,019	17,164	932	12-59	16,477	(a)14,648	311T	22	22
Coorla Spg. & Wvg.	6% R. C. P. Cawajee Johangir & Co.	24,848	680	6,896	15,272	1,093	54	3-60	1,106	(a)1,060	11T	71	121
Davangere Cotton Dawn Mills	R. Hanumanthappa & Sons Ramanarain Sons Ltd.	25,214 40,962	300	8,565 5,845	14,139 14,186	4,611 3,264	156 84	3-60 5-59	1,961 2,022	1,635 1,421	12T 20	9 10	9 15
Edward Textiles Elphinstone Spg.	P. Bhuba Sons Director 7% C. P.	48,718 41,300	928 886	11,843 9,369	23,282 22,671	4,986 6,824	85	12-60	2,338 3,008	683 1,854	8T 14T	9T 18T	71 11
Finlay	James Finlay & Co. Ltd.	49,528	784	7,393	23,004	4,677	135	12-58	(a)36,258	(a)15,190	16	20	20
Gaukhar Mills Gulab Mills	Directors F. F. Campbell & Co. pri.	74,286	...	6,659 21,562	17,560 27,367	6,217 1,008	...	12-60 12-59	2,797 (i)1,085	2,680 (a)1,396	16T 6T	6T 8	10 8
Gold Mohar Hind Mills	James Finlay & Co. Hind Agents Private 5% C. P.	45,768 71,596	1,020 1,387	6,414 185.72	22,636 324.27	5,730 115.33	328 2,80	12-59 6-56	(a)14,313 22.77	(a)72 15.63	21T 6	15 4	15 3
Hindustan Spg.	Directors 44% R. C. P. T.	49,448	1,122	12,682	19,781	2,575	...	3-60	(a)23,237	(a)37,165	50T	35	35
India United	Agarwal & Company Deferred	244,300	6,278	45,048	116,890	20,881	...	12-59	(v)3,918	(a)8,553	41	41	41
Indore Malwa Jaipur Spg. & Wvg.	Directors Shree Laxmi Traders 53% R. C. P.	51,180	1,420	18,464 3,484	32,050 6,166	10,965 2,944	...	12-60 12-58	2,769 -221	(a)13,391 -53	81T 81T	7T 7T	6 6
Jam Ranjitsinghji Khatana Malani	Directors Khatana Malani & Co. Private 4% Cum. Preference	92,852	1,489	5,980 15,155	10,563 51,009	2,529 8,992	654	6-60 6-60	410 9,161	-125 5,814	32T	16	10
Kabir Mills Lakshmi Cotton	Killick Industries Limited Directors 5% Cum. preference T.	120,304 48,996	1,846 1,219	28,069 12,743	59,608 22,850	9,984 2,154	217	12-60 12-60	(a)10,716 1,186	(a)2,152 (i)1,543	15T 10T	10 11T	10 6
Malatal Fine Spg.	N. C. Puroshotamdas & Co. 44% 1st R. C. P. 44% 2nd R. C. P.	51,996	896	10,882	27,941	2,193	601	12-60	6,347	5,745	30T 885T	29T 643T	18 44
Mahendra Mills	J. R. Patel & Sons Pri Ord. P. P. 64% R. C. P.	...	...	9,230	14,660	2,478	145	12-59	3,841	2,659	8T 8T	8 8	6 6
Marden Spg. & Mfg. Minerva Mills Model Mills Modern Mills	Marden Agents Co. Pri. N. Sirur & Company Private B. A. Dadabhai & Co. N. Sirur & Company Private	24,740 39,896 52,408 49,200	482 704 952 644	7,335 8,738 89.83 13,124	16,193 12,810 141.66 19,229	3,288 6,863 36.34 8,380	50 40 54 213	12-59 12-60 6-55 10-60	627 693 4.85 2,307	522 -37 -7.72 1,815	81T nil nil 12T	61 nil nil 10T	54 6 6 3
Monogram Mills Morarjee Goolaldas Mysore Spinning	M. Bahubhai & Sons. Private Pinnal Sons Privt. Ltd. 44% Cum. preference N. Sirur & Company Private 44% Cum. preference T.	27,460 70,416 50,480	528 1,652 500	7,285 13,537 9,679	19,089 40,202 17,117	5,030 9,975 3,416	125 323 43	12-60 12-60 2-60	1,572 3,764 881	852 3,300 387	111T 214T 643T	81T 214T 643T	6 15 44
Narsari Cotton	Directors 5% C. P.	...	...	4,806	10,712	2,946	...	12-60	1,300	766	12T	12T	12
New City of Bombay New Commercial	W. H. Brady & Co. Ltd. Tricentral Bhogal 4% 2nd R. C. P.	45,944 45,836	452 866	8,333 8,926	14,049 22,614	1,222 4,798	...	12-59 12-59	-1,164 2,389	-288 2,349	14T 14T	104 104	5 10
New Great Eastern	Board of Directors 54% Cum. preference T.	49,012	1,018	6,741	13,247	4,299	...	12-59	-1,251	(b)101	572T	4	4
New Kaiser-I-Hind	Directors 5% C. P.	54,052	1,219	10,333	28,967	10,366	...	3-60	634	-1,814	54	54	54
New Shorrock Spg Omanshahi Mills Pedar Mills	Malatal Chandalal & Co. Bannal Biscardas Private Pedar Sons Private 4% Cum. preference	51,106 37,788 32,600	907 902 930	9,795 11,101 10,257	28,515 20,787 14,875	2,902 6,117 7,171	872 50 49	12-59 9-60 12-59	8,798 758 (a)1,393	7,240 -982 (a)8,121	44T 12T 12T	28 18 18	24 10 10
Pajagan Cotton Raj Motilal Rohit Mills	Handyal Sons Mukundlal Banisal & Sons Directors 54% Cum. preference T. 4% R. C. P. (2nd) 4% R. C. P. (5th)	...	...	8,899 5,548 8,849	13,104 10,664 24,900	1,387 1,815 4,745	41 74	6-60 12-59 12-59	626 1,243 (m)1,622	-125 377 (a)1,802	21T nil 51T	4 4 4	4 4 4
Ruby	Chunilal Jeevandas & Co.	...	...	4,301	8,529	1,184	...	3-60	801	549	572T	4	4
Sassoon & Alliance Sassoon Spinning Sholapur Spinning	Directors M. C. Invest. Corporation Pri. Director Half Ord. 3% R. Cum. preference 6% Debentures	9,520 94,884 95,332	277 2,127 2,234	4,727 33,290 2,086	7,777 59,669 2,967	2,623 4,984 1,333	...	12-59 12-60 3-59	31 (a)4,969 -2,050	-73 (a)3,702 -5,456	nil 17T nil	nil 25T nil	nil 20 nil
Shorrock Spinning Shree Niwas Cotton	Malatal Chandalal Ahmed Marwar Textiles (Agency) 4% R. Cum. preference 64% Debentures	36,648 69,070	720 1,640	8,123 18,866	20,344 33,538	1,430 6,131	253 252	12-59 12-59	2,958 (a)18,896	3,134 (a)29,584	30T 15T	22 10	2 4
Shree Saijan Mills Shree Subhashini Shri Ambika	G. Laddher & Co. Shree Govind Cotton Co. Pri H. Kalidas & Company 5% Cum. preference 4% Cum. preference (2nd)	17,880 ...	440 ...	25.75 4,351	60.56 11,565	13.77 2,463	22 25	3-45 12-59	1.81 -344	42 -406	nil 51T	nil 45T	nil 30
Simplex	F. F. Campbell & Co. Pri. 64% Debentures	49,840	1,114	17,490	27,295	6,295	25	3-60	(a)20,012	(a)24,855	15T	10	17
Sir Silk	Birla Brothers private 6% C. P.	...	...	4,887	23,153	4,810	2	9-59	1,487	1,300	nil	nil	nil
Standard	Malatal Chandalal & Sons 4% 1st R. C. P. 4% 2nd R. C. P.	97,588	2,409	25,513	62,102	3,344	795	12-59	9,396	(a)19,141	29T	20	20
Svedashi Mills Sven Mills	Tate Industries pri. Ltd. 5% Cum. preference James Finlay & Co. Ltd.	72,236 99,328	2,000 591	15,524 8,904	44,211 23,905	8,737 3,050	461 447	12-60 12-59	6,304 (a)17,992	(a)45,336 (a)22,952	17T 36T	14T 25	4 25

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MILLS (Contd)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreci- ation	Liquid Assets				
	September 1961	September 1960			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
WESTERN AND CENTRAL INDIA															
Central India	133 00	114 00	100	4,687	1,407	1,076	-10,424	55,989	46,437	15,061	2,778	20,802	2,160	314	315
5% cum. preference	400 00	381 25	500	5,000											
Century Spg. & Mfg.	546 00	465 00	100	12,295	17,528	16,179	122	38,276	94,276	37,531	1,127	32,499	5,480	1,050	
6% R. C. P.	107 00	107 00	100	12,200											
Coorla Spg. & Wvg.	135 00	131 00	100	2,600	1,173	2,023	76	3,105	12,199	7,824	89	4,097	380	36	
Davangere	128 00	114 00	100	2,966	1,610	1,262	9	8,230	12,128	5,771		5,240	2,436	44	
Dawn Mills	136 00	129 00	50	2,800	1,063	1,611	12	8,124	9,369	5,909	380	6,406	2,333	30	
Edward Textiles	305 00	267 50	200	3,400	3,267	262	-280	6,121	9,861	6,786	1,373	7,167	435	109	890
Elphinstone Spg.	85 50	55 00	50	3,000	1,200	2,996	106	9,692	16,481	8,715	56	9,882	892	247	651
7% C. P.	66 50	63 00	100	2,500											
Finlay	321 00	349 00	100	5,000	6,139	1,024	37	8,819	18,117	9,584	1,019	9,424	2,026	17	
Gaukhar Mills	204 00	267 50	130	4,000	1,773	43,697	24	11,943	14,223	9,244	1,619	10,153	3,529	256	2,065
Gulab Mills	195 00	172 50	100	4,881	2,624	225	1	7,392	18,703	9,162	210	6,713	2,154	16	490
6% Debentures				4,000											
Gold Mohar	250 00	238 75	100	5,000	5,037	797	10	5,045	10,235	6,862	81	9,081	1,062		
Hind Mills			10	5,000	4,27	5,46	25	127.39	144.07	82.06	10	124.26	20.36		
5% C. P.			100	2,000											
Hindustan Spg.	4800 00	4900 00	1000	1,200	4,993	7,280	-192	4,207	21,652	14,290	1,585	6,617	2,220	874	
44% R.C.P.T.	625 00	650 00	1250	1,200											
India United	15 12	12 44	10	200.00		336	-1,979	28,986	51,028	36,818	299	33,018	3,652	687	
Deferred	7 00	1 55		5,000											
Indore Malwa	175 00	119 10	100	5,000	1,299	190	16	16,201	16,780	13,123	2,626	12,710	3,438	274	
Jaipur Spg. & Wvg.			100	2,500		139	-366	686	4,203	2,281		3,231	112	194	
54% R. C. P.			100	2,500											
Jam Ranjitsinghji	1250 00	1500 00	1000	1,554	1,548	288	-698	5,488	6,677	3,548	33	3,820	1,034	164	
Khatana Malani	415 00	540 00	100	5,983	5,400	2,879	39	24,955	37,613	26,891	2,042	18,862	10,169	458	
4% Cum. preference	77 00	75 00	100	2,992											
Kohinoor Mills	296 50	305 00	100	10,000	1,700	9,917	21	17,877	41,829	30,339	720	22,815	3,072	73	
Lakshmi Cotton	615 00	500 00	250	3,200	3,498	2,266	42	11,641	20,014	15,485	100	12,861	4,435	89	
5% cum. preference T.	151 25	152 50	250	1,600											
Malatala Fine Spg.	917 50	600 00	100	5,800	10,393	5,269	6	6,783	24,784	15,695	9,336	7,661	3,500	797	767
44% 1st. R. C. P.	78 50	79 00	100	1,450											
44% 2nd. R. C. P.	86 50	92 00	100	1,450											
Mahendra Mills	315 00	315 00	100	2,500		3,096		16,723	23,594	7,606		5,366	2,344	95	27
Ordinary P. P.	40 00 N	40 00	40	500											
64%	97 00	99 00 N	100	1,000											
Varadn Spg. & Mfg.			200	2,731	2,379	948	10	5,569	8,105	5,524	92	6,062	2,684	170	
Minerva Mills	80 00	14 00	100	2,960	315	462		12,569	10,675	3,485	95	8,725	534	70	712
Model Mills	96 00	80 00	250	9,334	392	21,99	-2,59	84.32	169.26	78.82	25	99.68	789	2,72	
Modern Mills	70 00	81 00	50	4,647	1,750	1,254	32	8,180	14,123	7,057	124	9,241	570	62	
Monogram Mills			200	2,600	2,944	883	10	8,251	9,553	5,642	75	7,219	2,077	134	1,271
Monarjee Gooldas	393 00	348 00	100	5,175	4,250	820	43	14,747	30,287	21,700	14	13,618	4,464	81	
4% cum. preference	73 00	71 50	100	1,725											
Mysore Spinning	67 50	81 00	50	2,978	3,219	1,279	25	7,397	11,773	6,935	2,723	6,541	1,465	76	
4% cum. preference	22 76	25 00	50	745											
Navsari Cotton	216 25	216 25	100	3,150	703	4,472	43	4,122	6,710	4,691	1,302	7,224	2,577	397	1,472
5% C. P.	91 00	91 00 N	100	500											
New City of Bombay	130 00	143 75	100	2,400	178	939		3,585	8,376	4,870	8	3,225	207	156	
New Commercial				6,300	1,363	1,414	6	14,069	15,738	11,277	1,172	8,168	9,631	245	
4% 2nd. R. C. P.			100	525											
New Great	230 00	194 00	100	3,000		466	-1,250	8,113	11,025	6,337	10	6,153	257	40	
54% C. P.	106 50	105 00	200	800											
New Kaiser-I-Hind	54 50	56 00	100	4,500		40	-2,257	14,417	13,340	9,715	964	11,520	1,773	212	106
5% C. P.	65 00	74 50 N	100	1,500											
New Shorrock Spg.			125	5,200	7,346	6,896	163	9,001	19,238	12,222	4,409	7,125	4,477	6,420	89
Osmansabhai Mills	70 00	47 00	100	8,773	1,886	158	1	8,975	17,771	7,408	170	8,218	588	300	104
Pedar Mills	138 00	140 50	100	4,500	3,280	1,018	15	2,107	8,065	3,195	3,058	3,462	443	87	
4% Cum. Preference	63 00	65 00	100	1,000											
Pulgaon Cotton	11 00	10 24	10	1,500		146	-660	7,839	6,047	3,493	10	5,038	150	73	
Raja Motilal	110 00	91 80	100	2,821	900	1,365	1	6,330	12,200	5,326	53	3,823	557	111	
Rohit Mills			100	4,875	684	1,695	14	15,376	14,991	8,509	151	8,062	8,226	278	
5% C. P. T.			100	1,000											
4% R. C. P. [2nd.]			100	200											
44% R. P. [5th.]			100	250											
Ruby	60 00	65 00	25	1,500	500	421		3,230	6,590	3,798	40	2,291	571	19	
Sassoon & Alliance	15 00	10 00	10	1,000	178		-30	7,636	2,994	1,674		2,948	1,204	12	
Sassoon Spinning	70 50	50 50	10	7,510	6,076	6,832	25	15,256	31,723	18,218	198	15,780	5,361	730	144
Sasput Spinning			1000	1,590	126.86	3,191	-26,638	17,697	31,938	20,602	148	2,764	889	38	
Halt. Ordinary			500	10											
5% R. C. P.			100	3,196											
5% Debentures				3,443											
Shorrock Spinning			100	2,975	5,877	2,363	28	3,972	12,424	8,325	203	4,295	3,244	3,261	63
Shree Niwas Cotton	269 00	250 50	100	8,000	2,800	2,353	42	18,553	17,414	7,341	9,211	12,54	2,894	77	426
4% R. C. P.	64 00	66 00	100	480											
61% Debentures				3,000											
Shree Saijan Mills			100	2,615		27	-66	14.83	36.43	17.73	94	38.81	1.85	27	
Shree Shubalsami	125 00 N	125 00 N	100	2,100	388	300	-750	7,102	5,065	1,206		3,399	1,854	27	
Shri Ambica			100	6,376	22,500	11,029	287	12,497	26,483	16,059	5,951	15,454	11,112	11,008	
5% cum. preference			100	560											
4% cum. preference [2nd]			100	700											
Shree	165 00	169 00	50	5,040	1,634	639	-150	12,491	22,778	10,086	110	9,394	2,967	38	273
5% C. P.			100	6,000											
Sir Silk			10	9,427			-323	42,497	5,518	1,000	96	9,463	5,421	103	
Standard	1254 00	1180 00	100	19,975	8,634	16,521	91	14,907	38,761	22,324	557	14,441	6,804	11,368	1,722
4% 1st. R. C. P.	75 50	75 50	100	500											
4% 2nd. R. C. pref.	76 00	76 00	100	600											
Sraddhi Mills	271 00	252 00	100	10,000	9,211	1,367	25	16,761	36,119	16,309	698	14,345	2,611	1,241	3,158
4% Cum. preference	88 00	84 00	100	1,500											
Swan Mills	615 00	497 50	100	3,600	6,842	1,572	25	7,370	19,834	10,947	72	7,403	1,947	896	

COTTON

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LISTS—Contd.

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents' Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER SHARE		
											Latest	Previous	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA (Contd.)													
Tata Mills	Tata Industries Pri. Ltd.	65,448	1,800	15,074	40,552	8,060	239	12-60	4,306	2,013	20T	10 T	6
Victoria Mills	5% Debentures Mangaldas Mehta	50,056	958	8,404	21,930	3,003	119	12-59	1,604	1,326	20T	20	20
Vijaya Mills	4% R. Cum. preference H. Achralal & Co.	36,176	780	8,683	20,971	3,476	135	12-59	1,807	1,429	5.72T	4	4
Vishnu Cotton	4% 2nd Cum. Preference T. 4% 3rd R. Cum. Pref. T. Directors 7% Cum. preference T. 5% Debentures	47,240	1,331	10,720	21,719	6,233		12-60	(a)19,124	(b)1,164	5.71T	4	4
											6.25T	7T	7
NORTHERN INDIA													
Basanti Cotton	Calcutta Agency 64% C. P.	13,044	356	2,836	7,809	1,420	36	12-59	—5	189	nil	6	6
Bengal Fine Spinning	54% Debentures B. C. Nawn & Bros Pri 5% C. P.			4,083	6,560	339	24	12-59	536	174	5T	4	4
Bengal Luxmi Cotton	64% C. P. Directors Ordinary Partly Paid Ordinary Partly Paid 5% R. C. P.	6,601		4,927	10,460	2,425		3-60	—69	181	61T	nil	nil
Bengal Nagpur	Directors 7% C. P.	29,936	810		7,154	5,578		12-57	(a)—671	(b) 171	nil	5	5
Birla Cotton	Birla Brothers Private Kottelwell Bullen & Co. Ltd.	39,896	1,088	20,625	31,991	7,329	50	3-59	188	1,312	10 T	7	7
Bowrah Cotton	8% 'A' C. P. 7% 'B' Pref. 64% Debentures	42,960	841	8,886	19,772	5,790	152	12-60	2,171	1,763	10 T	8	8
Cannore Textiles	B. I. Corporation Bharat Ram Ch. Ram & Co. Pri.		591	9,237	14,583	1,710	57	12-60	2,275	1,318	7.20T	nil	nil
Delhi Cloth	Ordinary 41% 1st 2nd C. P. 4% 3rd C. P. 54% 4th C. P.	141,180	2,352	169,489	317,853	51,021	1,834	6-60	26,954	23,378	10T	10T	4
Dunbar Mills	Ordinary 41% 1st 2nd C. P. 4% 3rd C. P. 54% 4th C. P.										4T	4T	5
Elgin Mills	54% Debenture B. I. Corporation 8% C. P.	48,452	1,198	22,531	39,976	5,760	373	9-60	5,822	4,523	11.1T	11.1T	7
Jagatjit Cotton	5% C. P. K. C. Thapar & Bros. Pri. 5% C. P. p.	26,560	530	14,095	26,710	2,294	321	1-60	2,986	3,036	14T	10	11
Jay Shree Textiles	54% Debentures Birla Brothers Private Ltd. 7% Debentures			6,100	12,843	3,815		12-60	2,369	1,791	10T	8	6
Kesoram Cotton	7% Debentures Birla Brothers Ltd. 10% C. P.	74,672	1,992	36,547	91,180	20,030	892	3-61	17,484	(a)6,401	12T	5T	2
Mehini Mills	7.85% R. C. P. Chakravarti Sons & Co. Ordinary	23,484	435	8,376	22,517	5,779	198	12-59	2,275	2,278	12T	12T	12
Muir Mills	5% R. C. P. Indian Tex. Syndicate 6% C. P.	88,640	1,834	145,19	218,04		60	12-55	—5,06	—10,24	nil	nil	nil
New Victoria	J. P. Srivastava & Sons Pri Deferred 6% C. P.	70,072	1,333	12,938	23,797	10,887		12-57	—635	—2	nil	nil	nil
Oxley Textiles	B. Patnail & Co. Private 5% R. C. P.	47,728	864	13,261	33,127	13,745	36	3-61	2,168	1,265	nil	nil	nil
Raza Textiles	J. P. Srivastava & Sons. 64% 'A' C. P. 64% 'B' C. P.	34,332	600	5,766	13,465	4,757		12-58	—1,640	—440	nil	nil	nil
Shree Madhusudan	Directors 41% C. P. 64% Debentures			19,720	57,255	7,748		6-60	(m)3,872	1.0	nil	nil	nil
Sulej Cotton	64% Debentures Birla Brothers Private	27,340	992	14,267	33,331	5,054	654	3-60	6,129	5,158	85.70T	60	60
Sundeshi Cotton	Directors Prefd. Ord. 6% C. P.	112,216	2,081	55,357	108,378	27,620		12-60	10,842	4,007	10.71T	5.71T	4
											8.57T	6.57T	6
SOUTH INDIA													
Adoni Spinning	Kothari & Sons 6% C. P.	24,000		9,346	12,992	488	130	12-60	2,067	652	8T	nil	nil
Asher Textiles	Sarna & Co. Directors	25,744		5,801	8,393	2,745	28	6-60	910	335	12T	6	6
Bangalore Woollen	6% C. P.	40,608	1,157	22,617	57,309	7,071	541	12-60	5,910	6,261	10T	10	10
Buckingham & Carnatic	Directors 74% C. P. 5% Debentures	120,288	2,762	42,020	112,828	25,481		12-60	13,941	(a)10,892	10	10	10
Cambodia	Peirce Leslie & Co. Ltd. 7% C. P.	37,356	4	7,563	11,284	376	35	12-59	—319	—1,464	nil	nil	2
Cannore Spg.	K. Damodaran Directors	20,000		4,437	7,827	383	52	3-60	859	684	17T	15	12
Cavayre Spg.	64% C. P. 54% Debentures 64% Debentures	17,600		3,342	9,239	1,320		3-60	884	590	13T	9	9
Coimbatore Cotton	R. Bheema Naidu & Co. Directors	28,864		10,028	15,502	3,458	163	12-60	2,450	1,129	12T	6	6
Coimbatore Kamala	Partly Paid 84% C. P. 6% Debentures	17,264	24	2,950	4,418	1,062		12-59	275	—84	nil	nil	nil

(Includes Stock on hand.)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocation			Sundry Liabilities	Gross Block	Depreci- ation	Liquid Assets				
	September 1961	September 1960			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Rs. np.	Rs. np.			Rs.	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
WESTERN AND CENTRAL INDIA (Contd.)															
Tata Mills ...	67 70	42 50	25	6,558	2,975	3,200	26	21,968	30,714	12,532	363	14,017	2,641	643	851
5% Debentures	...	...	1000	3,951	...	...	...	...	...	...	...	...	...	...	...
Victoria Mills	475 00	372 50	100	1,600	4,396	2,057	77	6,004	10,896	6,484	64	5,443	4,936	79	...
4% R. Cum. preference	...	...	25	800	...	...	...	...	...	...	...	...	...	...	...
Vijaya Mills	...	...	500	3,500	1,924	2,246	37	10,617	14,585	9,647	149	6,686	6,635	497	94
4% 2nd C. P. T.	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
4% 3rd C. P. T.	...	...	100	280	...	...	...	...	...	...	...	...	...	...	...
Vishnu Cotton	147 00	101 50	100	3,200	1,243	1 150	-1 025	10,481	19,458	14,127	533	9,737	3,901	64	50
7% Cum. preference T.	395 00	422 50	500	1,566	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	...	3,000	...	...	...	...	...	...	...	...	...	...	...
NORTHERN INDIA															
Basanti Cotton	7 75	7 81	10	1,500	115	200	-76	2 607	4,014	2,261	1,155	2,731	167	101	...
54% C. P.	6 94	9 25	10	500	...	...	...	...	...	...	...	...	...	...	...
24% Debentures	...	...	500	708	...	...	...	...	...	...	...	...	...	...	...
Bengal Fine Spinning	6 25	8 00	10	632	451	242	76	4,607	5,417	1,894	5	2,244	448	79	...
5% C.P.	...	...	100	985	...	...	...	...	...	...	...	...	...	...	...
61% C. P.	...	...	10	10	...	...	...	...	...	...	...	...	...	...	...
Bengal Luxmi Cotton	26 50	35 00	40	1,012	1 5	120	-326	5 634	8,951	6,249	20	3,041	705	22	...
Ord. partly paid	...	...	30	131	...	...	...	...	...	...	...	...	...	...	...
Ord. partly paid	...	...	20	170	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	40	523	...	...	...	...	...	...	...	...	...	...	...
Bengal Nagpur	4 31	5 06	10	2,700	...	...	-812	6 840	8,045	6,024	37	6,631	681	55	...
7% C. P.	75 00	75 00	100	300	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	...	...	10	400	...	...	...	...	...	...	...	...	...	...	...
Birla Cotton	26 00ad	2 00	10	3,500	5,922	1,595	-117	14 667	14,217	11,384	2,087	13,955	4,185	578	...
Bowrah Cotton	33 75	160 00	100	2,400	750	665	114	13,816	15,245	6,757	53	7 47	1,995	84	606
80% 'A' C. P.	94 60	110 00	100	600	...	...	...	...	...	...	...	...	...	...	...
79% 'B' Prof.	71 00	65 00	100	600	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Campanore Textiles	9 31	7 30	5	3,000	1,200	2 917	57	2,243	8 569	6 913	998	4,692	1 624	511	...
Ordinary Cloth...	...	...	25	33,836	12,889	33,662	272	55,547	144,604	83,759	2,681	99,193	25,414	5,418	...
Ordinary	...	...	25	100	...	...	...	...	...	...	...	...	...	...	...
41% 1st & 2nd C. P	...	...	25	2,000	...	...	...	...	...	...	...	...	...	...	...
41% 3rd C. P.	...	...	25	3,735	...	...	...	...	...	...	...	...	...	...	...
21% 4th C. P.	...	...	10	1,195	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	...	...	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
Dunbar Mills	31 00	19 69	10	2,850	3,638	410	216	14 256	15,67	9,855	58	10,821	3,793	142	642
6% Debentures	...	...	10	2,500	...	...	...	...	...	...	...	...	...	...	...
Elgin Mills...	22 05	18 12	10	6,308	336	13,79	89	16,783	21,331	15,872	8 633	16,671	7,177	541	769
8% C. P.	100 00	103 00	100	1,100	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	6 97	7 61	10	420	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Cotton	24 00	16 50	10	3,871	900	2,348	103	19,463	22,441	12,777	1,817	14,651	898	98	7,103
5% C. P. P	80 00	81 75	100	1,547	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	3,000	...	...	...	...	...	...	...	...	...	...	...
Jayashree Textile-	17 52	15 05	10	4,918	...	1,422	21	3,263	9,647	4,697	19	5,152	1,956	137	...
7% Debentures	...	...	1000	2,509	...	...	...	...	...	...	...	...	...	...	...
Kesoram Cotton	29 50	26 62	10	16,000	8,010	21,854	245	45,092	87,124	21,469	4,518	24 08	3,005	412	5326
5% C. P.	94 00	106 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P.	84 00	81 50	100	9,994	...	...	...	...	...	...	...	...	...	...	...
Vishnu Mills	...	...	25	600	5,00	3 318	21	12,491	13,691	19,330	1,268	6 434	7,410	4,254	...
Ordinary	...	...	10	3,399	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P	...	...	10	1,997	...	...	...	...	...	...	...	...	...	...	...
Muir Mills	101 05	80 00	100	3,000	25,00	25 00	-51,31	105,33	164,51	115,59	1,05	105 64	7 36	1,05	...
6% C. P.	101 01	83 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
New Victoria	2 06	1 96	25	2,742	...	...	-1,807	17,071	12,305	7,647	121	13,579	2 513	57	...
Deferred	...	...	5	307	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	3 94	3 00	5	2,605	...	...	...	...	...	...	...	...	...	...	...
Orissa Textiles	10 37	9 30	10	4,400	...	...	-2,217	26,261	24,739	13,929	10	17 316	2,983	224	...
5% R. C. P.	65 10	64 50	100	2,560	...	...	...	...	...	...	...	...	...	...	...
Raza Textiles	...	...	10	6,000	4,305	-3,083	6,271	11,130	...	5,627	1,090	6,745	1,857	42	...
64% 'A' C. P.	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
64% 'R' C. P.	...	...	10	1,000	...	...	...	...	...	...	...	...	...	...	...
Shree Madhusudan	14 50	11 87	10	6,000	...	16	33	23,359	22,689	2,151	10	13,333	4,827	84	11
44% C. P.	79 00	85 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	...	...	1,010	6,506	...	...	...	...	...	...	...	...	...	...	...
Smitaj Cotton	95 00	97 50	10	1,500	31,800	8,131	398	10,770	11,710	9,193	14,863	15,765	5 353	14,099	...
Swadeshi Cotton	11 00	9 50	10	1,750	6,000	20,359	5	69,555	69,570	24,691	19,624	34,355	14,220	1,957	1,900
Prof. Ord.	9 37	8 25	10	15,750	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	70 00	71 00	100	3,500	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA															
Adani Spinning	12 60	9 40	10	2,993	...	1,653	59	4,420	7,993	1,645	220	3,026	346	383	1
6% C. P.	8 10	10 90	10	2,000	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	...	...	500	...	...	...	...	...	...	...	...	...	...	...	...
Ashar Textiles	204 05	212 80	100	1 199	200	300	3	3,921	4,908	2,615	10	2,992	311	17	...
Bangalore Woollen	2 6 50cd	199 50cd	100	12,150	3,750	12,737	249	11,260	39,824	32,104	856	21,237	3,476	5,806	1,600
6% C.	108 91	115 00	100	600	...	...	...	...	...	...	...	...	...	...	...
Buckingham & Carnatic	251 00cd	200 00ad	100	17,848	9,650	26,179	217	22,780	86,284	51,476	1,855	36,453	2,125	1,067	3,700
71% C.	122 00	125 00	100	2,130	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	...	...	1,000	6,131	...	...	...	...	...	...	...	...	...	...	...
Cambodia	10 87	10 12	10	2,600	1,907	19	2,173	3,707	5,123	2,605	31	1,921	1,063	11	...
7% C. P.	90 00	108 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Campanore Spg	156 00	142 00	100	1,500	511	18	19	2,159	5,383	3,376	24	1,591	473	102	...
Canvey Spg.	14 23	13 60	10	937	...	651	15	2 524	1,876	3,333	32	1 577	572	40	...
61% C. P.	83 00	90 75	100	652	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	...	...	100	375	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	...	...	100	550	...	...	...	...	...	...	...	...	...	...	...
Campanore Cotton	192 50	167 00	100	3 450	900	2 549	...	6,315	12,198	5 167	531	3,825	1,881	75	...
Campanore Kamale	94 00	102 00	100	140	...	...	-276	2,169	2,869	1 607	12	1,266	415	26	...
Partly Paid	46 50	50 00	50	77	...	...	...	...	...	...	...	...	...	...	...
61% C. P.	...	101 00	...	540	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	500	250	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTH INDIA—(Contd.)													
Coimbatore Murugan	T. A. Ramalingam Chettiar	23,660	100	2,627	5,595	1,071	30	12-59	202	—117	71T	nil	71T
Coimbatore Pioneer	6% C. P.	28,194	...	7,160	12,577	2,143	169	12-60	1,934	2,265	6T	nil	20T
Coimbatore Spinning	T. R. Narayanaswami Naidu	72,188	407	...	17,728	5,280	50	12-59	695	—167	8.45T	64	61
Dhanalakshmi Mills	R. G. S. Naidu & Co.	38,052	201	7,794	15,288	4,104	150	12-60	2,397	2,482	171T	171T	10
Gnanambikai Mills	M. Nanjappa Chettiar & Sons	17,248	...	...	31,458	...	...	12-54	2,84	1,91	10	6	6
Hemalatha Textiles	V. C. V. Gounder & Bros.	...	...	...	4,129	5,638	1,892	6-60	237	279	41T	41T	6
Jayadana Mills	5% Cum. Pref.	23,784	...	...	65.11	6.19	97	12-56	5,37	4.93	20	20	10
Jawahar Mills	Sudarsanam Private	33,472	...	6,569	9,169	2,378	105	12-59	1,382	606	15T	15	15
Kasthuri Mills	G. Venkataswami Naidu & Co.	25,820	...	2,420	3,914	182	30	3-60	337	43	8T	nil	...
Kothari Textiles	Umayambika & Co.	41,040	300	10,095	17,838	3,676	119	12-63	(a2)2,836	2,480	10T	10T	...
Lakshmi Mills	6% C. P.	93,160	201	24,569	44,003	1,589	538	3-61	8,874	6,552	71T	6	6
Loyal Textile Mills	6% B. Preference	24,242	224	6,764	10,042	777	...	6-60	879	317	30T	20T	12
Madura Mills	G. Kuppuswamy Naidu & Co.	485,296	...	...	168,565	13,652	...	12-60	18,274	6,425	5	5	...
Malabar Spinning	Thiagaraja Chetty & Sons Pri Ltd	22,592	100	147	2,917	1,736	...	12-58	(d)2,60	151	12T	12T	...
Mettur Industries	5% Cum. Pref.	25,655	603	6,594	17,579	140	359	3-61	3,675	4,069	39T	30T	75
Palamalai Ranganathan	Deferred	10,016	...	2,419	2,958	850	...	3-59	—61	—200	nil	nil	6
Palani Andavar Mills	C. N. V. Naidu & Co.	41,200	...	5,628	9,653	1,526	50	12-58	(a5)536	629	21	12	30
Pankaja Mills	Partly Paid	27,980	...	4,782	7,191	2,565	...	12-60	805	—90	7	7	...
Premier Mills	Baghyalakshmi & Co.	55,664	300	8,166	17,147	3,302	196	12-60	2,473	1,413	12T	9T	20
Radha Krishna Mills	'B' Ordinary	24,996	...	6,462	10,154	2,213	115	3-60	1,268	(a40)336	9T	9T	20
Rajapalayam Mills	Ramco Agencies Private	8,400	...	2,223	3,457	150	43	12-59	466	315	12T	6	8
Rajawari Mills	Gudiyatham Textiles Pri	...	...	...	...	...	...	...	...	...	12	7	...
Sri Ramakrishna	Ordinary	...	...	4,875	8,603	1,756	147	3-60	1,734	1,176	23T	16	10
Sri Ranga Vilas Ginning	Ordinary P.P.	32,128	88	4,076	7,225	1,231	34	12-60	523	203	6T	19	4
Sri Ranga Vilas Mills	P. S. G. Naidu & Sons	14,800	...	6,081	9,902	222	...	12-60	1,282	642	15T	19	10
Sri Rajendra	Directors	30,744	292	3,866	6,733	6,155	90	12-58	1,112	633	15	12	12
Sri Sarada Mills	S. R. P. P. Chetty & Sons	20,472	200	2,161	3,123	368	25	12-59	—341	—266	nil	nil	...
Tirumurti Mills	Sri K. Rajendra	...	...	...	...	...	...	...	...	...	nil	nil	...
Tirupati Cotton	7% C. P.	...	...	3,986	6,501	1,195	15	12-59	616	—10	71T	6	6
Tiruvancore Rayons	G. Ramaswamy	...	...	4,331	6,675	953	59	3-60	907	350	8T	nil	...
Trichinopoly Mills	P. S. Narayana & Sons	18,000	...	10,667	37,680	1,657	734	12-60	11,379	10,747	20T	20T	(21)
Vasanta Mills	61% Cum. Pref.	44,424	...	10,557	16,556	1,116	105	12-59	1,249	(a41)892	16T	16T	12
Sri Venkatesa Mills	Emcote & Sons private	44,660	268	9,442	16,589	2,570	234	12-59	2,867	2,224	30T	1	20
Vijayalakshmi Mills	5% Cum. preference	26,536	...	4,445	6,940	635	25	12-59	571	—156	71T	6	6
Vijayawari Textile	6% Cum. preference	...	...	1,830	2,781	70	20	12-59	262	164	9T	nil	...
Vrudhunagar Textile	C. V. G. Naidu & Co.	...	200	...	5,174	908	45	12-60	512	647	10T	10T	6
	Thiagaraja Chetty & Sons Pri	...	...	...	...	...	...	...	...	...	10T	10T	5
	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	10T	10T	5
	Deferred	...	...	...	...	...	...	...	...	...	10T	...	nil
	Do. P. P.	...	...	...	...	...	...	...	...	...	...	...	...

(b) After transferring Rs 200,000 from Development Reserve and Rs 65,000 from General Reserve No. 1.

(c) After transferring Rs 250,000 from Machinery Reserve and Rs 300,000 from Dividend Equalisation Reserve.

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

(e) After transferring Rs 70,000 from Development and Rehabilitation Reserve.

(f) After transferring Rs 234,695 from General Reserve.

(g) After transferring Rs 2,656,522 from General Reserve.

(h) After writing back Rs 360,718 being excess depreciation provided in 1958.

(i) After transferring Rs 1,098,546 from General Reserve No. 1.

(j) After transferring Rs 250,000 from Dividend Equalisation Reserve.

(k) After transferring Rs 1,230,000 from Dividend Equalisation Reserve.

(l) After transferring Rs 297,425 from excess depreciation.

(m) After transferring Rs 119,825 from Development Rebate Reserve.

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

(o) After transferring Rs 1,400,000 from Dividend Equalisation Reserve.

(p) After transferring Rs 6,27,612 from General Reserve.

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

(r) Includes Rs 100,280 being provisions made in previous years written back.

(s) After transferring Rs 3,22,899 from General Reserve and Rs 78,000 from Depreciation Reserve.

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

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

(v) After transferring Rs 1,00,000 being Adhoc. reduction in stock-in-trade provided last year.

(x) After transferring Rs 890,580 from General Reserve.

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

(z) After transferring Rs 825,000 from General Reserve.

(a1) After transferring Rs 1,075,000 from General Reserve No. 1.

(a2) After transferring Rs 100,000 from General Reserve and Rs 125,000 from Dividend Equalisation Reserve.

(a3) After transferring Rs 14,72,865 from General Reserve.

(a4) After transferring Rs 300,000 from General Reserve.

(a5) After transferring Rs 4 lakhs from Reserve to fall in price.

(a6) After transferring Rs 100,848 from General Reserve.

(a7) After transferring Rs 780,000 from General Reserve and Rs 45,088 from excess provision for Bonus.

(a8) After transferring Rs 271,942 from General Reserve.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depre- ciation	Liquid Assets				
	September 1961 Rs. np.	September 1960 Rs. np.			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
SOUTH INDIA (Contd.)															
Coimbatore Murugan ...	134 00	95 00	100	1,750	168	100	...	2,689	4,914	2,655	205	1,269	1,013	31	...
6% C. P.	76 48	76 00	100	71	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Pioneer ...	282 00	347 50	100	2,000	400	2,273	14	4,298	10,580	5,963	171	2,810	1,336	152	...
15% C. P.	78 50	78 75	100	100	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Spinning ...	69 00	48 00	50	2,077	...	5	—1,258	10,590	13,577	8,909	11	5,555	1,170	10	...
Dhanalakshmi Mills ...	242 03	227 06	100	4,860	1,700	1,319	...	6,223	13,735	6,842	781	4,786	1,528	115	...
Gnanambikai Mills ...	...	...	100	927	276	...	...	11,778	16,99	8,06	...	11,49	3,04	48	...
61% Cum. Preference ...	...	...	100	21	...	...	...	...	...	...	...	...	...	...	...
Hemalatha Textiles ...	9 50	7 25	10	1,500	125	83	22	1,655	2,891	1,721	48	2,350	100	173	...
5% Cum. Preference ...	61 40	67 00	100	431	...	...	...	...	...	...	...	...	...	...	...
Janardana Mills ...	66 00	63 60	50	890	856	210	...	10,75	31,40	19,97	1,20	8,21	4,12	535	...
Jawahar Mills ...	12 75	11 25	5	1,686	78	1,290	2	5,299	8,244	4,148	38	3,671	477	72	...
Ordinary	...	...	10	50	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	2	200	...	...	...	...	...	...	...	...	...	...	...
Kasturi Mills ...	23 00cd	22 10	25	780	...	340	—304	1,233	3,296	2,235	18	752	212	7	...
Kothari Textiles ...	12 50	12 65	10	6,720	700	2,052	44	12,494	18,463	6,564	655	9,407	1,553	296	...
5% Cum. Preference ...	8 80	9 50	10	1,200	...	...	...	...	...	...	...	...	...	...	...
5% 'B' Cum. Preference ...	...	...	10	600	...	...	...	...	...	...	...	...	...	...	...
Lakshmi Mills ...	158 50	140 50	50	7,100	1,430	7,090	19	13,821	32,303	17,687	4,942	9,081	11,396	206	...
A. Clas Ordinary ...	77 00	71 05	25	3,550	...	...	...	...	...	...	...	...	...	...	...
Loyal Textile Mills ...	49 50	35 25	50	3,152	...	418	—313	7,054	10,278	3,823	24	4,452	943	85	...
5% Cum. Preference ...	60 00	61 50	100	1,499	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	200	...	...	...	...	...	...	...	...	...	...	...
Madura Mills ...	38 70	33 85	15	17,502	17,807	28,528	721	24,196	67,044	44,322	5,359	48,087	10,326	563	1,697
Madura Spinning ...	1,200	550	200	550	...	...	...	...	...	...	...	...	...	...	...
Mettur Industries ...	387 00	392 00	100	6,000	825	2,136	153	4,879	6,895	5,318	1,892	4,877	229	3,431	1,987
Palamalai Ranganathan ...	92 00	93 00	100	240	...	...	—263	2,050	1,609	521	5	915	120	8	...
Partly Paid	...	...	50	109	...	...	...	...	...	...	...	...	...	...	...
Palani Andavar Mills ...	232 50	210 00	50	400	100	1,062	...	4,414	7,629	3,197	16	1,829	348	151	...
'B' Ordinary	235 00	310 00	75	600	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	121 42	125 00	50	206	...	...	...	...	...	...	...	...	...	...	...
Pankaja Mills ...	46 00	69 00	100	1,500	...	...	—2,512	5,557	3,655	2,201	3	2,706	164	23	197
Premier Mills ...	272 20	217 00	100	2,500	400	975	12	6,703	12,097	5,311	300	2,708	707	93	...
Radha Krishna Mills ...	...	...	100	1,661	1,496	1,523	2	3,359	11,378	7,138	2,915	3,937	269	122	1,221
'B' Ordinary	...	...	50	841	...	...	...	...	...	...	...	...	...	...	...
'C' Ordinary	35 50	28 75	25	...	...	...	...	...	...	...	...	...	...	...	...
Rajapalayam Mills ...	160 0 cd	130 70	100	1,614	413	1,484	...	3,681	6,386	2,779	31	2,387	976	181	...
Rajawari Mills ...	...	...	50	899	101	204	...	1,573	2,851	1,422	214	694	142	48	...
Ordinary	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...
Sri Ramakrishna ...	207 90	224 00	100	1,492	10	309	...	5,338	8,359	5,004	362	1,991	1,484	1	...
Ord. P. P.	...	...	10	45	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning ...	44 00	42 00	50	1,502	90	1,056	7	2,790	6,188	3,178	114	1,389	46	320	560
Rajalacema Mills ...	157 00	114 00	100	2,233	875	490	7	1,929	5,678	3,103	140	1,402	289	1,128	...
Sivananda ...	26 25	27 75	10	1,000	500	144	3	3,055	5,157	2,599	215	1,118	422	388	...
Sri Kr. Rajendra ...	74 50cd	72 15	50	3,670	725	2,149	14	8,225	14,436	7,676	747	6,145	845	77	...
Sri Sarada Mills ...	67 00	...	100	648	...	...	—1557	2,342	2,789	1,939	11	528	153	2	...
7% C. P.	100 00	...	100	110	...	...	...	...	...	...	...	...	...	...	...
Tirumurti ...	116 00	91 75	100	1,455	300	56	...	2,393	5,047	2,514	91	1,311	259	9	...
Tirupati Cotton ...	11 50	10 50	10	1,276	...	120	23	3,267	4,655	775	134	1,144	178	96	...
61% Cum. Preference ...	8 28	7 54	10	744	...	...	...	...	...	...	...	...	...	...	...
Tiruvancore Rayona ...	39 15	35 50	10	10,000	7,000	2,662	261	14,674	54,173	30,659	193	7,996	5,741	2,251	650
5% Cum. Preference ...	7 25	8 20	10	5,000	...	...	...	...	...	...	...	...	...	...	...
4% Debenture ...	...	11 95	5000	404	...	1,35	...	...	...	...	...	...	...	...	...
Techinopoly Mills ...	13 37	81 20	10	1,399	250	655	2	557	2,295	1,576	125	1,268	192	548	...
Vasanta Mills ...	281 00	238 50	100	2,100	1,800	2,041	18	4,094	9,130	5,796	703	5,090	1,303	52	...
5% C. P.	97 00cd	100 00cd	100	300	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	44 02cd	102 00cd	100	150	...	...	...	...	...	...	...	...	...	...	...
Sri Venkatesa Mills ...	195 00	171 50	50	3,372	150	1,292	1	5,657	14,587	8,217	65	3,150	1,113	23	...
5% C. P.	47 27	44 00	50	50	...	...	...	...	...	...	...	...	...	...	...
Vijayalakshmi Mills ...	93 50	89 50	100	1,383	...	100	...	3,119	5,285	2,436	97	961	7,26	29	...
Vijayawara Textiles ...	142 00	113 00	100	1,600	...	39	...	1,610	2,881	225	...	386	118	90	...
Vrudhunagar Textile ...	56 50	48 50	50	1,218	...	210	...	983	2,505	1,046	9,500	1,197	36	1,859	...
5% Cum. Preference ...	50 00	55 00	100	241	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	...	...	...	...	...	...	...	...	...	...	...	...
Deferred (P. P.)	...	...	As. 4	8	...	...	...	...	...	...	...	...	...	...	...

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreciation	Liquid Assets				
	September 1961	September 1960			Reserves	Other	Carry Forward				Investments	Stocks and Stores	Out- standings	Cash	Others
	Rs. n.p.	Rs. n.p.			Rs.	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Amalgamated	20 87sd	20 69	10	2,550	3,035	886	28	5,793	13,923	8,536	...	2,505	3,885	514	...
Asco Karanpura	5 50	6 12	10	900	...	25	—59	517	1,284	146	...	73	296	2	24
44% R. C. preference	50 50 N	50 50	100	150	...	...	...	...	...	...	...	...	...	...	...
Asco Laikidih	5 25	6 00	10	800	...	3	—3	234	1,320	274	...	16	142	11	...
5% Debenture	...	...	...	181	...	...	...	...	...	...	...	...	...	...	...
Bagdigi Kujana	6 50	7 00	10	2,080	100	100	36	565	2,396	660	...	160	187	198	...
Bangal	352 00sd	320 00	100	10,000	13,400	7,223	1,051	33,629	74,530	48,641	1,340	19,726	18,208	2,090	...
41% C. P. T.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Bangal Bhadoe	3 48 N	3 48	10	449	30	100	5	501	1,160	676	15	252	313	20	...
Bangal Naspur	29 19	22 31	10	225	383	132	—25	141	2,357	2,145	355	...	137	153	...
Bhadora	4 94	5 37	10	1,597	114	373	6	1,629	4,997	2,609	...	197	1,061	73	...
Bharat	3 62	4 75	10	4,000	...	61	391	3,984	14,887	8,027	2,065	1,598	4,026	88	...
54% C. P. T.	32 00	39 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
44% Debenture	...	...	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
Bhulanbarree	7 40	7 40	10	715	662	771	—645	1,773	5,524	3,844	64	463	1015	53	...
Bhuranaga	...	...	10	1,000	...	6	483	1,794	1,937	937	31	107	158	2	...
Berres	23 69	21 60	10	750	800	1,378	31	1,141	4,952	2,983	793	330	986	337	57
54% C. P.	66 55	83 50	100	400	...	...	...	...	...	...	...	...	...	...	...
Barrakar	18 31	17 15	10	9,092	2,098	11,923	149	14,797	43,266	22,876	3,015	6,136	12,408	370	490
7% C. P.	96 45sd	90 00	100	2,300	...	...	...	...	...	...	...	...	...	...	...
6% 2nd C. P. T.	7 40sd	7 31	10	450	...	...	...	...	...	...	...	...	...	...	...
49% Debentures	...	...	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
Central India	11 75	10 69	10	4,997	...	633	112	3,296	8,238	3,100	284	824	2,652	139	...
Central Kurband	7 00	11 25	10	800	...	1,292	...	720	5,304	3,435	...	302	260	98	...
Churulia	2 44	9 53	4	600	155	...	...	196	...	...	599	...	260	7	152
Chemo Main	6 37	9 87	10	1,600	...	...	—68	3,013	5,447	3,185	...	522	1,696	66	...
East Indian (S)	34 50	30 00	2 1	240	100	271	9	296	1,094	794	163	137	214	13	...
Equitable	27 19	26 75	100	2,964	3,400	8,222	111	19,996	49,412	34,860	1,606	10,110	13,052	319	250
6% C. P.	80 00	72 00	100	4,798	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	...	1,000	...	40	...	2,845	2,573	845	...	1,116	614	13	357
Chauvik & Musla	14 00	15 00	100	500	...	...	—580	...	...	...	...	...	...	...	...
5% C. P.	100 00	100 00	10	375	...	...	...	239	664	115	...	220	...	...	...
Chaurandi	8 50	8 12	100	125	...	...	—154	...	...	...	...	...	89	...	...
5% C. C. P.	40 00 N	40 00	...	300	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	...	10	650	...	...	—15	287	808	386	...	71	417	10	...
Chauder Kajora	14 37 N	14 37	10	800	2,50	...	...	6,44	2,458	1,967	49	3,94	3,88	3,72	...
Haziridih	0 44	0 43	24	242	...	...	—260	5,83	16,24	12,08	...	51	19	...	...
Jointy Central	1 75	2 50	10	2,200	...	500	—488	454	3,108	1,284	19	1	795	37	...
Jeta	...	...	10	350	431	148	—30	400	1,523	779	...	338	172	26	...
Kalapahari	...	...	10	240	62	97	21	1,969	2,266	456	...	350	21	60	...
Kamptee Collieries	165 00	208 00	100	2,000	228	537	10	1,333	4,587	1,294	5	486	1,218	190	...
Karanpura	54 00	57 25	100	990	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T.	48 25	46 75	10	1,488	1,380	130	139	2,217	5,955	4,177	716	809	1,572	168	313
Katras Jheriah	18 70	12 00sd	10	138	50	11	41	812	1,546	902	...	184	393	25	...
Khas Kajora	6 95	7 30sd	10	193	...	...	...	...	...	...	...	...	...	...	...
8% Preference (a)	...	...	10	980	...	...	—838	869	1,180	686	...	39	38	1	161
Khas Shamapore	8 62	8 50	10	1,100	68	...	—206	182	1,696	1,118	295	65	203	5	...
Kuandi	13 60sd	14 87	10	900	575	450	7	980	2,904	2,341	570	90	1,597	90	...
Lakurka	11 00	16 00	10	400	1,80	...	...	4,30	6,18	3,88	1,36	51	6,81	21	...
Mahabir	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...
44% R. C. P.	...	...	10	566	...	...	—1,129	23,13	18,81	7,96	...	2,67	4,75	10	...
Mundulpoor	6 87	8 81	10	748	250	...	17	547	1,360	1,013	701	76	376	62	...
Nazira	22 31	22 87	10	1,776	1,600	1,140	80	3,942	16,249	10,623	12	1,936	4,380	161	...
New Beerboom	...	...	10	710	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	...	...	10	200	...	5	—825	868	1,218	570	...	242	251	16	...
New Churulia	5 25	2 37	10	200	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	5 06	2 56	100	280	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	10	400	...	...	—2,09	6,02	7,54	1,96	...	1,39	2,57	25	13
New Humtodi	2 94	5 00	100	200	...	...	...	...	...	...	...	...	...	...	...
5% Cum Preference	45 00 N	45 00	10	455	...	...	—279	14	448	275	...	2	14	1	...
New Jorampore	...	...	10	600	125	12	97	1,129	3,286	2,315	2	360	594	36	...
New Manbhoom	13 87sd	13 31	10	250	...	—76	—274	2,043	2,080	812	...	372	420	33	...
North Damuda	...	...	10	115	310	75	23	434	1,296	960	...	25	530	58	166
North West	22 19	24 25	10	750	708	648	35	502	293	151	2,284	...	127	...	256
Partly Paid Ord	17 87	18 12	74	158	...	...	...	...	...	...	...	...	...	...	...
Onda	14 40	17 36	100	200	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	64 10	74 30sd	10	1,000	210	246	24	4,970	6,858	3,033	23	685	1,548	30	2,603
Oriental	8 70	8 12	1000	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	10	834	65	117	1	2,120	2,859	1,211	634	382	1,082	66	326
Pargua	17 88sd	18 00	100	800	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P.	39 00sd	50 00	100	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	10	1,575	1,581	753	52	3,104	8,362	5,127	245	1,396	2,001	190	...
Panch Valley	9 87	9 50	10	250	20	25	2	597	977	349	208	48	254	6	...
Pure Sitalpur	...	...	10	250	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	2,400	734	2,545	5	8,861	14,724	10,133	15	1,351	3,348	39	...
Ranogunge	15 56	16 31	10	800	...	216	13	1,150	3,170	1,719	...	304	420	66	84
Rawanwara	...	...	10	146	...	...	...	...	...	...	...	...	...	...	...
6% C. P. P.	...	...	10	1,350	1,350	323	22	4,241	5,901	3,408	...	319	1,411	1,935	976
Rewa	30 08	12 00	10	3,750	188	3,673	27	4,308	11,226	5,846	163	784	3,555	6	4,790
Sania	8 50	1 72	24	250	...	65	—132	579	1,655	1,317	130	141	130	14	...
Sarola	0 78	...	7	280	925	189	58	634	3,103	2,096	132	125	1,318	821	84
Seepore	44 00	93 12	100	400	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	...	...	100	800	470	...	1	89	6	...	1,305	...	231	...	...
Sandra	8 19	12 48	10	550	...	...	—327	238	890	431	...	111	152	38	...
5% Mahakali	3 25	3 35	100	300	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	6,321	5,757	6,572	91	49,024	35,677	31,911	842	20,290	7,473	806	5,387
Shimroni	...	...	10	1,750	381	519	20	1,549	4,512	2,082	34	304	1,073	51	336
South Karanpura	8 62	18 91	10	800	850	699	21	444	154	24	2,688	...	2,25	4	9
Standard	14 00	14 62	24	500	...	...	—3,70	8,34	31,30	15,44	1	1,60	...	...	...
Talcher	...	...	10	350	125	81	173	294	1,976	1,508	...	67	586	8	...
Debentures	11 12	12 00	10	2,757	...	415	36	3,459	7,453	4,141	949	1,448	1,907	115	395
Union	12 50	14 00	100	1,256	...	...	...	...	...	...	...	...	...	...	...
United Collieries	64 50	78 00	100	800	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	14 09	15 12	10	700	...	...	—85	6,82	10,82	...	...	...	...	...	...
West Chauvik	7 00	6 50	10	700	...	...	—4,86	4,557	5,974	2,916	...	2,14	90	9	2
West Jamuria	9 31	6 00	10	600	...	...	13	447	948	213	...	2,17	1,444	53	...
West Laikidih	...	...	10	4,998	...	337	12	3,701	8,693	3,275	152	49	255	25	...
Western Bangal	9 31	7 37	10	600	...	...	...	...	...	...	...	...	...	...	...

(q). 8 per cent Preference shares carry a dividend of 8 per cent per annum.

with a right to participate in further dividend at 6 per cent per annum, rateably with the ordinary shares after they are paid dividend at 8 per cent per annum.

(U) [REDACTED]

TEA

NAME	Managing Agents/ Agents/Secretaries	Total Crop maunds/Kg.	Average price per maund/Kg.	Total Crop in mds/Kg. previous year	Average price per maund/Kg. previous year	Managing Agents allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
			Rs. & p.	Mds.	Rs. & p.	Rs. 000		Rs. 000	Rs. 000			
Amulchik	McLeod & Co. Ltd. 7% C.P.P.	308	5'24	436	5'53	...	12-60	128	650	15T	15T	15
Ananda (Assam)	Directors	9,075	2'64	8,112	2'09	...	12-58	395	87	33'73	33'73	36'81
Anandabag	Gill, Arbuthnot & Co. Ltd.	321,178	6'85	300,738	5'91	61	12-60	566	386	17'4T	30T	5
Arundipore	Directors	4,059	1'62	3,421	1'61	...	12-58	...	104	24	5	5
Asal	Gonka & Co. 4 1/2% C.P. 6 1/2% Debentures	5,140	1'72	6,039	1'48	...	12-58	83	106	4 1/2	4 1/2	4 1/2
Bighmari	McLeod & Co.	10,377	2'36	9,018	2'29	25	12-59	332	210	15T	15T	15
Baitakhal	Ramduit Ramkissendass 6% Debentures	5,790	1'72	4,412	1'69	7	12-58	88	60	2 1/2	2 1/2	15
Banarhat	Andrew Yule & Co. Ltd. 6 1/2% C.P.	41,649	2'31	38,911	2'00	209	12-59	2,093	(x)1,080	32 1/2T	20	28
Baradighi	Jardine Henderson Ltd.	18,781	1'91	19,547	2'23	44	12-57	556	1,019	9,30 1/2T	6 1/2	38
Basmatia	Andrew Yule & Co. Ltd.	...	...	...	...	29	12-60	496	442	40T	30T	30
Batali	National Tea Corp.	335,928	4'25	385,329	4'34	33	12-60	342	407	30T	30T	30
Belpachi	National Tea Corp.	240,454	3'83	240,087	3'34	22	12-60	298	265	20T	20T	15
Betani	Gill, Arbuthnot & Co. Ltd.	415,786	6'82	378,815	6'15	69	12-60	727	487	40T	25T	15
Bhatkwa	McLeod & Co. Ltd.	14,977	2'08	14,048	1'98	30	12-59	332	85	10T	14T	8
Bijaynagar	D. C. Ghose & Co. (Private)	753,578	4'96	739,514	4'66	95	12-60	989	858	20T	14T	12 1/2
Birpara	Duncan Bros. & Co. Ltd.	543,381	5'32	603,301	4'96	61	12-60	636	801	17T	22 1/2T	12 1/2
Bishnath	8% C.P.	...	...	...	...	...	12-60	643	8,977	8,977	8,977	8
Bismfield	Williamson Major Gonka & Co.	1,375,572	5'95	4,537,880	6'07	34	12-60	1,303	13T	13T	13T	13T
Bokhat	Debentures	2,037	2'31	1,943	2'49	9	12-57	...	...	...	...	...
Bormahjan	Octavius Steel & Co. Ltd. McLeod & Co. Ltd.	4,493	3'02	4,556	2'59	15	12-58	170	40	5	5	5
Borpukhuri	6% C.P.	8,290	2'39	7,816	2'49	42	12-59	431	12 1/2T	6	6	6
Brooke Bond	Williamson Major Directors 6% C.P.T.	7,254	2'54	7,518	2'25	9	12-59	135	112	15T	12 1/2T	10T
							6-60	1,348	1,615	15T	12 1/2T	6T
Carron	Duncan Bros. & Co. Ltd.	305,122	5'01	326,387	4'61	26	12-60	419	319	20T	15T	15T
Central Cachar	Jardine Henderson Ltd.	9,292	1'97	9,946	2'30	20	12-57	144	322	10T	10T	10T
Chamong	Williamson Major	2,260	3'67	1,753	3'67	4	12-60	84	18	10T	10T	10T
Chandypore	Jardine Henderson	8,904	...	9,718	...	3	12-57	50	62	10T	10T	10T
Chandabhatti	Andrew Yule & Co. 6 1/2% C.P.	14,698	3'15	13,761	4'03	41	12-60	710	591	32 1/2T	30T	22 1/2
Chandocherra	Octavius Steel & Co. Ltd.	8,357	2'13	7,835	1'95	58	12-58	563	479	7 3/4T	9 1/4T	6 1/2
Chevedon	Duncan Bros. & Co. Ltd.	187,065	5'35	226,147	6'31	35	12-60	405	719	30T	25T	10T
Dauracherra	Duncan Bros. & Co. Ltd.	164,602	5'66	173,323	5'95	32	12-60	460	467	22 1/2T	15T	10T
Dojo Valley	McLeod & Co. Ltd.	5,797	2'48	5,179	2'49	89	12-59	322	271	40T	30T	20T
Dooi & Purbuttia	Jardine Henderson Ltd.	13,313	2'65	14,033	2'69	20	12-57	119	(a)300	10T	10T	10T
Dumakhat	James Warren & Co. Ltd.	8,734	2'61	8,471	2'72	63	12-58	786	832	20T	25T	25T
Dumari	Directors	17,756	2'27	9,753	2'14	...	12-59	709	380	23T	20T	20T
Dumari	7% C.P.	...	...	...	...	...	...	459	612	7T	7T	7T
Dumari	McLeod & Co. Ltd.	8,354	2'56	8,315	2'80	45	12-59	...	...	30T	30T	26T
Dumari	Dooduwalla & Sons	1,795	3'18	1,853	2'76	12	12-58	72	22	7 1/2T	10T	5T
Dumari	Williamson Major and Co.	283,650	6'19	307,746	6'17	31	12-60	337	409	25T	30T	25T
Dumari	8% C.P.	...	...	...	...	...	...	455	9T	8T	8T	8T
Dumari	Williamson Major and Co.	388,343	6'18	421,110	5'97	42	12-60	...	(0)692	25T	35T	45T
East India	Williamson Major & Co.	14,893	2'54	14,415	2'47	31	12-59	431	217	10T	5T	5T
Eastern Cachar	Octavius Steel and Co. Ltd.	4,913	1'82	4,127	1'74	15	12-58	185	190	5T	5T	5T
Ellenbarrie	Duncan Bros. and Co. Ltd.	171,106	5'08	205,666	4'56	7	12-60	126	122	5T	5T	5T
Ellenbarrie	Directors	3,348	1'89	2,944	1'67	5	12-58	19	17	5T	5T	5T
Ellenbarrie	Directors	6,351	...	6,255	...	...	12-59	33	4	10T	10T	10T
Gairkhat	Gill, Arbuthnot & Co. Ltd.	523,654	5'03	520,580	4'61	63	12-60	539	391	25T	12 1/2T	10T
Gairkhat	Davenport and Co. Private Ltd.	3,139	2'99	2,783	2'86	13	12-59	65	41	10T	10T	10T
Gairkhat	6% C.P.	...	...	...	...	...	...	474	363	25T	25T	25T
Gairkhat	Directors	8,602	...	9,374	...	8	12-59	138	268	10T	10T	10T
Gairkhat	Williamson Major and Co. Ltd.	220,227	6'19	266,072	5'75	...	12-60	5,72	5,34	12T	10T	12T
Gairkhat	Secretary	14,232	...	14,306	...	1,37	12-58	1,480	1,126	30T	25T	25T
Gairkhat	Octavius Steel and Co. Ltd.	22,205	2'46	23,630	2'18	...	12-58	...	32 1/2T	20T	50T	50T
Gairkhat	"B" Ordinary	...	...	...	...	83	12-60	867	778	20T	15T	15T
Gairkhat	Duncan Bros. and Co. Ltd.	699,341	4'84	697,367	4'57	...	12-60	...	...	...	...	...
Gairkhat	Duncan Bros. and Co. Ltd.	261,270	4'79	272,714	4'59	19	12-60	340	332	20T	17 1/2T	10T
Gairkhat	Duncan Bros. and Co. Ltd.	1,401,804	4'99	1,419,815	4'82	159	12-60	(a) 1,788	1,640	15T	12 1/2T	10T
Gairkhat	8% C.P.	...	...	...	...	327	12-60	3,278	2,072	17T	12 1/2T	7 1/2T
Gairkhat	Davenport and Co. Private	2,787,460	5'72	...	...	...	12-60	...	7,98T	7,98T	7,98T	7,98T
Gairkhat	7% C.P.	...	...	...	...	36	12-58	484	55	5T	5T	5T
Gairkhat	Octavius Steel and Co. Ltd.	22,163	1'70	16,239	1'67	...	12-58	436	79	25T	5T	10T
Gairkhat	Directors	8,519	3'65	8,146	2'01	25	12-59	290	379	10T	20T	17 1/2T
Gairkhat	Andrew Yule and Co. Ltd.	12,772	4'82	14,619	5'40	74	12-60	793	712	22 1/2T	22 1/2T	15T
Gairkhat	Davenport and Co. Ltd.	890,959	4'82	...	...	6	12-60	114	138	10T	5T	10T
Gairkhat	Andrew Yule and Co. Ltd.	5,928	4'91	6,711	4'78	275	12-58	3,288	2,829	10T	10T	10T
Gairkhat	Birla Bros Private Ltd.	...	...	...	...	...	...	...	...	...	...	...
Gairkhat	6% R.C.P.	...	...	...	...	...	...	...	...	...	...	...
Gairkhat	4% R.C.P.	...	...	...	...	89	12-60	1,045	569	40T	32 1/2T	22 1/2T
Gairkhat	6% C.P.	471,230	6'08	423,910	5'29	...	12-60	716	261	30T	10T	10T
Gairkhat	Gill, Arbuthnot and Co. Ltd.	506,565	6'52	412,630	5'62	77	12-60	...	...	...	...	...
Gairkhat	Octavius Steel and Co. Ltd.	3,306	2'15	2,917	1'95	15	12-58	123	10	5T	5T	5T
Gairkhat	Board of Directors	3,910	1'64	3,987	1'58	...	12-58	40	18	5T	5T	5T
Gairkhat	Duncan Bros. and Co. Ltd.	559,462	5'09	518,584	4'79	...	12-60	791	652	25T	17 1/2T	7 1/2T
Gairkhat	Directors	14,340	2'07	14,373	2'04	...	12-58	340	384	25T	25T	25T
Gairkhat	6% preference	...	...	...	...	24	12-60	238	96	6T	6T	6T
Gairkhat	Duncan Bros. & Co. Ltd.	440,297	5'10	484,756	4'68	...	12-60	...	...	...	...	...
Gairkhat	6% Pref.	...	...	...	...	...	12-59	137	78	10T	6T	6T
Gairkhat	Directors	4,845	2'00	5,593	2'29	...	12-59	...	...	...	...	...

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreci- ation	LIQUID ASSETS				
	September 1961 Rs. n.p.	September 1960 Rs. n.p.			General	Others	Carry Forward Rs. 000				Investments	Stocks and Stores Rs. 000	Outstand- ings Rs. 000	Cash	Others Rs. 000
Amulchik	25 94	24 75xd	10	446	693	714	...	756	2,391	941	15	635	279	103	...
7% C. P. P.	21 96xd	33 46xd	100	75	...	...	...	...	...	...	...	...	...	...	...
Ananda (Assam)	16 40 N	19 00	10	277	450	251	7	1,435	1,297	482	508	919	137	43	...
Anandabag	23 50xd	20 94xd	10	703	300	457	84	1,638	1,730	579	1	1,631	194	55	...
Arundipore	7 00	7 00	10	300	...	...	198	478	536	195	1	217	24	3	...
Asal	8 12	6 12	10	450	...	80	1	835	1,693	447	41	438	243	37	21
4 1/2% C. P.	3 80 N	5 30	1000	300	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Bighmari	19 25	21 87xd	10	550	862	577	20	979	2,606	1,004	53	1,056	73	11	...
Baitakhal	6 69xd	6 50xd	10	400	270	14	43	247	927	318	64	328	77	45	...
6% Debentures	...	...	1000	150	...	...	...	...	...	...	...	...	...	...	...
Banarhat	30T 50xd	303 50xd	100	2,700	2,952	11	93	4,264	6,367	2,680	86	3,450	1,643	1,554	...
6 1/2% C. P.	75 08xd	91 70xd	100	400	...	...	...	...	...	...	...	...	...	...	...
Bansighi	26 69	33 44xd	10	1,200	1,200	425	86	1,079	4,261	2,394	2	1,518	345	236	...
Bansotia	26 19	27 00	10	510	1,210	26	44	1,798	2,057	781	78	943	774	499	...
Batali	19 06	21 50	5	495	365	203	43	899	1,764	1,090	262	538	252	259	...
Balguchi	21 12	24 00xd	10	250	400	210	35	459	558	296	1,002	139	31	45	126
Bhatia	31 50xd	12 12xd	10	640	535	616	75	2,221	1,850	649	1	1,944	387	569	...
Bhatnagar	16 62xd	18 00	10	900	900	895	6	1,259	5,161	2,647	500	1,860	269	356	62
Bijonagar	...	...	25	869	2,180	1,142	130	996	3,577	1,178	500	1,340	338	338	142
Birpara	173 00 N	185 00	100	900	925	949	44	1,214	3,016	1,078	349	1,360	198	140	...
6% C. P.	101 00	109 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Bishnauth	18 76xd	22 62	10	3,300	700	1,111	320	4,575	7,343	3,349	402	4,236	805	968	...
Bloomfield	4 06	2 25	10	400	...	...	384	568	803	102	8	121	24	30	...
Debentures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Bokakhat	13 70	13 70	10	600	200	126	52	620	1,357	317	1	303	53	1	...
Bormahjan	15 62xd	17 19	10	750	454	452	70	802	1,441	434	53	701	402	465	...
6% C. P.	48 34xd	62 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Borpukhuri	14 56	17 75	10	450	150	83	110	776	1,386	552	3	601	123	8	...
Brooke Bond	15 75	17 25	10	3,500	735	776	254	3,007	9,438	3,417	510	1,642	788	2,731	79
6% C. P. T.	63 50	67 00	100	3,500	...	...	...	...	...	...	...	...	...	...	...
Carron	145 00	159 00	100	600	570	371	18	665	1,514	515	15	785	99	287	37
Central Cachar	72 25	27 50xd	100	1,000	525	240	195	1,891	2,785	1,017	3	1,103	423	149	14
Champong	8 81	10 31	10	280	75	75	48	104	436	100	2	185	54	5	...
Chandypore	...	...	100	250	...	...	47	47	58	...	2	...	9	277	...
Choonabhatti	267 00	261 00	100	900	1,420	28	96	1,778	2,995	1,119	401	1,113	375	508	149
6 1/2% C. P.	92 64	95 50	100	200	450	358	558	...	...	...	...	...	...	...	...
Chundecherra	24 94	24 94	10	300	450	324	53	2,054	1,290	461	2	696	503	1,445	225
Cleveland	...	...	10	400	750	...	...	1,055	1,106	310	1	530	926	329	...
Omracherra	8 40	9 31	10	600	850	410	52	577	1,066	286	28	511	263	906	20
Dajoo Valley	49 25xd	69 00	100	128	325	484	35	578	1,165	594	1	431	202	137	...
Dassi & Purbuttia	155 00	126 00	100	849	650	127	118	2,187	4,104	1,856	...	1,013	1,365	18	42
Dhalakhat	19 31	21 81	10	1,753	985	87	13	1,583	2,882	808	573	715	820	238	...
Dhunerai	14 37xd	18 12	10	703	500	185	10	2,079	2,404	647	2	1,518	203	58	66
7% C. P.	12 12	...	10	120	...	...	...	...	...	...	...	...	...	...	...
Dibrugarh	32 75xd	29 50	100	458	577	633	69	1,243	1,872	399	59	747	457	233	...
Dilaram	108 00	102 00	10	200	107	72	3	91	875	166	1	103	42	118	...
Dimaikui	25 75xd	28 00	10	473	483	260	146	809	1,767	800	105	930	128	111	...
6% C. P.	3 10	3 90	10	70	...	...	...	...	...	...	...	...	...	...	...
Dufflaghur	31 12xd	40 37	10	701	874	388	346	1,168	2,908	1,535	440	1,364	216	87	...
East India	19 44	19 00	10	1,000	500	355	131	1,429	3,193	1,154	119	1,166	186	6	...
Eastern Cachar	2 94	2 94	10	700	...	...	566	1,084	873	135	1	359	78	42	...
Ellenbarrie	176 00	149 00	100	300	200	291	28	429	998	473	...	398	41	37	...
Ego	136 00	196 00	100	120	264	...	60	315	499	285	2	326	63	35	47
Elsbarrie	8 60xd	9 81xd	10	490	33	28	35	755	1,037	315	163	291	49	45	...
Gairkhat	185 00xd	117 50xd	100	750	300	405	126	998	1,946	1,218	4	1,094	73	681	...
Giala	10 50	9 37	10	200	176	126	83	226	867	343	48	164	97	13	...
6% C. P.	73 31xd	80 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Gilapukri	24 12xd	27 50	10	584	573	70	9	2,084	1,774	637	744	498	850	10	...
Gokul	16 94	16 81	10	676	283	270	149	1,079	2,428	1,097	129	804	135	59	...
Gopalspur	19 62	22 32	25	1,050	5,00	4,98	132	7,66	17,66	7,49	3,12	8,26	3,94	3,96	...
Grob	...	...	10	1,192	900	2,319	45	3,822	5,903	1,755	8	2,779	1,010	80	...
Grob	10 00	11 87	5	361	...	...	...	...	...	...	...	...	...	...	...
Gungaram	158 00	127 00	100	1,344	1,050	1,576	38	1,584	2,942	1,239	857	1,461	192	976	203
Hansaga	16 37	16 50	10	500	550	614	22	512	584	560	224	440	19	309	83
Hantapara	121 00	130 00	100	3,600	1,650	2,339	65	3,019	7,507	2,587	508	3,249	556	1,480	...
6% C. P.	89 84xd	109 00	100	50	...	...	...	...	...	...	...	...	...	...	...
Hassimara	32 80xd	21 25	19	3,200	3,425	3,667	254	6,387	12,323	6,456	863	6,954	2,910	639	...
7% C. P.	88 30xd	89 50	100	300	...	...	...	...	...	...	...	...	...	...	...
Hattikhat	9 81	12 25	10	1,260	950	290	75	949	3,045	1,329	2	1,527	172	26	...
Hograjuli	23 25xd	25 37	10	500	674	13	14	751	1,197	467	52	431	717	22	...
Hongogorie	185 00	182 00	100	870	1,350	89	66	1,326	2,808	1,566	12	1,017	147	118	142
Hulbari	31 25xd	21 00xd	10	825	2,116	51	82	1,919	3,038	1,443	588	1,874	905	130	...
Jaybirpara	15 12	19 06	10	700	512	1	29	224	1,117	555	2	421	30	392	58
Jaykura	23 62	17 06	100	5,857	4,900	486	91	5,579	16,370	5,470	798	3,638	2,062	145	...
6% R. C. P.	...	...	58	195	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	...	10	38	...	...	...	...	...	...	...	...	...	...	...
Jankatlou	20 50	25 87	10	600	1,566	56	133	1,301	1,927	1,027	226	726	108	1,457	2,56
6% C. P.	36 00xd	23 12xd	10	900	575	382	81	2,374	2,224	635	2	2,477	213	32	...
Jatibari	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Kala	10 50	6 06	10	246	...	...	66	1,806	357	35	179	298	276	10	...
Kalinmugger & Khorsel	82 00	102 00	100	458	200	130	5	501	387	6	406	328	497	84	...
Kilicou	19 69	16 50	10	900	875	1,096	59	1,326	2,696	841	307	1,210	221	511	121
Kingley Galaghat	157 00 N	160 00	100	360	1,000	322	138	2,281	2,237	850	951	1,182	740	53	...
6% Preference	71 43 N	80 00	100	240	...	...	...	...	...	...	...	...	...	...	...
Konamuli	10 50	12 87	5	180	...	15	170	2,942	2,195	398	...	977	101	186	70
6% Prof.	15 00	15 06	25	218	...	...	...	...	...	...	...	...	...	...	...
Krishnabari	9 50xd	10 22	10	500	240	34	3	574	1,269	297	2	318	49	12	...

COMPANIES

NAME	Managing Agents Agents/Secretaries	Total Crop in mds/Kgs	Average price per pound/Kgs	Total Crop in mds/Kgs previous year	Average price per pound/Kgs previous year	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PERCENT		
								Latest	Previous	Latest	Previous	Summ Previous
		Mds.	Rs. a. p.	Mds.	Rs. a. p.	Rs. 000		Rs. 000	Rs. 000			
Kunchanpore	Duncan Bros and Co. Ltd.	4,497	1.71	3,602	1.68	10	12-58	(a)20	(h)8	nil	nil	nil
Kyung Tea Seeds	Shaw Wallace and Co. Ltd.	12,612	1.92	12,139	2.23	9	12-58	19	13	5	5	5
Lactatourah	Directors	229,767	5.55	188,700	4.70	...	12-56	881	1,130	30	30	10
Lado	Duncan Bros and Co. Ltd.	8,099	2.93	8,163	3.16	...	12-60	139	140	nil	nil	nil
Lingia	Williamson Magor & Co.	...	...	...	...	...	12-59	262	355	124 T	174	20
Longview	Daga and Co. Private Ltd.	9,568	...	9,536	...	39	12-56	186	120	24	5	20
Loobah	Octavius Steel and Co. Ltd.	4,276	1.63	4,229	1.58	20	12-58	13	23	nil	nil	nil
Lukwah	Tantia Bros. Private	15,266	2.97	15,042	2.63	54	12-58	538	668	25	25	35
Malhati	D. C. Ghose & Co. Private	487,220	4.98	475,253	4.80	92	12-60	567	557	15 T	15 T	15
Manabheria	Directors	6,742	...	7,011	...	...	12-59	50	29	5 T	5	10
Manipur	Gill, Arbutnot and Co. Ltd.	4,958	1.13	4,363	1.00	25	12-53	2,06	494	nil	nil	10
Margaret Hope	McLeod and Co. Ltd.	177,545	7.60	1,34,445	6.61	...	12-60	245	109	15 T	10 T	10
Marionbarie	Lohia Bros Private Ltd.	3,223	...	989	...	2	12-58	39	176	nil	nil	10
Maud	Lohia Bros Private Ltd.	4,878	2.36	5,336	2.18	20	12-58	200	120	64	64	10
Methoni	Octavius Steel and Co. Ltd.	10,362	2.93	10,584	2.94	70	12-58	705	510	22	15	20
Mim	Andrew Yule and Co. Ltd.	2,739	8.83	2,494	7.63	6	12-60	110	39	224 T	10 T	10
Moheema	Directors	6,440	...	5,410	...	...	12-58	162	16	nil	nil	6
Mothola	Kettlewell Bullen & Co.	...	...	...	...	25	12-60	106	30	30	25 T	20
Murphulani (Assam)	Andrew Yule & Co. Ltd.	3,370	5.87	4,982	5.56	8	12-60	46	262	5 T	20 T	20
Naga Hills	Preferred Ordinary	9,005	1.75	7,506	1.66	...	12-58	244	1,75	5	5	5
Nagaur	Directors	542,139	5.10	516,355	4.85	86	12-60	853	668	25 T	174 T	25
Nagri Farm	Williamson Magor	5,663	3.14	4,889	3.44	20	12-59	215	303	20	30	25
Namburnadi	Directors	8,760	2.16	7,565	1.96	...	12-58	365	171	16	15	15
New Assam Valley	Macneill Barry	10,683	2.65	9,752	2.76	...	12-58	661	556	25	25	30
New Chumta	Davenport & Co. Private Ltd.	7,357	2.06	7,306	1.86	16	12-59	217	146	15 T	10	10
New Ginnatollah	Duncan Bros. & Co. Ltd.	163,289	6.84	217,837	5.84	5	12-60	1,130	957	35 T	324 T	25
New Doora	Andrew Yule & Co. Ltd.	...	...	...	...	108	12-60	819	482	nil	30	50
New Samanbagh	Shaw Wallace & Co. Ltd.	14,523	2.16	12,168	2.05	86	12-58	...	...	7,38 T	93 T	50
Nilpur Tea	8% C. P.	2,472	2.08	3,010	1.88	2	12-58	...	...	8	8	8
N. W. Cachar	Directors	2,340	4.34	2,246	4.80	...	12-60	55	287	324 T	324	7
Okayti	Directors	7,354	1.75	7,476	1.58	...	12-58	166	148	74	10	15
Oodlabari	Directors	6,159	1.70	5,815	1.66	20	12-58	41	27	nil	nil	10
Pathamara	Octavius Steel & Co. Ltd.	49,713	2.56	50,325	2.14	163	12-59	4,862	(d)3,768	40 T	20	10
Petrakola	Duncan Bros. & Co. Ltd.	112,988	4.90	116,337	4.48	3	12-60	92	27	nil	nil	10
Phakowa	Duncan Bros. & Co. Ltd.	111,914	6.46	68,622	6.36	...	12-60	31	84	nil	nil	10
Poonong	Directors	2,346	2.53	1,656	2.58	...	12-58	...	...	nil	nil	10
Poonmang	7% C. P.	2,306	1.50	2,733	1.81	...	12-58	...	...	nil	nil	10
Putinbarie	Directors	10,168	2.12	9,459	2.06	25	12-59	200	157	40 T	35 T	10
Rajabhat	McLeod & Co. Ltd.	5,155	6.00	5,364	5.45	15	12-60	24	302	nil	nil	10
Rajgarh	Shaw Wallace & Co. Ltd.	3,324	2.22	5,688	2.53	16	12-60	410	413	15 T	10 T	7
Rajmehra	McLeod & Co. Ltd.	457,276	4.94	486,615	4.74	...	12-60	67	56	nil	nil	10
Rajpacherra	McLeod & Co. Ltd.	7,950	2.09	8,657	1.93	20	12-59	159	194	5 T	24	7
Ranagmatie	Duncan Bros. & Co.	237,869	4.95	275,246	4.56	18	12-60	163	47	35	10 T	30
Ranung Rungliet	Duncan Bros. & Co. Ltd.	106,900	7.00	86,691	6.83	10	12-60	867	1,365	20	30	50
Rydek	Jardine Henderson Ltd.	26,144	...	25,416	...	77	12-57	436	437	20 T	15	15
Sepoi	Directors	17,582	...	15,712	...	...	12-59	357	386	40 T	40 T	20
Saragson	Directors	5,884	2.65	5,489	2.74	15	12-59	159	218	174 T	124	20
Sasjuli	Williamson Magor & Co.	2,344	8.89	2,405	2.91	...	12-58	132	131	15	10	10
Sasjuli	Directors	2,164	3.59	2,285	3.33	10	12-58	22	35	nil	nil	10
Sasjuli	Gill, Arbutnot & Co. Ltd.	136,071	5.95	129,530	6.36	6	12-60	176	(e)134	74	5	5
Sasjuli	Moore Miller & Co. Ltd.	3,179	3.19	3,267	2.55	10	12-58	205	98	5	5	5
Sasjuli	Goemka & Co. Ltd.	...	...	...	...	...	12-58	...	...	nil	nil	10
Sasjuli	5% C. P.	5,295	1.65	4,520	1.63	...	12-58	309	239	50 T	30 T	50
Sasjuli	8% C. P.	152,998	7.44	141,637	6.99	12	12-60	431	209	15 T	10 T	10
Sasjuli	Williamson Magor & Co.	196,711	7.96	174,361	7.48	...	12-60	35	40	nil	nil	10
Sasjuli	McLeod & Co. Ltd.	5,242	1.89	5,208	1.82	17	12-58	397	474	25	30	20
Sasjuli	Octavius Steel & Co. Ltd.	8,028	2.42	7,735	2.60	39	12-57	36	5	nil	nil	10
Sasjuli	Davenport & Co. Private Ltd.	4,708	2.82	4,153	2.89	15	12-59	872	601	174 T	124	10
Sasjuli	Duncan Bros. & Co. Ltd.	11,151	2.56	11,778	2.17	39	12-59	376	425	25 T	25	15
Sasjuli	McLeod & Co. Ltd.	11,243	2.23	9,945	2.35	34	12-59	584	390	30 T	174 T	10
Sasjuli	Gill, Arbutnot & Co. Ltd.	339,133	6.86	312,979	5.93	60	12-60	1,217	753	20 T	124	10
Sasjuli	Shaw Wallace & Co. Ltd.	36,690	2.13	35,023	1.92	121	12-59	...	...	8 T	8	10
Sasjuli	8% pref. cum as to 5	...	...	...	...	...	12-55	1,40	5,80	nil	nil	10
Sasjuli	Daga & Co. Private Ltd.	8,010	1.89	8,084	2.22	25	12-57	218	512	30	25	10
Sasjuli	McLeod & Co. Ltd.	...	...	...	...	...	12-58	67	175	nil	10	10
Sasjuli	10% C. P.	9,337	...	9,866	...	26	12-56	143	262	nil	nil	10
Sasjuli	Daga & Co. Private Ltd.	15,510	2.71	15,467	2.47	59	12-58	720	562	30 T	15	10

(a) After transferring Rs 70,000 from Development Reserve.

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

(d) After writing back Rs 375,287 from Depreciation Reserve.

(e) After transferring Rs 126,000 from Reserve.

(f) After transferring Rs 75,000 from Dividend Equalisation Fund.

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

(h) After transferring Rs 38,000 from Revenue Reserve; Rs 72,897 from Depreciation Reserve and Rs 46,704 from Building and Machinery Reserve.

(i) After transferring Rs 38,000 from Revenue Reserve; Rs 72,897 from Depreciation Reserve and Rs 46,704 from Building and Machinery Reserve.

(w) After transferring Rs 144,000 from Revenue Reserve and Rs 8,000 from Development Reserve.

(x) After transferring Rs 80,000 from General Reserve and Rs 80,000 from provision for taxation and including Rs 88,023 being dividends forfeited.

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

(ag) After transferring Rs 1,38,000 from Revenue Reserve.

(ah) After transferring Rs 40,000 from general reserve and after crediting Rs 1,44,000 being profits on realisation of fixed assets.

(ai) After transferring Rs 40,000 from general reserve and after crediting Rs 1,44,000 being profits on realisation of fixed assets.

(aj) After transferring Rs 1,38,000 from Revenue Reserve.

(ak) After transferring Rs 40,000 from general reserve and after crediting Rs 1,44,000 being profits on realisation of fixed assets.

(al) After transferring Rs 40,000 from general reserve and after crediting Rs 1,44,000 being profits on realisation of fixed assets.

(am) After transferring Rs 40,000 from general reserve and after crediting Rs 1,44,000 being profits on realisation of fixed assets.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	September 1961	September 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Outstanding	Cash	Others
	Rs. np.	Rs. A.			Rs.	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Kunchanpore	3 94	7 62	10	360	55	55	4	232	644	268		302	62	20	
Kyung Tea Seeds	7 56	4 81	10	200	35		1	45	183	2	34	7	56	3	
Lackatourah	18 25	13 00	10	400	501	296	192	2,181	1,157	393	5	883	540	1,576	
Lado	17 60	16 00	10	650	146	571	14	629	1,525	453	188	554	115	4	78
Lingia	14 50xd	20 31xd	100	700	125	61	42	651	1,622	719	389	558	214	15	
6% C. P.	45 90xd	64 00	10	506			32	1,032	2,623	623					
Longview	9 75xd	11 25	10	1,032	600	568	121	776	686	129	209	871	165	18	
Loobah	4 50	4 62	10	564	600	391	441	2,228	1,664	493	1,981	1,140	243	189	
Lukwah				800									304	39	
5% Cum Pref.				475											
Malhati	21 12	17 25	10	900	1,726	761	18	944	4,194	2,144		1,059	466	321	
Manabheria	54 25	51 5	10	200	486	86	3	782	802	356	434	435	437	27	
Manipur			100	420	2,10	40	-6.20	8,82	7,31	1,80		326	32	22	2,12
Margaret Hope	11 50xd	13 87	10	400	250	207	84	493	898	462	2	259	277	462	
Marionbarie			10	155			-373	1,425	1,181	206	2	142	86	1	
Maud	15 00	13 00	10	800	100	2	5	1,045	1,488	433	195	456	104	181	
Methoni	16 87	18 12xd	10	1,000	700	550	62	1,233	2,265	699	95	1,014	306	564	
Mim	191 51	211 00	100	159	355	17	16	208	582	243	2	206	12	328	85
Nabooma	11 50	13 31	10	489		30	6	605	1,224	292		442	62	7	
6% C. P.	5 25	9 37	10	320											
Methala	445 00	510 00	100	150	724	641	47	420	209	11				90	576
Murphulani (Assam)	24 50	20 00	10	175	791	1	6	685	2,040	730	129	3	4.0	47	545
Paed, Ordy	22 24	22 00	10	200											
Naga Hills	18 81xd	24 00	10	400	291	74	-31	1,668	1,372	441		687	166	36	
Nagaur	190 00xd	149 00	100	960	1,115	1,052	47	1,392	2,779	1,030	585	1,789	171	450	
Nagri Farm	26 00xd	24 25	10	300	250	225	130	334	750	215	112	289	151	171	
Newburnadi	13 04xd	14 57	10	535	175	130	3	629	1,217	543		493	238	68	
New Assam Valley			225	675	850	151	45	1,169	1,678	503	193	1,214	242	16	
New Channat	31 62	34 75xd	10	300	225	620	62	378	1,028	427	85	612	73	214	
New Chinnatoli	90 00	77 00	100	300			115	1,103	1,095	364		549	95	64	49
New Doon	289 00xd	279 00	100	1,400	2,100	34	60	2,857	3,914	1,380	650	2,131	774	662	
64% C. P.	74 82xd	82 20	100	200											
New Samanbagh	19 25xd	25 11	10	400	900	5	244	1,594	1,259	576	1	739	277	1,544	
8% C. P.	83 50 N	85 50	100	100											
Nilpur Tea			100	149	60		23	286	395	150		245	17	9	
North Western Cachar	203 00	119 00	100	700	600	277	9	2,059	2,224	473	750	935	158	54	
Okayti	600 00	601 00	100	100	53	159		290	524	263		154	48	189	
7% C. P.	79 00 N	79 00	100	50											
Oodlabari	15 50	13 50	10	640	330	247	10	268	1,238	303	2	382	100	76	
Pathamara	7 25	4 75	10	259			-223	1,205	654	94	1	119	60		
Patrakola	144 00	165 00	100	3,600	5,125	1,500	226	11,363	6,591	2,750	8	3,712	2,611	11,535	
Phakowa	127 00	150 00	100	250	185	195	17	102	632	224	1	277	13	38	14
Poobong	7 37	5 56	10	300			4	274	593	247		159	10	1	63
Pusembing	8 75	10 50	10	205	113	95	-87	173	540	97	48	140	57	15	
7% C. P.	97 00	93 00	100	205			-13	173	376	168	1	198	38	10	
Putinbarie	45 01	47 59	10	100	60	135	-197	576	1,637	720	54	726	320	43	
Rajabhat	15 00	14 87	10	600	577	530		497	1,613	569	3	414	342	73	51
Rajgarh	26 62	37 25	10	200	889	2	223	635	885	491	1	482	81	29	348
Rajnagar	9 56	9 56	10	320	100	46	37	870	3,080	1,604	54	1,003	429	339	
Ranicherra	16 62xd	17 44	10	765	708	929	-76	1,220	1,284	371	1	658	96	36	
Roopacherra	15 67	15 31	10	260	281	127	311	1,626	508	99	592	62	97	27	
Rungmatine	51 01	75 00	50	525	550	602	21	256	474	207	225	161	1	217	80
Runglee Rungliet	386 00	350 00	100	140	310	233	50	2,619	5,520	3,112	4	2,225	396	1,775	
Rydaik	25 50	34 50xd	10	1,493	1,804	881	20	1,103	3,281	1,329	400	873	968	26	
Sapo	18 75xd	22 25	10	900	205	53	23	1,306	1,491	706	61	760	544	64	
Sarugeon	32 25	40 00	10	346	700	239	91	648	1,283	696	3	750	59	18	
Sesuli	23 06xd	29 00	10	249	300	135	4	149	551	196		13	54	198	
Seyok	10 00	9 00	10	300	125	202	10	28	353	600	1	295	121	17	
Salumbong			100	625	105	10	-66	503	738	109		93	144		
Stagall	37 25	35 50	100	900			7	341	1,323	294	207	146	90	102	
Sington	5 67	6 37	10	300											
5% C. P.	4 87	5 12	10	400											
5% C. P.	9 12 N	9 12	10	400											
Sonai River	60 00 N	93 00	100	100											
8% C. P.	45 00	35 00	10	300	300	215	144	581	773	365	1	339	24	3	
Som	11 12xd	13 44	10	625	725	356	46	756	1,850	5,801	201	230	115	587	
Sangma			10	500	205	58	-28	629	1,125	478	1	556	135	26	26
Sapoo			10	450	600	250	72	924	1,311	517	197	836	256	207	
Yuen Ali	13 75	12 00	10	320	400	457	-80	513	1,428	398	66	258	163	92	
Tanta Valley	112 00	122 00	100	900	1,675	620	32	1,556	2,107	707	49	1,011	463	1,767	
Talipara	28 06xd	27 19	10	598	854	516	7	950	1,935	632	56	823	216	282	
Taligan	35 00xd	34 37xd	10	800	330	331	48	1,652	1,602	599	1	1,410	247	500	
Tongani	15 51	15 12	10	1,983	1,550	36	54	2,465	5,114	2,283	83	2,509	738	132	
Tongani	9 10	10 39	10	205											
5% Pref. Cum. as to 5	10 00 N	10 00	10	375	375	36	-30	1750	1615	194		877	170	85	
Tilaha	55 00xd	50 00	10	220	400	575	34	858	1,361	552	2	720	216	440	
Tirrihannah	12 80xd	14 00	10	100											
10% C. P.	6 44	8 00	10	600	390		6	1,170	1,528	307		734	114	16	
Tongani	7 50	8 00	10	801	250		39	946	1,689	475	3	417	283	118	
Tokrai	32 56xd	36 00	10	520	1,050	1,450	105	2,466	5,060	1,666	53	1,396	701	47	

SUGAR

NAME	Managing Agents' Agents/Secretaries	Cane Crushed Mds./Tons 000	Sugar Produced Mds./Tons 000	Sales Rs. 000	Stock Rs. 000	Managing Agents' allowance and Commission Rs. 000	Year ended	Net Profit		Dividend per cent		
								Latest Rs. 000	Previous Rs. 000	Latest	Previous	Second Previous
Andhra	Ranga Rao. & Co.	108,524	...	11,784	2,573	145	9-66	1,799	2,279	20T	20T	15
Bahampur	Directors	...	...	6,910	4,096	...	6-60	312	(c)448	8T	8	5
Basti	Narang Bros.	6,760	...	20,863	9,645	110	4-59	1,186	1,242	10	10	10
	Ordy, B. Class	...	...	...	...	...	...	...	...	10	10	10
Belpur Co.	W. H. Brady & Co.	...	...	16,819	1,686	450	9-59	4,366	5,991	42	40	36
Belaund	Bangur Bros. Ltd.	3,508	3,121	11,108	3,526	72	9-60	879	852	18T	18T	13 1/2
Bhurat	Cotton Agents Private	2,493	...	8,339	2,910	82	6-60	842	674	15T	15	10
	5% R. C. P. T.	...	...	...	...	...	...	...	...	5T	5	5
Bhopal	Bhiwandiwalla & Co.	...	...	4,969	3,358	124	9-60	1,345	1,289	22 1/2T	25T	20
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
Carew	Gladstone Lyall & Co. Ltd.	...	...	43,236	6,733	219	6-68	1,313	2,160	nil	nil	2 1/2
	6 1/2% R. C. P.	...	...	...	...	...	...	...	...	nil	nil	6 1/2
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Cauvery	Parry & Co.	47.1	4(1)	12,886	1,920	...	6-60	1,413	1,209	6	6	...
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Cawnpore	B. I. Corporation	11,937	1,153	35,647	8,645	10	10-60	2,108	1,271	nil	nil	nil
	8% C. P.	...	...	...	...	...	...	...	...	nil	nil	10
Champan	Begg Sutherland & Co. Pri. Ltd.	5,881	551	22,027	6,643	108	6-60	1,156	1,355	15T	15T	10
Deccan	Parry & Co. Ltd.	...	...	36,364	9,226	298	5-59	3,504	3,536	25 1/2	18	14 1/2
	7% preference	...	...	...	...	...	...	...	...	7	7	...
Deoria	K. C. Thapar & Bros.	3,170	...	11,631	5,120	24	8-60	139	546	3 1/2T	1 1/2 T	5
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Dwar Maslin Breweries	Directors	...	...	31,617	4,651	...	3-60	8,138	5,608	25 T	16	15
East India Distillery (M.)	Parry's Holding Private Ltd.	...	...	10,471	...	...	9-59	856	831	28 1/2 T	20	15
	7% R. C. P.	...	...	...	...	...	...	...	...	7 T	7	7
Ganesh	Directors	3,766	359	10,584	2,786	...	10-60	646	848	6 1/2T	10 T	10
Ganga Sugar	Directors	...	...	21,080	14,541	...	3-59	2,017	2,839	12 1/2	12 1/2	17 1/2
	7 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Gabind	Cotton Agent Private Ltd	2,149	...	7,998	1,945	49	6-59	636	558	11 1/2 T	5	nil
	5 1/2% R. C. P.	...	...	...	...	...	...	...	...	5 T	5	...
Ganesh	Sir J. P. Srivastava & Sons Pri.	2,100	...	11,189	1,854	85	6-59	918	1,647	10 1/2	10	10
	7% R. C. P.	...	...	...	...	...	...	...	...	7 1/2	7	7
	7% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Harinagar	Directors	...	...	17,603	3,111	...	9-59	1,043	551	11 T	7 1/2	7 1/2
	Ordinary	...	...	...	...	...	...	...	...	...	...	...
Hindusthan	Bachraj & Co.	10,324	...	38,553	15,569	371	6-58	5,087	4,831	15	15	15
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
India	India Sugar Agencies	...	...	20,453	1,052	...	9-60	2,121	2,004	14 1/2T	12 1/2T	10
	7 1/2% C. P. T.	...	...	...	...	...	...	...	...	7 1/2T	7 1/2T	7 1/2
Jagdish Sugar	Narang Bros & Co.	3,202	...	13,409	6,074	9	4-59	824	1,381	15T	15	15
Jarwal	Directors	...	...	25,489	6,603	...	5-59	(a)2,129	2,380	22 1/2T	15	5
	5 1/2% R. C. P.	...	...	...	...	...	...	...	...	5 1/2T	5 1/2	6 1/2
Jerpore	R. S. Indus. Corpn.	...	...	5,856	2,956	36	6-58	854	...	6	6	6 1/2
	6% C. P.	...	...	...	...	...	...	...	...	6	6	...
	7% C. P.	...	...	...	...	...	...	...	...	...	...	7
K. C. P.	V. Ramakrishna Sons Pri. Ltd.	...	...	37,647	0,868	390	6-60	(1)5,356	(1)5,075	15T	15	5 1/2
	5% R. C. P.	...	...	...	...	...	...	...	...	5	5	...
	6 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Kasar	Directors	4,233	404	19,772	23,458	...	7-59	1,123	855	15	10	...
	5 1/2% R.C.P.	...	...	...	...	...	...	...	...	5 1/2	5 1/2	...
Kirlampudi	Kubera Sugar Manager, Private	118	108	102,387	5,230	82	6-60	491	754	nil	nil	nil
	5 1/2% C. P.	...	...	...	...	...	...	...	...	nil	nil	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	2 1/2
Mahara Sugar	Pandia Rajan & Co. Private	...	...	5,741	349	98	7-60	962	914	7 1/2 T	5T	40
Maharashtra	M. L. Dahanukar & Co. Pri.	...	...	22,805	1,602	542	9-59	5,321	5,590	42T	34T	7
	7% C. P.	...	...	...	...	...	...	...	...	10 T	10	7
Medi Sugar	R. B. Multanilal & Sons	5,844	...	55,626	4,519	231	10-59	2,743	2,178	12 1/2	9	...
Mohini	K. C. Thapar & Bros.	1,854	...	6,451	645	...	11-60	143	307	nil	nil	...
	Founders	...	...	...	...	...	...	...	...	nil	nil	...
	5% C. P.	...	...	...	...	...	...	...	...	nil	nil	...
Mysore	Directors	...	...	44,147	1,061	...	6-60	3,350	2,760	30T	30 T	30
N. Wabganj	Narang Bros. & Co. Private	2,959	...	12,517	675	25	10-59	145	348	nil	nil	...
	B' Class	...	...	...	...	...	...	...	...	nil	nil	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	25
New India	Cotton Agents Private	4,270	...	14,146	4,024	111	6-60	1,247	1,333	36 1/2 T	36 1/2	5
	5 1/2% R. C. P. T.	...	...	...	...	...	...	...	...	3 1/2T	3 1/2	...
	7 1/2% C. R. P. P.	...	...	...	...	...	...	...	...	12 21/2T	9 1/2T	2 1/2
New Sreen	K. C. Thapar & Bros.	2,847	...	...	...	6	5-60	252	126	5 T	3 T	20
New Swadeshi	Cotton Agents Private	4,314	...	16,224	4,261	227	6-59	2,060	920	29	20	...
	Ordry P. P.	...	...	...	...	...	...	...	...	...	...	...
Nizam Sugar	Hyd. Govt. Indust. Trust Fund	...	...	38,053	20,963	490	6-59	5,176	7,853	21 1/20T	18 1/2	18
	5% C. P.	...	...	...	...	...	...	...	...	5 T	5	5
	4% C. P.	...	...	...	...	...	...	...	...	4 T	4	...
Oudh	Cotton Agents Private	6,103	...	68,470	9,040	...	6-59	4,307	5,255	18 1/2	12 1/2	12
	Ordry P. P.	...	...	...	...	...	...	...	...	18 1/2	12 1/2	12 1/2
	4% R.C.P.	...	...	...	...	...	...	...	...	4	4	4
Phalton Sugar	Madanlal Agte & Kantilal	114	134	12,921	3,706	200	9-60	2,211	2,791	24 T	27 T	20
Pushab Sugar	Narang Bros Private	2,764	...	9,313	2,258	25	10-58	183	25	6	6	...
Purnabpore	Directors	2,604	...	10,278	651	...	10-59	(b)873	65	nil	nil	...
	10% C. P.	...	...	...	...	...	...	...	...	nil	nil	...
Ramnagar Cane	Anderson Wright Ltd.	1,904	...	8,519	1,051	...	8-59	1,201	(a)385	21 1/2 T	15	15
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Ratan Sugar	Ratan Agents	2,827	...	6,513	3,091	38	6-59	662	145	17 1/4T	3 1/2	6
	9% C. P.	...	...	...	...	...	...	...	...	9 T	9	12
Ravilgum Sugar	Walchand & Co. Private	...	...	15,731	3,222	56	9-60	1,315	(b)1,144	10T	8 1/2T	5 1/2T
	5 1/2% Cum Prof.	...	...	...	...	...	...	...	...	5 1/2T	5 1/2T	7T
	Deferred	...	...	...	...	...	...	...	...	7T	7T	...
	Debentures	...	...	...	...	...	...	...	...	...	...	...
Ram Bahad	Govan Bros. (Rampur)	...	...	34,875	6,943	309	10-60	3,400	1,093	12 1/2 T	12 1/2T	12 1/2
Ryam	Directors	2,004	198	8,444	2,636	...	6-59	151	425	15 T	15	15
	6% C. P.	...	...	...	...	...	...	...	...	6	6 T	6
Sambhar	Directors	2,425	220	7,179	2,749	...	6-60	(m)-53	(h)129	6	6	6
Shahdol	H. R. Swerup & Bro.	9,000	...	28,115	8,833	54	9-60	(j)2,480	1,275	24T	18	8
	8% C. p.	...	...	...	...	...	...	...	...	11 1/2T	5T	5 1/2
Shree Anand	Directors	2,100	205	6,438	1,937	...	9-60	412	496	5 T	5T	5 1/2
	Debentures	...	...	...	...	...	...	...	...	...	...	...

MILLS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	September 1961 Ra. ap.	September 1960 Ra. ap.			General	Others	Carry Forward Ra. 000				Investments	Stocks & Stores Ra. 000	Outstanding Ra. 000	Cash	Others
Andhra	27 00	29 00	10	3,000	1,800	1,055	25	9,821	11,399	3,349	220	4,668	2,477	286	15
Balampur	2 36	3 00	2 1/2	1,301	120	874	48	4,972	3,110	1,927	175	4,901	948	107	117
Basti	195 50 N	120 50	100	1,200	350	2,712	1,000	9,932	6,611	4,219	2,680	11,153	498	182	...
Ordinary 'B' Class	...	...	10	300	...	...	...	...	...	...	...	...	...	...	...
Belapur	265 00	362 00	50	7,050	11,339	1,357	76	6,291	16,116	10,888	2,375	10,461	577	8,470	2,468
Belund	11 00	13 56	7 1/2	1,949	775	240	1	2,551	5,317	2,960	693	3,526	3,187	262	...
Bharat	16 50	16 62	100	1,508	650	759	4	3,317	2,395	1,595	1,381	3,330	1,059	159	...
5% R. C. P. T	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Bhopal	24 80	28 20	10	1,750	1,400	268	93	4,986	4,781	2,936	55	5,675	1,745	310	117
3% C. P.	84 50	84 50	100	1,250	...	...	...	...	...	...	...	...	...	...	...
Carew	13 81	10 75	10	3,200	1,360	1,866	276	10,921	15,128	10,892	67	10,934	4,493	381	310
6 1/2% R. C. P.	79 00	85 50	100	800	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	1,750	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	400	...	...	...	...	...	...	...	...	...	...	...
Cauvery	125 00	144 00	100	4,000	...	1,489	74	3,381	9,635	960	...	2,766	1,757	72	600
6% C. P.	84 00	101 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Cawnpore	13 12	15 00	10	3,000	2,850	5,667	-418	12,240	17,606	10,081	256	12,240	2,851	485	617
8% C. P.	118 00	108 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Champaran	16 69	20 50	10	1,800	1,440	3,106	28	5,326	8,473	6,453	37	7,911	1,475	184	73
Deccan	13 51	15 40	5	3,984	2,100	2,721	67	12,648	13,656	7,119	395	11,469	2,729	904	185
7% Preference	5 03cd	6 40	5	700	...	...	...	...	...	...	...	...	...	...	...
Doria	8 71	9 00	10	958	345	250	-32	4,870	3,488	2,148	937	3,925	661	24	4
5% Debentures	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Darbhanga	12 00R	17 37	10	2,600	31,90	2,36	112	19,18	57,53	37,24	2,58	36,93	12,89	6,97	...
Dyer Meakin	34 62	22 75	5	2,727	7,850	4,208	26	8,094	5,973	2,380	434	7,468	6,871	2,063	2,581
S. I. D. (2)	38 87	42 25	2 1/2	550	1,000	341	69	1,388	1,485	857	676	1,240	754	209	...
3% C. P.	18 00	16 75	4 1/2	200	...	...	...	...	...	...	...	...	...	...	...
Ganesh Sugar	19 22 N	19 87	10	2,000	150	3,866	18	5,648	7,384	2,519	2,219	3,722	1,863	13	...
Ganga Sugar	...	...	10	5,492	702	621	86	21,293	14,506	4,545	1,822	15,330	2,049	246	36
7 1/2% C. P.	...	...	10	1,250	...	...	...	...	...	...	...	...	...	...	...
Gobind	...	...	...	500	250	127	4	2,963	3,410	1,430	...	2,427	417	20	...
5 1/2% R. C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Gwalior	...	...	100	1,594	...	1,148	30	4,719	4,888	2,980	1,140	2,934	1,804	890	...
7% R. C. P.	...	...	100	675	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Haripur	...	...	10	250	1,000	1,359	12	11,915	8,171	3,763	1,615	4,788	4,407	69	...
Ordinary	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
Hindustan	323 75	320 00	100	6,000	4,662	1,850	43	20,229	21,144	8,621	284	18,201	2,156	121	...
5% C. P.	80 00	90 00	100	500	...	...	...	...	...	...	...	...	...	...	...
India	11 60	13 00	10	6,397	837	607	311	7,219	8,467	3,356	3,511	2,026	5,663	237	...
7 1/2% C. P. T	83 63	88 25	100	1,100	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Sugar	...	...	100	1,109	1,266	1,426	616	5,288	3,458	2,015	866	6,975	311	110	...
Jaswant	5 25 N	5 25	10	2,000	1,850	291	55	9,285	13,065	7,842	66	7,776	1,088	140	187
5 1/2% B. C. P.	85 00	85 00	100	1,030	...	...	...	...	...	...	...	...	...	...	...
Jaypore	16 25	17 87	100	2,318	744	975	...	12,490	13,651	1,614	30	4,524	1,060	48	32
6% C. P.	89 00	95 80	100	200	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	92 50	101 10	...	1,080	...	...	...	...	...	...	...	...	...	...	...
K. C. P.	24 00	26 00	10	5,857	7,315	2,393	23	41,599	41,759	7,854	2,501	19,275	5,716	118	...
5% R. C. P.	95 45	100 00	10	258	...	...	...	...	...	...	...	...	...	...	...
6 1/2% C. P.	93 00	100 50	...	4,077	...	...	...	...	...	...	...	...	...	...	...
Kesar	222 50	255 00	40	1,800	1,100	342	10	8,387	8,526	5,442	177	7,005	2,268	275	330
5 1/2% R. C. P.	...	...	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Kirlampudi	80 00	89 50	100	1,200	...	625	41	7,533	7,637	3,496	1,412	5,675	233	103	131
5 1/2% C. P.	132 00	118 00	100	600	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	10	1,900	...	...	...	...	...	...	...	...	...	...	...
Madura Sugars	...	...	50	2,000	330	307	90	1,037	2,803	1,874	1	370	72	2,193	...
Maharashtra	187 00	255 00	50	6,750	4,525	569	162	9,517	15,205	7,221	1,734	7,369	2,641	2,294	...
7% C. P.	240 00N	240 00 N	10	500	...	...	...	...	...	...	...	...	...	...	...
Modi Sugar	...	...	10	7,339	1,240	1,471	12	8,525	13,625	6,143	50	8,138	2,513	404	...
Mohini	2 03	4 12	1	1,000	...	249	-132	7,968	5,728	2,700	20	1,443	1,550	16	...
Founders	...	...	100	25	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	70 00 N	70 00	10	200	...	...	...	...	...	...	...	...	...	...	...
Mysore	57 25	60 50	10	2,179	6,253	5,643	15	14,250	16,327	10,729	3,715	7,391	7,217	4,274	256
Newabganj	60 00 N	60 00	100	1,200	350	1,088	479	4,161	6,477	3,340	1,552	2,171	1,028	621	326
'B' Class	...	...	1	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	50	500	...	...	...	...	...	...	...	...	...	...	...
New India	32 00	33 00	10	789	2,225	807	35	6,160	5,767	3,325	1,702	4,791	1,698	48	...
5 1/2% R. C. P. T.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% C. R. P. P.	137 72	150 00	100	49	...	...	...	...	...	...	...	...	...	...	...
New Savan	5 69	5 31	10	1,100	325	183	8	323	4,489	3,071	57	...	437	27	...
New Swadeshi	326 00	360 00	100	1,351	1,835	3,547	35	6,793	8,199	3,060	714	5,164	2,102	451	...
Ord. P. P.	...	...	...	8	...	...	...	...	...	...	...	...	...	...	...
Nizam Sugar	...	...	25	11,002	5,252	3,394	3	43,102	30,263	18,542	343	33,776	19,131	783	480
5% C. P.	...	...	25	1,200	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	...	...	25	2,380	...	...	...	...	...	...	...	...	...	...	...
Oudh	191 50	182 50	100	7,745	914	2,223	16	14,191	26,114	14,164	338	12,436	4,664	575	...
Ord. P. P.	...	...	...	3	...	...	...	...	...	...	...	...	...	...	...
4% R. C. P.	...	...	25	367	...	...	...	...	...	...	...	...	...	...	...
Phaltan Sugar	133 00	176 50	50	5,000	4,075	1,792	22	8,332	13,853	7,765	217	9,944	195	379	2,398
Punjab Sugar	50 00 N	65 00	100	1,200	270	937	11	4,161	3,642	2,166	1,251	2,977	580	61	251
Purbapore	12 00	13 37	10	900	15	2,128	4	599	5,120	3,572	1	1,370	881	204	401
10% C. P.	11 12	11 75	10	600	...	...	...	...	...	...	...	...	...	...	...
Rammugger Cane	30 62	24 87	10	1,660	2,000	2,098	59	2,038	7,805	3,938	...	3,824	339	6	218
6% C. P.	83 00	85 00	100	400	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	500	595	...	...	...	...	...	...	...	...	...	...	...
Ratus Sugar	1 45 N	1 45	10	1,175	...	114	77	3,226	3,260	2,416	10	3,505	255	17	...
9% C. P.	...	...	100	39	...	...	...	...	...	...	...	...	...	...	...
Revalgion Sugar	62 30	111 00	50	3,000	810	3,838	12	10,493	15,838	6,684	1,435	9,888	1,697	208	...
5 1/2% Cum Pref.	61 00	62 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	30 00	30 00	500	400	...	...	...	...	...	...	...	...	...	...	...
Debenture	...	...	10	2,000	...	...	...	...	...	...	...	...	...	...	...
Raza Buland	11 12	12 69	10	6,500	1,655	1,084	65	8,932	8,530	5,947	1,297	8,949	3,108	194	...
Ryam	12 12	13 25	10	800	130	482	5	2,750	2,840	2,361	210	3,376	624	276	...
6% C. P.	8 40 N	8 40	10	1,199	...	1,391	-152	5,832	6,023	2,793	5	3,836	1,148	31	...
Sarnastipur	10 44	13 12	100	859	450	1,938	2	17,814	16,422	7,967	671	10,711	1,737	41	89
Shadiali	...	...	100	641	...	...	...	...	...	...	...	...	...	...	...
8% C. preference	...	...	100	2,000	...	2,385	6	3,332	4,860	1,804	1,628	2,312	1,206		

SOUTH INDIA

NAME	Managing Agents, Agents/Secretaries	Crop Harvested			Sales Rs. 000	Stocks Rs. 000	Managing Agents' Commission Rs. 100	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea 000 lbs.	Coffee 000 Cwts. —Tonnes	Rubber 000 lbs.					Latest Rs. 000	Previous Rs. 000	Latest	Pre- vious	2nd Pas. view
Alagawar Amalgamated Coffee	Ramani & Co. Directors 6% Cum. Prof. 5 1/2% Debentures	...	...	...	1,125 2,314	35 618	18	6-61 3-61	116 208	100 316	15t 10t	7 1/2t 10t	7 1/2t 6t
Anandam	A. V. George & Co. 7% C. P. 6% Debentures	288	...	112	613	69	13	12-59	145 10	106	15t 7	10 7	15 7
Anaparsi	Associated Planters Private 6% Debentures	...	9	...	1,663	1,400	43	6-60	432	620	20t	25	35
Arthala	R. N. Kapur & Co. Ltd. 6% C. P.	2,86	...	...	4,35	76	...	3-59	40	14	nil	nil	nil
Ashmettam	M. Sebastian 6% Debentures	...	...	...	190	42	4	2-61	34	10	5t	nil	nil
Bababudin	A.V. Thomas & Co. (Mysore) ... 6% C. P.	...	2	...	411	...	8	6-60	59	132	8t	12 1/2	25
Badra	Young India Agencies Private 7 1/2 R. C. P.	...	...	...	594	378	14	5-60	146	164	15t	17 1/2	17 1/2
Balanor	Young India Agencies Private 7 1/2% C. P.	338	2	43	1,221	440	17	3-60	266	336	15t	15t	17 1/2
Balmadies	Planting Agencies Private 6% C. P.	...	...	...	303	...	5	5-60	53	50	7 1/2t	7 1/2	12 1/2
Be Be	Mg. Director 6 1/2% C. P. T. 6 1/2% R. C. P. T.	...	...	360	610	27	...	3-59	152	168	5t	5t	5t
Blue Mountain	Kothari & Sons Agencies Pri. ...	1,621	...	...	7,800	231	309	6-60	2,933	907	12 1/2	12 1/2	12 1/2
Chandramalai	Directors 7 1/2% Cum. Prof.	362	...	...	777	150	...	6-60	154	111	10t	12t	15t
Chembra Peak	Peirce Leslie & Co. Ltd.	1,818	225	...	3,923	679	92	3-61	1,229	736	20t	20t	15t
Cochin Malabar	Peirce Leslie & Co. Ltd. 7% C. P.	304	...	1,264	6,692	392	160	2-61	2,082	1,319	20t	17 1/2	15t
Coffee Lands	Consol Coffee Estates 5% C. P.	...	...	...	5,206	317	2	6-60	551	1,601	6t	24t	20t
Consolidated Coffee	Mg. Director 6% C. P.	...	...	...	...	...	...	6-60	(h)3,141	4,710	20t	25t	20t
Coonor Tea	Matheson Bosanquet & Prvt.Co 6% C. P.	350	...	...	946	144	18	9-59	241	259	20t	20t	20t
Coorg Tea	Srinivas Agencies 6 1/2% R. C. P.	182,344	...	...	...	...	25	3-61	260	177	20t	20t	20t
Cottanad Plantations	Associated Planters pri. 7 1/2% C. P. P.	160	...	49	672	272	13	3-61	143	114	10t	11t	15t
Cowcoody	Peirce Leslie & Co.	...	...	...	...	...	13	6-60	185	126	25t	25t	65t
Devashola	Mg. Director	325	...	...	903	108	...	12-59	283	341	25t	25t	17 1/2
Devon	Young India Agencies Private 7 1/2% C. P.	302	1	...	766	197	5	3-60	97	110	15t	15t	17 1/2
Emerald Valley	Parkins Private Ltd.	128	...	...	262	64	8	12-58	75	38	6t	6t	10t
Gabul Rubber	Young India Agencies	...	...	83	131	51	7	12-59	68	59	9t	6t	6t
Haileyburia	Parkins Private Ltd. 5% C. P. 5 1/2% Debentures	1,722	...	...	2,703	807	48	12-59	(d)623	1,079	12 1/2t	20t	15t
Highland	A. V. Thomas & Co 6% C. P.	1,271	...	117	2,544	237	56	12-58	557	472	15t	7 1/2	20t
Kadur	Young India Agencies Private 6 1/2% C. P.	...	...	...	124	115	2	5-60	18	18	6t	6t	7 1/2
Kailas	A. V. George & Co. 6% Debentures	...	959	...	1,662	171	65	2-60	637	588	22 1/2t	20t	25t
Kalasa	Peirce Leslie & Co. 7% Debentures	...	...	...	1,280	196	34	3-61	477	281	25t	20t	15t
Kalpetta	A. V. Thomas & Co.	292	...	267	939	227	15	4-60	180	202	12 1/2t	12 1/2	10t
Karibode Rubber	E. I. Agencies Private 6% Cum Prof 5% Debentures	...	133	187	187	64	8	12-59	34	56	4t	10t	10t
Kil Kotagiri	Peirce Leslie & Co. 6% C. P.	1,044	...	...	2,955	619	96	10-60	1,344	897	25t	35t	15t
Kumargode	Peirce Leslie & Co. Ltd. 7 1/2% Debentures	...	...	...	789	...	20	10-60	273	220	20t	20t	20t
Kurchimala	Ipe Oommen & Co. Pr. Ltd. 6 1/2% Cum Prof.	257	147	...	626	103	17	3-61	171	150	7t	nil	8t
Lingsapur	Peirce Leslie & Co. Ltd. Matheson Bosanquet & Co. Pri.	260	...	...	747	81	14	12-59	67	349	25t	25t	30t
Lucky Valley Tea	6% C. P.	403	...	...	849	114	10	6-60	183	163	10t	10t	10t
Malabar Agricultural Co.	Vimons Private Ltd. 6% C. P.	...	...	...	...	...	...	...	131	33	nil	nil	nil
Malabar Industrial	Mg. Director	85	...	320	626	8	...	2-60	49	76	6t	7 1/2	10t
Manar	Johnson's Estates & Agencies Vasanth & Co. Private	135	...	670	1,145	96	37	3-60	483	519	15t	16t	17t
Manthala	Ruby Industries Private 5% C. P.	...	...	...	121	118	10	3-60	97	9	10t	5t	12t
Mercara	6% Debentures Associated Planters Private 6% Preference	...	...	260	431	164	12	6-60	120	128	20t	20t	20t
Midland	A. V. Thomas & Co. Ltd. 6% C. P.	1,501	...	930	4,504	479	101	3-60	1,332	1,030	12 1/2t	10t	10t

PLANTINGS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATELY ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS									
	September 1961 Ra. np.	September 1960 Ra. np.			Ra.	Ra. 000	General Ra. 000				Others Ra. 000	Carry- forward Ra. 000	Ra. 000	Ra. 000	Ra. 000	Invest- ments Ra. 000	Stocks & Stores Ra. 000	Out Standings Ra. 000	Cash Ra. 000	Others Ra. 000
Alagawar	2 94xd	2 35	2	600	530	22	30	570	1,685	457	76	81	286	81	...					
Amalgamated Office	12 25cd	13 85cd	10	675	...	236	15	721	1,988	350	1	816	309	56	...					
6% C. P.	6 60	6 90	10	600	...	...	...	...	...	...	...	...	...	...	...					
6% Debentures	...	...	500	475	...	...	...	...	...	...	...	...	...	...	...					
Anandam	13 80	14 50	10	250	...	579	31	245	1,382	125	...	83	9	5	...					
7% C. P.	7 30	7 81	10	250	...	...	...	...	...	...	...	...	...	...	...					
6% Debentures	...	...	100	123	...	...	...	...	...	...	...	...	...	...	...					
Anapara	3 85	4 60	2	1,208	228	...	34	2,602	2,059	233	259	1,452	852	66	...					
6% Debentures	...	...	100	384	...	...	...	...	...	...	...	...	...	...	...					
Arthala	4 00	4 00	5	300	...	11	119	1,360	992	148	723	115	49	11	10					
6% C. P.	9 20	9 20	10	200	...	...	...	...	...	...	...	...	...	...	...					
Athimattam	0 90cd	1 19	2	325	...	...	3	96	692	21	...	57	14	66	7					
7 1/2% Debentures	...	...	...	150	...	...	...	...	...	...	...	...	...	...	...					
Bababuddin	8 00	9 00	5	400	100	86	2	168	730	106	74	336	14	8	...					
6% C. P.	7 67	8 14	10	300	...	...	...	...	...	...	...	...	...	...	...					
Badra	3 39xd	3 84	2	425	300	100	26	424	856	93	12	392	158	99	...					
7 1/2% C. P.	7 97	8 50	10	150	...	...	...	...	...	...	...	...	...	...	...					
Balanor	14 75	16 70	10	1,099	386	30	4	698	1,725	339	22	541	423	95	...					
7 1/2% C. P.	9 74	10 30	10	250	...	...	...	...	...	...	...	...	...	...	...					
Balmadies	2 10cd	2 36cd	2	300	150	85	1	94	424	50	34	9	138	118	...					
6% C. P.	8 00	8 38xd	10	75	...	...	...	...	...	...	...	...	...	...	...					
Be Be	2 75cd	2 82	5	866	...	336	1	225	1,336	...	268	52	30	20	150					
6 1/2% C. P. T.	2 35cd	2 70	5	143	...	...	...	...	...	...	...	...	...	...	...					
6 1/2% R. C. P. T.	5 75cd	6 02	10	286	...	...	...	...	...	...	...	...	...	...	...					
Blue Mountain	3 09	5 06	2	5,250	1,850	1,091	284	3,411	7,901	1,366	18	475	2,489	2,386	...					
Chandramalai	2 70	2 70	2	550	500	9	19	344	1,646	340	...	146	73	34	...					
7 1/2% C. P.	1 78	1 94	2	137	...	...	...	...	...	...	...	...	...	...	...					
Chembra Peak	3 62	5 00	2	1,400	1,300	143	44	1,136	2,760	937	...	879	134	1,172	15					
Cochin Malabar	7 33	7 25	3	2,691	2,000	34	10	2,269	5,528	962	...	836	177	1,383	155					
7% C. P.	48 77	50 75	50	113	...	...	...	...	...	...	...	...	...	...	...					
Coffee Lands	16 70	25 25	10	2,250	2,850	261	92	1,774	5,364	1,319	118	789	2,732	583	...					
5% C. P.	71 08	73 00	1	1,041	...	...	...	...	...	...	...	...	...	...	...					
Consolidated Coffee	20 50	25 95	10	7,155	6,025	606	61	5,738	15,860	4,090	598	1,420	7,499	372	...					
6% C. P.	19 87	23 25	25	1,873	...	...	...	...	...	...	...	...	...	...	...					
Coonor Tea	27 50cd	27 95	10	378	335	946	29	403	2,163	164	3	199	19	21	...					
6% C. P.	83 14cd	91 75cd	100	150	...	...	...	...	...	...	...	...	...	...	...					
Coorg Tea	5 15cd	5 15	2	480	...	520	2	299	1,375	242	1	256	15	40	105					
6% R. P.	4 14cd	4 46	5	250	...	...	...	...	...	...	...	...	...	...	...					
Cottanad Plantation	10 65	13 25	10	600	30	480	2	590	1,495	99	1	296	93	15	...					
7 1/2% C. P. P.	9 60	10 80	10	106	...	...	...	...	...	...	...	...	...	...	...					
Cowcoody	4 45	5 25	2	409	200	...	28	273	312	77	15	223	8	427	...					
Devashola	30 30	30 25	10	600	485	27	1	283	1,226	338	131	124	16	204	...					
Demon	13 76	14 37	10	449	255	71	4	348	1,081	229	10	248	142	76	...					
7 1/2% C. P	82 00	95 00	100	200	...	...	...	...	...	...	...	...	...	...	...					
Emerald Valley	5 05	5 65	5	350	125	8	3	97	369	60	...	87	12	175	...					
Gokul Rubber	2 00	1 93	2	450	20	...	1	101	380	16	115	54	41	37	...					
Haileyburia	14 00	14 25cd	10	2,500	850	928	2	1,530	5,208	926	4	1,184	476	340	...					
8% C. P.	68 58	72 50	100	250	...	...	...	...	...	...	...	...	...	...	...					
6 1/2% Debentures	...	...	1000	230	...	...	...	...	...	...	...	...	...	...	...					
Highland	14 12	14 62cd	10	1,800	481	518	21	678	3,013	640	416	401	219	389	...					
5% C. P.	7 25	8 03	10	300	...	...	...	...	...	...	...	...	...	...	...					
Kadur	2 78xd	2 74	2	120	35	14	2	102	165	5	...	124	10	29	...					
6 1/2% C. P.	6 04	6 15	10	50	...	...	...	...	...	...	...	...	...	...	...					
Kalais	5 56xd	4 95	2	1,185	578	500	27	774	2,090	288	18	214	5	525	...					
6% Debentures	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...					
Kalan	5 75cd	4 65cd	2	600	750	136	60	424	1,577	394	...	346	83	521	...					
7% Debentures	...	...	500	216	...	...	...	...	...	...	...	...	...	...	...					
Kalpetta	12 70cd	12 10cd	10	800	638	268	1	371	1,797	349	22	335	95	177	...					
Karikode Rubber	8 22	9 22ad	10	200	...	125	2	103	539	31	15	70	19	23	...					
5% Cum. Pref.	6 99	7 20	10	150	...	...	...	...	...	...	...	...	...	...	...					
5% Debentures	...	...	...	55	...	...	...	...	...	...	...	...	...	...	...					
Kil Kotagiri	4 75	5 68	2	1,717	915	297	16	1,130	3,315	571	...	710	17	854	...					
6% C. P	8 37	8 70	10	250	...	...	...	...	...	...	...	...	...	...	...					
Kumaragode	4 60	5 25	2	400	375	...	15	235	982	185	...	144	5	141	...					
7 1/2% Debentures	...	...	500	94	...	...	...	...	...	...	...	...	...	...	...					
Kurchemala	5 25cd	8 20	10	690	214	...	1	287	1,267	116	1	117	29	21	...					
6 1/2% Cum Pref.	5 88cd	6 50	10	130	...	...	...	...	...	...	...	...	...	...	...					
Lampar	5 05	6 98cd	2	426	200	507	7	354	558	57	206	413	18	336	...					
Lucky Valley Tea	11 65	12 25	10	500	70	1	36	386	928	61	...	104	21	1	...					
Malabar Agricultural Co.	7 30	7 30	10	500	50	50	11	1,105	2,280	240	1	127	44	4	...					
6% C. P.	14 93	16 36	20	500	...	...	...	...	...	...	...	...	...	...	...					
Malabar Industrial	11 58	12 00	10	458	61	92	1	307	738	52	45	33	197	29	...					
Malabar	18 00	19 75cd	10	1,350	173	912	10	515	2,139	408	...	165	8	456	...					
Manar	2 63	2 60	2	350	10	17	18	83	343	22	6	120	5	28	...					
Manitola	8 75	8 75	10	400	...	...	28	114	775	7	...	5	...	6	8					
5% C. P.	9 00	9 00	10	200	...	...	...	...	...	...	...	...	...	...	...					
6% Debentures	...	...	1000	100	...	...	...	...	...	...	...	...	...	...	...					
Mercara Rubber	8 35	8 95	5	325	250	...	10	221	758	...	...	197	53	48	...					
6% Preference	7 10	7 65	10	250	...	...	...	...	...	...	...	...	...	...	...					
Midlands	11 75cd	12 00	10	4,050	310	1,311	66	1,998	9,079	1,184	189	964	290	179	...					
6% C. P.	7 30xd	8 43	10	1,720	...	...	...	...	...	...	...	...	...	...	...					

SOUTH INDIA

NAME	Managing Agents Agents/Secretaries	CROP HARVESTED			Sales Rs. 000	Stock Rs. 000	Managing Agents allowances and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea 000 lbs./lgs.	Coffee 000 Cwt.	Rubber 000 lbs.					Latest Rs. 000	Previous Rs. 000	Latest	Previous	2nd Previous
Miamalay ...	Directors 7 1/2% C. P.	469	...	...	780	106	...	3-60	168	198	15T	20	18
Mysore Amalgated	W. T. Industrial Corp. 6% C. P.	...	...	...	217	...	4	3-60	28	53	7 1/2T	7 1/2	10
Mysore Coffee	Pavan & Co. (Private)	...	...	...	882	...	24	6-59	212	157	6T	6	6
Mysore Plantations	Mg. Director 6% C. P.	122	1	...	400	108	...	3-60	5	61	15	15	15
Neelamalai	A. V. Thomas & Co. 5% C. P.	1,430	2	...	4,637	939	71	6-60	746	(c)571	7 1/2	7 1/2	7 1/2
Nelliampathy	A. V. Thomas & Co. Ltd. 6% C. P.	746	...	83	1,902	301	30	6-59	230	492	5 1/2	5 1/2	5
Nellithanam	Directors 7 1/2% C. P.	...	...	67	176	21	...	3-59	30	58	10	15	20
Neemany	A. V. George & Co. 7% C. P.	...	...	512	887	172	18	12-59	185	200	6	6	6
New Glen Morgan	Ramu & Co. Private Associated Planters (Private)	4,15	...	139	5,86	78	23	12-55	94	221	7 1/2	7 1/2	7
Nilambur	6% C. P. Debentures	...	...	...	181	58	7	12-60	63	73	15T	15	20
Nilgiri Tea	A. V. George & Co. 6 1/2% C. P.	999	...	...	2,006	299	39	3-60	416	198	6T	6 1/2	6 1/2
Nonuch Tea	Harrisons & Crossfield Peirce Leslie & Co.	1,276	...	...	3,942	550	69	6-60	1,419	1,097	8 1/2	5	6
Ossoor	5% Debentures	...	...	...	...	...	6	3-61	153	216	20T	20	35
Oosterlony	Peirce Leslie & Co. Directors	1,108	...	...	5,731	...	40	10-59	(f)597	(b)1,336	15T	10	30
Pachure	Math. Bosanquet & Co. Peirce Leslie & Co.	147	11 1/2	...	6-68	...	...	6-68	115	125	40T	40	30
Parkside	Aspinwall & Co. (Trav.) Ltd. 6% C. P.	655	...	...	2,202	330	58	6-59	837	954	27 1/2	25	17 1/2
Pearmade	6% C. P. Directors	1,005	...	...	4,398	...	53	12-60	1,090	1,321	22 1/2	22 1/2	6
Perambalur	Peirce Leslie & Co. Ltd.	...	15*	383	826	180	...	2-60	375	378	20	20	25
Periambur	Peirce Leslie & Co. Ltd.	2,332	142	...	11,588	1,738	244	3-61	3,138	1,714	26T	13 1/2	12 1/2
Periyar & Parakkanni	E. I. Agencies Private Ltd. 7 1/2% R. C. P.	...	...	345	508	137	9	12-59	109	151	4	12	...
Penmudi Rubber	6 1/2% Debentures Directors	...	...	57	102	15	...	7-59	39	38	7 1/2	7 1/2	...
Pullampode	6 1/2% C. P. Aspinwall & Co. Ltd.	...	...	...	...	...	...	...	...	...	...	...	...
Puthutottam	6% C. P. Ruby Co. Private	282	...	7 1/2	1,084	...	29	3-61	334	203	6	5	5
Rajagiri	6% C. P. A. V. Thomas & Co. Ltd.	...	...	1,435	2,099	196	93	6-59	859	927	8,57 1/2	10	10
Rajendra Coffee	Associated Planters Private 6% Cum. Prof.	...	1	...	...	...	3	3-60	(k)33	174	12 1/2	20	20
Sangameswar	5 1/2% Redden Cum. Prof. Patco Agencies	...	...	...	...	...	...	...	...	...	6	6	6
Savemalai	7% Cum Preference 7% Debentures	...	...	...	654	...	11	3-60	251	288	5 1/2T	5 1/2	5 1/2
Savemalai	Peirce Leslie & Co. A. V. Thomas & Co. (India) Ltd.	...	...	...	...	...	...	...	...	...	7	7	7
Savemalai	6 1/2% C. P. T. Stanes & Co. Ltd.	...	...	...	1,264	...	16	11-60	213	293	2T	15T	12 1/2
Savemalai	5 1/2% Debentures Directors	653	...	...	825	357	20	6-59	(o)63	300	7 1/2	7 1/2	10
Swinton	6 1/2% C. P. Directors	...	...	...	1,457	150	16	6-59	222	328	6	8	14
Takay Tea	6 1/2% Debentures Srinivas Agencies	...	...	...	...	...	...	...	...	...	...	...	...
Takay	6% C. P. East India Agencies Private	866	...	...	1,584	576	28	3-60	304	(n) 201	8T	5	6
Thamarapally	6% C. P. 6 1/2% Debentures	...	...	431	660	68	12	3-59	173	186	7T	6	6
Thiruvadi	A. V. George & Co. 6 1/2% C. P.	...	...	240	...	...	...	...	...	...	6	6	6
Thiruvadi	Peirce Leslie & Co. 7 1/2% Debentures	...	...	...	373	48	14	12-59	130	143	30T	30	30
Thiruvadi	Directors T. Stanes & Co.	...	...	...	1,413	152	20	9-60	256	335	6 1/2T	6 1/2	6 1/2
Thiruvadi	6 1/2% C. P. Aspinwall & Co. (Trav.)	...	...	...	785	104	...	12-59	160	138	7T	7T	10
Thiruvadi	6% C. P. Directors	568,260	...	550,862	...	...	101	12-60	509	1,250	10 1/2	10 1/2	15
Tropical Plantations	6% C. P. Directors	473	...	638	1,751	186	...	12-59	428	391	8 1/2	6	4
Tuyford	Parkins Private Ltd. 6% C. P.	963	...	...	1,725	365	25	12-59	299	296	10T	15	15
Udayagiri	A. V. George & Co. 7% C. P.	292	...	...	487	49	7	12-59	73	35	15 1/2	7 1/2	6
United Nilgiri	6 1/2% Debentures T. Stanes & Co.	1,349	...	...	3,480	244	80	3-60	1,087	1,334	7T	7	7
Vallamand	Directors Padinjarek Bros.	...	...	4,94	695	148	...	12-59	447	(l)4,57	21T	19 1/2	16
Vayitri	5 1/2% Debentures Opppositil Kurian & Co. (Pri.)	74	...	2	181	7	4	3-59	40	29	6	6	6
Vellamalai	7% C. P. 6% Debenture	54	...	415	...	...	23	2-61	206	231	10T	12T	10
Waterfall	6 1/2% C. P. Kothari Moha & Co. Private	...	...	...	...	...	...	...	...	...	7T	7T	7
Wartyhully	6% R. C. P. Peirce Leslie & Co.	1,213	...	...	4,687	264	143	6-60	1,410	1,203	12 1/2	12 1/2	12 1/2
Woodcote	6% C. P. Goodall & Co.	...	...	...	...	...	...	...	...	...	6	6	6
Woodlands	6% Debenture Directors	...	...	...	172	13	5	6-60	10	1	15T	15	15
Woodlands	6 1/2% C. P. 6 1/2% R. C. P.	221	...	234	777	129	...	3-59	184	171	nil	nil	6
Woodlands	6% Debentures Directors	...	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2

(a) Ordinance (in Rs.).

(b) After transferring Rs. 80,000 from Dividend Equalisation Fund.

(c) After writing back Rs. 100,000 being excess provision for taxation.

(d) After transferring Rs. 100,000 from Dividend Equalisation Fund.

(e) Includes Rs. 60,000 being surplus provision and Refund of Income-tax written back.

(f) After transferring Rs. 80,000 from General Reserve.

ANTINGS—Contd.

NAME	MARKET QUOTATION AS OF THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	September 1961 Rs. np.	September 1960 Rs. np.			General	Other	Carry- forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
Mamalay	35 80cd	42 00cd	25	300	...	623	1	192	1,248	289	77	129	119	131	...
% C. P.	22 13cd	26 2 1/2	25	300	...	...	...	...	...	...	...	...	...	...	...
Mysore Amalgamated	5 90cd	6 25	5	225	40	...	...	159	337	31	...	196	27	13	...
% C. P.	6 25cd	7 0 1/2	10	117	...	...	...	...	...	...	...	...	...	...	...
Mysore Coffee	5 45cd	5 5 1/2	2	600	100	150	18	978	1,207	114	...	166	550	36	...
Mysore Plantations	1 9 1/2	2 0 1/2	2	500	95	50	17	492	1,140	166	...	138	132	26	...
% C. P.	2 10 1/2	2 0 1/2	10	250	...	...	...	...	...	...	...	...	...	...	...
Neelamalai	4 45	4 45	5	3,600	875	1,305	5	1,769	8,196	1,403	55	1,129	911	468	...
% C. P.	6 1 1/2	7 1 1/2	10	1,800	...	...	...	...	...	...	...	...	...	...	...
Nelliampathy	2 51	2 75	2	1,200	503	204	...	672	2,624	536	7	408	178	347	...
% C. P.	7 38	8 10	10	450	...	...	...	...	...	...	...	...	...	...	...
Nellithanam	11 00	12 05	10	190	279	...	94	114	497	121	21	21	64	12	...
% C. P.	...	...	10	10	...	...	...	...	...	...	...	...	...	...	...
Neemany	22 75	18 50	1 1/2	335	408	5	46	495	1,632	276	...	207	14	12	...
% C. P.	9 86	9 35	1 1/2	300	...	...	...	...	...	...	...	...	...	...	...
New Glen Morgan	...	...	2	650	2,90	3,02	4	3,48	11,68	1,30	82	1,09	1,51	1,11	...
Nilambur	14 90	18 50cd	10	200	120	359	2	185	894	56	...	65	50	208	...
% C. P.	6 10	6 90cd	10	200	...	...	...	...	...	...	...	...	...	...	...
% Debenture	...	...	...	100	...	...	...	...	...	...	...	...	...	...	...
Nilgiri Tea	9 70cd	7 75cd	10	1,406	70	675	27	516	3,987	633	9	355	109	90	...
% C. P.	3 80cd	4 00cd	5	281	...	...	...	...	...	...	...	...	...	...	...
% Debenture	...	...	500	1,000	...	...	...	...	...	...	...	...	...	...	...
Nonuch Tea	28 62	27 2 1/2	10	2,310	1,213	...	13	1,468	3,395	356	449	668	95	753	...
Ossoor	2 70cd	3 70cd	2	650	500	71	47	314	798	83	95	323	15	435	...
% Debenture	...	...	...	400	...	...	...	...	...	...	...	...	...	...	...
Oosterlony	4 78	...	2	1,946	1,040	1,243	3	771	4,892	1,666	...	1,115	64	598	...
Pachure	5 80	5 00	1	150	150	...	6 1/2	271	294	20	128	146	94	4	...
Parkside	2 70	28 40	10	1,254	450	1,197	50	1,09	3,158	472	...	406	119	936	...
Pearmade	23 37cd	25 45cd	10	1,700	200	558	37	1,471	4,352	1,592	69	875	198	602	22
% C. P.	8 7 1/2	9 0 1/2	100	150	...	...	...	...	...	...	...	...	...	...	...
Perambalur	22 50	21 35	10	600	300	36	109	457	868	78	187	200	16	304	...
Periambur	3 67	3 54	2	5,795	2,900	125	65	3,415	11,416	3,913	63	2,407	331	1,598	396
Periyar & Parakkanni	...	...	10	500	...	40	16	196	1,024	66	15	155	22	105	...
% R. C. P.	...	...	5	303	...	...	...	...	...	...	...	...	...	...	...
% Debenture	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...
Perumudi Rubbers	...	1 40	2	165	49	...	1	43	314	11	...	18	2	5	...
% C. P.	...	8 70	10	20	...	...	...	...	...	...	...	...	...	...	...
Pullangode	1 77cd	1 81cd	2	1,850	200	29	1	412	2,327	738	201	155	17	417	62
% C. P.	2 57	8 15	10	150	...	...	...	...	...	...	...	...	...	...	...
Puthuthottam	2 31cd	2 80cd	2	2,100	1,200	365	91	733	3,463	366	195	117	1,066	16	...
Rajagiri	19 75	21 40	10	1,350	300	600	45	1,469	4,774	448	...	283	119	1,230	72
% C. P.	6 45cd	7 10	10	2,260	...	...	...	...	...	...	...	...	...	...	...
Rajendra Coffee	12 12cd	1 35	5	200	100	15	1	290	370	43	100	147	99	198	...
% Cum. Prof.	6 4 1/2	7 25	10	100	...	...	...	...	...	...	...	...	...	...	...
% Redem. Cum. Prof.	6 4 1/2	7 00	10	100	...	...	...	...	...	...	...	...	...	...	...
Rangamashwar	2 0 1/2	2 40cd	2	1,200	25	160	11	261	1,880	109	...	554	24	196	20
% C. P.	9 75cd	9 75cd	10	310	...	...	...	...	...	...	...	...	...	...	...
% Debenture	...	...	500	504	...	...	...	...	...	...	...	...	...	...	...
Ravamalai	3 00	3 80	2	550	325	...	22	212	474	143	...	87	28	203	460
Revaroy	1 70	1 95	2	1,350	170	128	1	473	1,113	104	317	200	522	74	...
Rames Amalgamated	16 64	16 37cd	10	900	190	1,105	4	389	2,735	763	208	222	248	46	...
% Debenture	...	...	500	200	...	...	...	...	...	...	...	...	...	...	...
Riviston	3 00cd	2 9 1/2	50 1/2	71	15	...	...	149	198	8	...	8	161	...	...
% Debenture	...	...	2	...	...	...	...	...	...	...	...	...	...	...	...
Royal Tea	1 90cd	1 82	10	1,250	110	977	1	1,397	3,650	352	2	943	175	68	...
% C. P.	7 05cd	7 50	10	750	...	...	...	...	...	...	...	...	...	...	...
Royal	5 20cd	6 05	10	1,000	...	248	4	457	2,250	179	...	89	72	387	...
% C. P.	6 80	7 50cd	100	600	...	...	...	...	...	...	...	...	...	...	...
% Debenture	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...
Rumarapally	1 75	28 00	10	250	75	200	28	222	614	47	45	51	2	185	...
% C. P.	3 30	4 17	5	75	...	...	...	...	...	...	...	...	...	...	...
Rumbadi	1 81	1 47	1	915	505	100	15	516	2,44	219	...	244	44	20	...
% Debenture	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Revancore Rubber	12 12	12 00	10	600	...	47	2	287	831	170	...	122	29	133	...
% R. T. & Co.	10 00	7 90	10	4,100	750	757	11	1,910	8,923	2,000	400	786	188	827	75
% C. P.	8 95	7 95	10	1,600	...	...	...	...	...	...	...	...	...	...	...
Respal Plantations	18 75	19 37	25	2,000	...	196	12	658	3,217	868	...	255	15	187	...
wyford	11 75	11 50cd	10	1,575	1,543	58	1	534	2,801	330	1	784	262	253	...
deyagiri	20 12	17 00	10	220	148	282	24	218	1,001	107	1	60	6	1	...
% C. P.	8 50	9 11	10	80	...	...	...	...	...	...	...	...	...	...	...
% Debenture	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
deyagiri	25 75cd	22 60cd	10	2,193	317	1,210	24	1,130	4,653	1,787	540	384	225	859	...
alundam	32 25	31 45cd	10	880	161	119	1	619	966	39	275	182	31	369	...
% Debenture	1 49cd	1 45	2	400	75	30	29	54	559	57	2	12	52	19	...
alimalai	5 95cd	5 69	5	600	375	183	2	370	1,842	144	1	158	133	198	...
% C. P.	8 20	9 10	18	250	...	...	...	...	...	...	...	...	...	...	...
% Debenture	...	...	500	348	...	...	...	...	...	...	...	...	...	...	...
alimalai	2 80cd	3 67cd	2	1,200	1,150	91	112	700	1,615	152	757	694	38	301	...
% C. P.	2 97	4 25	2	3,150	2,280	1,096	194	1,844	6,375	897	27	674	1,499	1,306	...
% C. P.	8 40	9 51	10	500	...	...	...	...	...	...	...	...	...	...	...
alimalai	1 65	1 67	1	100	...	52	1	20	351	90	5	13	17	20	...
% C. P.	2 94	3 14	5	60	...	...	...	...	...	...	...	...	...	...	...
% Debenture	...	...	1000	125	...	...	...	...	...	...	...	...	...	...	...
alimalai	7 30	7 65	10	795	42	205	2	196	1,619	72	1	196	102	92	...
% C. P.	7 45	7 90	10	100	...	...	...	...	...	...	...	...	...	...	...
% R. C. P.	7 22	7 67	10	112	...	...	...	...	...	...	...	...	...	...	...
% Debenture	...	...	506	415	...	...	...	...	...	...	...	...	...	...	...

ENGINEERING COMPANIES

NAME	Managing Agents/ Solicitors	Year Ended	Net Profit		Dividend %			Market Quotation as on Last Day of		Paid-up per Share	Paid-up Capital	Reserves Including Latest Allocation				Sundry Liabilities	Gross Block	Depreciation	Investments	Stocks and Bonds	Outstanding	Cash	Other																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																
			Latest	Previous Period	Latest	Previous	Second Previous	September 1961	September 1960			Rd. 000	Rd. 000	Rd. 000	Rd. 000									Rd. 000	Rd. 000	Rd. 000	Rd. 000	Rd. 000	Rd. 000	Rd. 000	Rd. 000	Rd. 000	Rd. 000																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						

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(a) After transferring Rs 102,003 from provision for taxes. (b) After transferring Rs 435,000 from General Reserve. (c) After writing back Rs 6,668,949 from General Development Reserve and transferring Rs 1,800,000 from Taxation Contingencies Reserve. (d) After writing back Rs 81,268 being provision for doubtful debts. (e) Includes Rs 1,27,543 from provision for taxes. (f) After transferring Rs 127,543 from provision for taxes. (g) After transferring Rs 137,854 from General Reserve and Rs 137,854 from provision for taxation. (h) After writing back Rs 137,854 from provision for taxation. (i) After transferring Rs 224,449 from General Taxation Contingencies Reserve and Rs 10,349,296 being General Development Reserve. (j) After transferring Rs 237,804 being excess provision for depreciation in previous years, provision (i) After writing back Rs 567,519 being excess depreciation. (k) After transferring Rs 20,500 from Reserve for Contingencies. (l) After transferring Rs 237,804 from Staff Fund. (m) Includes Rs 10,500 from various Reserves. (n) After transferring Rs 271,208 from Staff Fund. (o) After transferring Rs 44,504,490 from General Reserve No. 1 and Rs 12,760,000 from General Reserve No. 2.

GILTDEGED SECURITIES

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30.9.61	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30.9.61	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30.9.61
GOVERNMENT OF INDIA LOANS						MADHYA PRADESH						MUNICIPAL LOAN					
Rupee Loans						BOMBAY MUNICIPAL LOAN											
NON-TERMINABLE LOANS																	
8,97,34,000	3	1896-97	3 Months' notice	30.6.31.12	71-00	2,01,28,800	3	1948	1964	1-3/1-9		25,00,000	5	1928	1958	1-1/1-7	
						1,02,18,100	3	1951	1962	17-3/17-9		26,21,000	5	1929	1959	1-2/1-8	
						1,02,18,100	4	1953	1963	15-1/15-7		17,97,000	3	1950	1960	1-6/1-12	
						1,50,00,000	4	1955	1967	1-3/1-9		110,00,000	4	1963	1963	1-3/1-9	
						2,00,00,000	4	1956	1968	3-3/3-9		215,00,000	4	1964	1964	1-3/1-9	
							4	1958	1970	15-1/15-7		244,14,500	4	1964	1964	1-3/1-9	
							4	1959	1961	19-5/19-2		200,00,000	3	1950	1965	15-2/15-8	
							4	1960	1969	24-2/29-8		10,00,000	3	1951	1965	16-2/16-8	
TERMINABLE LOANS						UTTAR PRADESH											
47,00,69,000	2 1/2	1946	1961	1-2/1-8	99-50	4,20,93,600	2 1/2	1946	1961-66	1-3/1-9	93-50N	175,34,000	3 1/2	1936	1966	14-3/14-9	
45,63,07,000	2 1/2	1946	1960	15-1/15-7	99-75	1,57,42,600	3	1936	1961-66	15-5/15-9	93-00	33,00,000	3 1/2	1951	1966	3-4/3-10	
75,86,72,000	2 1/2	1947-48	1962	15-5/15-11	99-18	1,94,11,700	3 1/2	1951	1962	17-3/17-9	99-75	90,00,000	3 1/2	1952	1966	3-4/3-10	
14,77,48,000	2 1/2	1946	1976	16-3/16-9	98-45	5,65,15,500	4	1953	1963	15-1/15-7	100-00	24,50,000	3	1936-37	1967	16-2/16-8	
116,17,46,000	2 1/2	1946	1965-65	1-6/1-12	98-75	6,11,45,200	4	1952	1964	1-2/1-8	92-85	69,00,000	4	1957	1967	1-2/1-8	
30,33,10,000	3	1950	1964	15-6/15-12	98-85	8,50,00,000	4	1955	1967	1-3/1-9	99-20	30,00,000	3	1938	1968	14-3/14-9	
110,11,78,000	3	1943	1966-68	1-4/1-10	94-30	5,50,00,000	4	1956	1968	3-3/3-9	99-00	64,00,000	3	1939	1969	1-3/1-9	
115,05,83,000	3	1945	1970-72	15-4/15-10	91-00	7,00,00,000	4 1/2	1958	1970	15-1/15-7	101-75	48,00,000	3 1/2	1940-41	1971	1-3/1-9	
248,91,37,000	3 1/2	1946	1966	16-3/16-9	72-90		4	1959	1971	19-1/19-8	97-90	25,00,000	3 1/2	1941-42	1972	1-3/1-9	
87,27,36,000	3 1/2	1946	1966	16-3/16-9	99-30		4	1960	1969	24-2/29-8	97-90	135,00,000	4	1943-44	1974	1-3/1-9	
75,29,00,000	3 1/2	1953	1961	1-6/1-12	99-95							20,00,000	4	1943-44	1974	1-6/1-12	
48,54,92,000	3 1/2	1958	1963	12-5/12-11	100-00	3,01,49,000	3 1/2	1951	1962	17-3/17-9	92-75	20,00,000	4	1943-44	1974	1-6/1-12	
158,17,90,000	3 1/2	1954	1964	19-4/19-10	99-90	1,03,309,100	4	1953	1963	15-1/15-7	99-95	25,00,000	3 1/2	1945-46	1976	1-3/1-9	
103,67,92,000	3 1/2	1955	1965	1-1/1-7	99-86	2,48,12,200	4	1952	1963	1-2/1-8	99-92	54,00,000	3 1/2	1947-48	1977	1-3/1-9	
63,81,83,000	3 1/2	1956	1967	16-1/16-7	99-00	7,00,00,000	4	1955	1967	1-3/4-9	93-35	75,00,000	3 1/2	1947	1977	1-2/1-8	
30,00,00,000	3 1/2	1958	1968	26-2/26-8	98-83	12,50,00,000	4 1/2	1956	1968	3-3/3-9	98-05	61,00,000	3 1/2	1949	1979	1-3/1-9	
1,37,90,98,000	3 1/2	1959	1969	1-1/1-7	98-45	5,00,00,000	4 1/2	1958	1970	15-1/15-7	100-6	88,14,500	5	1950	1980	1-5/1-11	
66,63,54,000	3 1/2	1956	1974	10-4/10-7	99-60		4	1969	1971	18-2/18-8	98-08	80,00,000	3 1/2	1950-51	1980	1-3/1-9	
54,99,30,000	3 1/2	1957	1967	1-2/1-8	100-35												
34,33,89,000	3 1/2	1958	1968	12-5/12-11	100-35												
49,12,27,000	4	1957	1972	1-2/1-8	100-30												
49,51,44,000	4	1958	1973	12-5/12-11	100-20												
86,06,33,000	4	1959	1979	1-1/1-7	99-50												
	4	1960	1980	18-1/18-7	99-58												
STATE GOVERNMENT LOANS						KERALA GOVERNMENT											
WEST BENGAL																	
1,50,00,000	3 1/2	1951	1962	17-3/17-9	98-25N	2,95,85,200	4	1953	1963	1-6/1-12	100-30	10,00,000	5 1/2	1932	1962	1-4/1-10	101
3,60,23,300	4	1953	1963	15-1/15-7	99-85	3,33,47,200	4	1953	1963	15-1/15-7	99-90	33,91,000	3 1/2	1933	1965	1-4/1-7	97
2,00,00,000	4	1952	1964	1-2/1-8	98-90	3,25,00,000	4	1955	1967	1-3/1-9	98-50	60,00,000	3	1936	1966	1-4/1-10	90
7,00,00,000	4	1955	1967	1-3/1-9	98-80	4,10,00,000	4	1956	1968	3-3/3-9	98-40	47,50,000	3	1938	1968	1-6/1-12	89
7,00,00,000	4	1956	1968	3-3/3-9	99-30	3,00,00,000	4 1/2	1957	1969	25-2/25-8	98-30	17,64,400	3 1/2	1942	1969	1-5/1-11	96
5,00,00,000	4 1/2	1958	1970	15-1/15-7	101-05	5,00,00,000	4 1/2	1958	1970	15-1/15-7	99-75	21,10,000	3 1/2	1942	1972	1-4/1-10	96
7,69,69,400	4	1959	1971	19-8/19-2	98-90		4	1958	1970	15-1/15-7	99-80	15,49,000	3 1/2	1951	1960	1-2/1-8	98
7,00,00,000	4	1959	1969	28-2/29-8	99-25		4	1958	1970	15-1/15-7	99-80	16,33,000	3 1/2	1951	1961	1-2/1-8	98
BOMBAY																	
5,63,12,200	3	1949	1962	1-2/1-8	99-50	300,00,000	4	1953	1963	15-1/15-7	99-20	66,88,000	3 1/2	1951	1966	1-4/1-10	99
1,97,35,000	3 1/2	1951	1962	17-3/17-9	100-10		4	1956	1968	3-3/3-9	98-10	87,56,000	4	1952	1962	1-5/1-11	99
5,50,35,000	4	1953	1963	15-1/15-7	100-00		4	1956	1968	3-3/3-9	97-55	72,50,000	4 1/2	1954	1979	1-3/1-9	101
3,61,30,000	4	1952	1964	1-2/1-8	99-85		4	1956	1968	3-3/3-9	97-55	2,22,72,000	4 1/2	1955	1985	1-6/1-12	99
9,00,00,000	4	1955	1967	1-3/1-9	99-50		4	1958	1970	15-1/15-7	99-50	1,17,32,000	4 1/2	1958	1970	1-7/1-1	99
7,50,00,000	4	1956	1970	3-3/3-9	99-25		4	1958	1970	15-1/15-7	99-50	1,00,35,000	4 1/2	1958	1968	1-9/1-3	101
6,58,12,500	4	1958	1971	19-8/19-2	99-25		4	1958	1970	15-1/15-7	99-50						
6,00,00,000	4 1/2	1957	1969	16-3/16-9	101-00												
10,00,00,000	4 1/2	1958	1970	15-1/15-7	100-75												
10,00,00,000	4 1/2	1958	1970	15-1/15-7	100-75												

Calcutta Stock Exchange

PRICE TRENDS DURING SEPTEMBER, 1961

	2nd	4th	5th	6th	7th	8th	11th	12th	13th	14th	16th	18th	19th	20th	21st	22nd	23rd	24th	25th	26th	27th	28th	29th	30th
Indian Iron	25.14	25.56	25.12	24.68	24.04	25.20	25.40	25.17	25.30	24.58	24.18	24.38	24.19	24.18	24.40	24.20	24.50	24.56	24.25	24.44	24.53	24.53	24.53	24.53
TEKMACO	16.40	16.80	16.30	16.10	16.40	16.80	16.95	16.90	16.75	17.45	17.90	17.40	17.10	18.80	16.45	17.00	17.06	17.25	16.85	17.00	17.10	17.10	17.10	17.10
Orient Paper	35.80	36.00	35.25	34.75	35.35	35.85	36.00	35.60	35.50	36.05	36.50	36.35	36.10	36.75	36.60	36.90	36.85	36.80	36.80	36.70	36.60	36.60	36.60	36.60
Shree Gopal	24.25	24.25	24.25	23.84	23.62	24.25	24.00	24.25	24.62	24.87	25.00	25.19	25.75	25.81	26.12	26.50	26.87	26.25	26.12	26.06	26.12	26.12	26.12	26.12
Rohas	15.40	16.19	15.44	16.25	15.18	15.82	15.81	15.62	15.44	15.87	16.37	16.75	16.95	16.06	16.31	16.58	16.12	16.37	16.00	16.31	16.50	16.50	16.50	16.50
Dynlop Rubber	46.87	49.00	47.87	47.62	49.75	50.62	49.62	51.35	52.19	54.25	54.81	53.81	53.31	53.00	53.25	53.37	53.62	53.50	53.75	53.69	53.87	53.87	53.87	53.87
Hindustan Motor	19.06	19.19	18.25	17.81	18.44	18.62	19.50	19.62	19.12	19.87	20.06	19.37	19.31	19.16	19.06	19.50	19.37	19.62	19.25	19.44	19.37	19.44	19.44	19.44
Indian Cable	30.12	30.37	30.87	30.32	30.12	30.25	30.37	30.25	30.19	30.87	30.74	30.72	30.69	30.75	30.44	30.87	30.37	30.12	30.25	30.06	30.12	30.12	30.12	30.12
Indian Aluminium	34.06	34.44	33.81	33.56	33.81	34.06	34.25	34.12	33.94	35.00	35.25	35.81	35.37	35.25	35.00	35.37	35.12	35.06	35.31	35.25	35.31	35.31	35.31	35.31
Indian Copper	4.72	4.80	4.75	4.64	4.71	4.72	4.77	4.74	4.72	4.82	4.88	4.83	4.77	4.81	4.78	4.84	4.80	4.75	4.81	4.78	4.77	4.77	4.77	4.77
Howrah	20.01	20.00	20.00	19.97	19.75	19.87	20.25	20.13	20.19	20.25	20.25	20.00	20.00	20.00	20.00	19.94	20.25	20.25	20.25	20.25	20.06	20.06	20.06	20.06
Burrakur	18.25	18.37	18.19	17.87	18.12	18.06	18.19	18.25	18.00	18.37	18.44	18.25	18.12	18.06	18.12	18.25	18.31	18.44	18.25	18.37	18.44	18.44	18.44	18.44
Bengal Coal	...	...	...	356.00	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
New Central	17.69	17.81	17.19	17.00	17.25	17.44	17.19	17.31	17.50	17.31	17.62	17.05	17.50	17.12	17.25	17.44	17.50	17.25	17.25	17.12	17.00	17.12	17.12	17.12
Brooke Bond	...	16.12	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Dyer Mearns	...	34.65	34.00	34.06	...	34.25	34.25	34.12	34.19	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Jesop	19.50	19.50	19.31	19.09	19.19	...	19.37	19.50	19.31	19.62	19.75	19.62	19.50	19.62	19.37	19.62	...	...	...	...	...	...	...	...
J. K. Steel	21.00	20.60	20.00	19.62	...	20.19	20.50	20.87	...	21.25	20.87	21.31	21.37	21.12	21.12	...	...	...	19.56	19.62	19.69	20.00	20.00	20.00
India Steamship	7.37	7.81	7.25	7.19	7.25	7.37	7.31	7.44	7.22	...	7.37	7.44	7.53	8.03	8.12	8.19	7.59	6.06	7.90	7.81	7.87	7.87	7.87	7.87
Alkal Chemical	...	30.00	30.87	...	31.50	38.62	38.37	38.06	38.62	...	...	...	...	...	...	...	38.50	...	...	...	...	...	...	...
Kesoram	28.87	29.12	28.87	28.12	28.37	27.00	29.56	29.62	29.87	30.19	30.31	30.25	29.00	29.12	28.87	...	29.25	29.06	29.62	29.69	29.25	29.25	29.25	29.25
Jay Shree	18.00	17.94	18.12	...	...	18.00	18.06	17.94	...	18.12	18.31	...	18.25	18.12	...	...	18.19	18.00	...	...	...	...	...	...
J. K. Rayon	18.25	18.86	18.06	17.81	18.06	18.25	18.62	18.37	18.69	19.19	19.44	19.00	18.87	18.75	18.69	...	18.94	19.37	18.94	19.06	19.00	19.00	19.00	19.00
Punjab National	24.00	23.82	...	23.76	18.12	24.00	18.50	18.56	...	...	...	...	...	...	18.50	18.50	18.25	18.37	18.50	...	...	...	...	...
United Commercial	90.00	...	90.50	...	90.00	89.75	...	91.00	91.00	90.50	...	...	...	91.00	...	...	90.50	...	...	...	...	...	...	...
8 % 1986 Loan	...	73.35	...	...	...	...	...	...	73.00	...	72.80	73.05	72.80	72.80	72.80	72.90	...	72.80	72.88	72.80	72.70	72.90	72.90	72.90

Depreciation in Company Law

[The following note presenting the view of the Company Law Administration on the provisions of Sections 205 and 350 of the Companies Act, 1956 should be of interest to our readers. It discusses the question of provision for depreciation before arriving at the disposable profits. The quantum of depreciation is also relevant in determining the net profits for the purposes of calculating managerial remuneration.]

The Companies (Amendment) Act, 1960, has considerably amended the provisions of Section 350 regarding deduction of depreciation in determining the net profits for payment of managerial remuneration. As compared to the requirement of that Section as it stood before the amendment (viz.) that of deducting the normal depreciation allowable under the Indian Income-tax Act, 1922 and the rules prescribed there-under, it is now required that the depreciation under section 350 should be calculated according to the rates prescribed under the Indian Income-tax Act, 1922 with reference to the written down values as mentioned in that Section. From time to time, queries have been received from members of the investing public, companies and their managements, chartered accountants etc. regarding the method of computation of depreciation in accordance with the provisions of the amended Section 350. The matter was carefully examined in consultation with the Advisory Committee of eminent businessmen and professional accountants, lawyers etc. attached to the Department, and a memorandum setting out the principles to be followed for the purpose of such calculation was prepared and circulated to the Chambers of Commerce, Professional bodies etc. It would however appear that some company managements continue to experience difficulty in giving effect to the provisions of the Section. The queries raised by them in this connection and the Departmental views in regard to such problems are set out below:

1. Since Section 350 provides that depreciation shall be calculated with reference to the written down value of the assets shown by the books of the company, whether it would be advisable to adopt the basis of notional written down value contemplated in the departmental memorandum?

A close perusal of the wording of Section 350 will make it clear that written down value as shown by the books has to be taken into account for purposes of Section 350 in respect of the first financial year expiring at or immediately after the commencement of the Companies Act, 1956 and that in respect of the first subsequent financial year, the written down value for the purpose of Section 350 will have to be calculated separately by applying the Income-tax rates of depreciation on the written down value mentioned above. The depreciation for the next financial year should be calculated by applying the Income-tax rates to the said written down value reduced by the amount of depreciation calculated for the previous financial year. Similar procedure should be followed for the subsequent financial years. If it was the intention of the statute that the written down value for the purposes of Section 350, should be the written down value as shown by the books of accounts from year to year, it would have been unnecessary to

include any reference to subsequent financial years. The intention could have been fully brought out by merely stipulating that "the written down value of the assets as shown by the books of the company" should be taken into consideration and omitting the words "at the end of the financial year expiring at the commencement of this Act or immediately thereafter and at the end of each subsequent financial year." It is a well-known principle of interpretation that every word occurring in a section has to be given a definite meaning and in the present case, such meaning could only be that where a company does not adopt the method of calculation of depreciation as laid down in Section 350 for purposes of its books of account, for each subsequent financial year, a separate notional written down value for the purposes of Section 350, in the manner stated at the beginning of this paragraph, should be worked out. This is the basis recommended in the Departmental memorandum.

Quite apart from the legal interpretation of the section set out above, it would be necessary to ensure that—

- (a) the method of calculation is in conformity with usually accepted accounting principles;
- (b) there is no under-charging of depreciation in future and also that companies are not required to deduct depreciation in excess of the cost of the assets concerned.

The continuous application of the basis of "the written down value shown in the books" may, in certain circumstances, lead to results contrary to the objectives set out above.

It is open to a company under the law to provide in its books for depreciation an amount higher than the minimum amount of depreciation required to be provided, in accordance with Section 350, before declaring dividend. In actual practice, many companies consider the Income-tax rates to be somewhat inadequate, particularly in relation to the higher replacement cost. If a company does provide for depreciation in its profit and loss account at a rate higher than what is contemplated under Section 350 (i.e. income-tax rates of depreciation) there would be an under-provision of depreciation for the purposes of Section 350, as would be seen from the illustration given below:—

	Provided in the P & L account at the rate of 25% (straight-line method).			Book written down value.	Provided at the rate of 20% u/s 350 on the basis of book written down value.
	Rs.	Rs.	Rs.		
Cost:				10,000	
1st year	...	2,500		2,500	2,000
				7,500	
2nd year	...	2,500		2,500	1,500
				5,000	
3rd year	...	2,500		2,500	1,000
				2,500	
4th year	...	2,500		2,500	500
5th year	...	Nil		Nil	Nil
Total Depreciation provided	...	10,000			5,000
Assets sold in the 6th year for	...	2,000			2,000
Total amount charged	...	8,000			3,000

It will thus be seen that if the book value basis is followed continuously, depreciation to the extent of Rs 5,000 would not be provided for, for the purposes of Section 350, in the above circumstances.

Similarly, if a company does not declare dividend it is open to it to provide no depreciation in its profit and loss account or to provide for it at rates lower than those prescribed in Section 350. This would distinctly result in the over-charging of depreciation (i.e. more than 100 per cent of the cost of the assets) as will be seen from the following illustration:

	Provided in the P & L account at the rate of 10% (straight-line method).		Book written down value.	Provided at the rate of 25% u/s 350 on the basis of book written down value.
	Rs.	Rs.	Rs.	Rs.
Cost:			10,000	
1st year	...	1,000	1,000	2,500
			9,000	
2nd year	...	1,000	1,000	2,250
			8,000	
3rd year	...	1,000	1,000	2,000
			7,000	
4th year	...	1,000	1,000	1,750
			6,000	
5th year	...	1,000	1,000	1,500
			5,000	
6th year	...	1,000	1,000	1,250
			4,000	
Book written down value after 6th year				
Total depreciation provided	...	6,000		11,250
Asset sold in 7th year for	...		1,200	
Loss on sale	...		2,800	
Additional change in 7th year	...	2,800		2,800
Total amount charged	...	8,800		14,050

It will be seen that the adoption of the book value basis would result in depreciation to the extent of Rs 4,050 being charged in addition to the cost of the asset, for the purposes of Section 350, in the above circumstances.

It will be seen that the Departmental memorandum seeks to achieve a logical compliance with the provisions of Section 350, at the same time without causing much difficulty or inconvenience to company managements and professional accountants in the matter of calculation of depreciation. As it is necessary that the procedure followed under Section 350 should not only conform closely to the spirit of the provisions therein, but be in accordance with good company practice, it would be advisable to adopt the notional written down value basis suggested in the Departmental memorandum.

2. The reasons for not deducting extra and multiple shift allowance in respect of financial years ending on or before 27 December, 1960, in calculating the notional written down value in accordance with the Departmental memorandum are not clear.

Under the provisions of Section 350, before its recent amendment, only normal depreciation allowable under the Indian Income-tax Act 1922 and the rules made there-under were required to be deducted for determining the net profits for payment of managerial remuneration. This Department has been advised

that the expression "normal depreciation" would not include extra and multiple shift allowance. Since the Section has no retrospective application requiring the deduction of extra and multiple shift allowance, in respect of periods prior to the commencement of the Companies (Amendment) Act, 1960, i.e. before 28 December, 1960, the application of the rate of depreciation including extra and multiple shift allowance in calculating the notional written down value would only create hardship to the company managements (as the arrears of extra and multiple shift allowance for previous years would require to be deducted in the very first financial year after the commencement of Companies (Amendment) Act, 1960) and distort the profitability position of the companies concerned. It would not therefore be appropriate to deduct extra and multiple shift allowance in respect of financial years ending on or before 27 December, 1960 in calculating the notional written down value for the purposes of Section 350.

3. In the case of companies, whose fixed assets have been revalued by writing up the difference to a Capital Reserve Account, whether the written down value should for the purposes of Section 350 be taken as the original cost?

If any asset or assets has or have been revalued prior to the expiry of the financial year ending on 1 April, 1956 or immediately thereafter, the amount added on revaluation would be a part of the book value in computing the notional written down value in accordance with the departmental memorandum on Section 350. Any addition arising out of subsequent revaluation should not be taken into account for the purpose of Section 350, as it has been made clear in the memorandum that the written down value in respect of years subsequent to the financial year ending on or immediately after 1-4-1956 would be the notional written down value referred to in the said memorandum.

4. Whether depreciation should also be deducted under Section 350 in respect of those assets which remained idle during the whole or a part of a financial year.

Since it has been held by accounting authorities that depreciation may arise even during the period when an asset remains idle, by the efflux of time, it would be necessary to deduct depreciation in respect of idle assets in accordance with Section 349(4)(k) read with Section 350 of the Act.

(To be Concluded)

International Oil Pro-Rationing

(Contributed)

It will be recalled that following the reduction in Persian Gulf Posted Prices in August 1960, Iraq, Iran, Saudi Arabia, Kuwait and Venezuela set up the Organisation of Petroleum Exporting Countries (OPEC) with a view to consulting together on important matters affecting their interests and to bringing about stability in crude oil prices. The restoration of prices, on which the income of host countries from oil operations depends, is OPEC's major immediate aim. To this end pro-rationing or regulation of production has been talked about as a possible solution to the problem arising out of the current pressures on prices. On the model of some of the international commodity agreements. Before considering the pros and cons of oil pro-rationing, it is as well to take a brief look at other commodity

agreements, which have been prompted by unstable prices.

There are a number of international commodity agreements in existence. The main ones cover wheat, sugar, coffee and tin. The aim of these agreements is to iron out short term fluctuations, which have a serious and unpredictable effect on the income of producing countries, many of them underdeveloped and relying heavily on such products to provide local funds as well as the foreign exchange for both current and development expenditures. Tin, wheat and sugar are producers/consumers agreements and in each agreement producers and consumers hold an equal number of votes; the coffee agreement is among producers only. Prices are fixed in the tin, wheat and sugar agreements and are essentially the result of negotiations between consumers and producers, based on recent past and present prices. They are revised periodically. None of the four agreements fixes production quotas. Effective supply on the international markets is regulated by means of voluntary export control.

Each of these agreements has succeeded in its primary aim, damping down short term price fluctuations, to quite a satisfactory degree. However, they have not yet resolved the root cause, namely, over-production. It is also important to note that the agreements have no pretensions to keeping prices fixed in the longer term, nor would it seem possible for them to do so in the face of the forces of supply and demand.

Although OPEC has not yet produced any definite plan for operating a pro-rationing

NOTICE

Owing to the intervention of the Puja holidays, there will be no issue of Indian Finance bearing the date 21 October 1961.

Manager

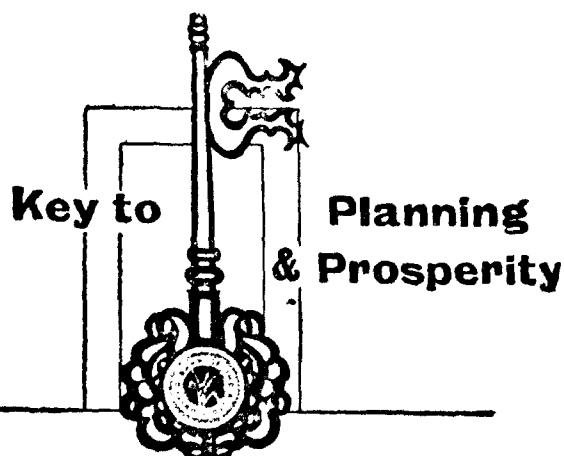
scheme, there have been suggestions that it should adopt one based on historical market share and proven reserves. There are obvious hurdles. In any scheme based on reserves, the Middle East will do extremely well at the expense of Venezuela. The formula would have to make allowances for new discoveries and addition to reserves. To be effective, the scheme must be joined by all other producing countries, otherwise OPEC group will lose share in the world markets to those producers who do not participate in the scheme. It is almost certain that OPEC members will face increasing competition from such countries as Algeria, Libya and Nigeria who may not relish any control on their newly found wealth. The USSR, anxious to regain its place in the world market, will also keep out. It must also be remembered that crude oil is not as homogeneous in nature as some of the other commodities. Besides differences in quality, there are also great differences in cost structure between, for example, Venezuelan and Kuwait crude. Maintenance of prices will stimulate even greater search for oil, attracting new investors, eventually leading to even greater surplus productive capacity.

Another difficulty will be the possible adverse reaction of consumer countries to any suspicion of price maintenance. Coffee or tin does not have a direct substitute. On the other hand, in its application in industry oil has substitutes and an almost certain outcome will be the promotion of other energy sources such as coal, and electricity, conventional as well as nuclear.

It seems that any attempt to share out market by a formal scheme is unlikely to succeed because of the great difficulty of trying to resist economic pressures without having an effective monopoly of oil producing areas and also alternative sources of energy. The essential differences between proposals for oil and the existing commodity agreements are:—

- (a) Commodity schemes aim at cushioning only short term fluctuations and make no attempt to check longer term economic forces of demand and supply. The oil scheme would be aimed at long term price maintenance, which would be impossible in the absence of monopolistic control over total production.
- (b) Oil is much more capital intensive which makes it attractive to sell at slightly over 'out of pocket expenses' to recover some of the capital quickly.
- (c) The wider variation in cost structure will tempt cheaper areas to break away from agreement.

In fact, some of the members of OPEC itself expressed doubt regarding the feasibility of regulating production. For instance, the Shah of Iran described the proposal as 'nice in theory but unrealistic in practice'. Nevertheless, OPEC represents a new factor in the International oil industry and if its researches help its members towards a better understanding of the complexities of oil marketing and pricing, this alone will eliminate a cause of frequent misunderstanding. Its studies will show that reasonably remunerative and stable prices are as much in the long term interest of the oil companies as of the exporting countries and indeed of consumers, for whom continuity and stability are of great importance.



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NEXT BUSY SEASON

Severe: But Less Pressure on Banks

TWO weeks remain for the notional end of the 1961 slack season, though if the experience of the last two, three years is repeated it is possible that relatively easy money conditions will continue to be in evidence for a month thereafter. By and large the anticipations of this column as to the manner in which the slack season would develop have materialised. Deposits of banks, after stagnating for a good few months consequent upon the Palai Central failure last year, began to accrue afresh. The total of Advances, which last year during the slack season had failed appreciably to decline, has been contracting steadily and week by week. Money rates turned distinctly easier, though they hardened somewhat in the wake of the Central and State Government loans. Another traditional interruption to the even progress of the slack season was offered by Pujā disbursements. But in broad terms it has been true that the World of Finance saw a sustained relaxation from the severe pressure to which, by the peak of the 1960-61 busy season, it was subjected.

The most important single factor contributing to the relative easiness is the slowing down in the rate of industrial growth from about the beginning of 1961. Partly perhaps inadequate supplies of raw materials were responsible for industry working below capacity; and this fact was reflected in the pronounced upward trend in the index of prices for industrial raw materials. Partly it was the severe shortage of foreign exchange which effectively reduced the flow of imported raw materials. Partly perhaps we also had a reduction in debt by industries which, begun in the early part of the Second Plan, commenced production around the middle of 1960. It is against this background that we have to assess the prospects for the next busy season.

We may state at the outset that we believe that a swifter rate of growth in industrial production will possibly be achieved as from around the present time. In the first place the position in regard to supplies of indigenously available raw materials has vastly improved; the relative index of prices has in recent weeks shown a considerable fall, so much so that, for the first time in some years, the general index of wholesale prices, for the latest week, is lower than the figure for the corresponding week a year ago. The drawing upon the International Monetary Fund would, in the second place, have released some foreign exchange for imported raw materials. In the third place, following upon a good agricultural crop year, it usually happens that there is a keener demand for consumer goods, which should act as a spur to additional production. In the fourth place, new enterprises set up during the new boom of the last two-three years should now be in process of adding to production—though it is necessary to add that in the bulk of cases such increased output, relating often to categories of industries not included in the general index of industrial

production, will not have much impact upon that index.

Nevertheless from the money market point of view the new production of new enterprises is extremely significant. While as its very name implies the busy season causes monetary stringency because of the seasonal requirements for funds, we need to remember that as a constituent of the whole of bank financing, seasonal finance is gradually diminishing in both ratio and importance. It is, in other words, the non-seasonal or industrial finance—*together with the automatically connoted funds for the trade and commerce to move that additional production—which in the present context determines whether or no a busy season will produce stringent monetary conditions.*

Consequently we believe it likely that the next busy season's requirements of bank finance will mark a further rise from the record expansion witnessed during the 1960-61 busy season; that is to say, Scheduled Banks' Advances should go up by something more than Rs 260 crores.

But the strain upon Scheduled Banks may turn out to be somewhat less severe than was the case in the 1960-61 busy season. Firstly, banks will be beginning the busy season with hardly any debt to the Reserve Bank. Secondly, Deposits may reasonably be expected to continue to accrue at a reasonable rate. Thirdly, banks have not, as they did in 1957 and 1958, put all of their "freed" resources (in the slack season) into giltedged, and to that extent have a more satisfactory cash reserve.

Thus it may be that the third tier of the three-tier bank rate may not operate at all. In any event it is unlikely that the "free" quota of banks' borrowings from the Reserve Bank will be exhausted before the end of the year. At that time of course transactions in connection with end-of-the-year window-dressing may cause the inter-bank money rate to go up, though temporarily. But it seems improbable that the call money rate should greatly exceed 5 per cent over the next 6 months or so.

As usual the last week in March will produce governmental end-of-fiscal-year payments; and though the busy season peak will be touched a month later, for banks the period of stringency should cease with the end of March.

PROGRESS OF 1961 SLACK SEASON

	28-4-61	Latest Week*	Change
Reserve Bank			
Active Note Circulation	1,982.43	1,891.49	- 90.94
Banks' Deposits	78.16	72.47	- 5.69
Other Loans & Advances	125.47	139.14	+ 13.67
Adv. Against Usance Bills	21.09	7.82	- 13.27
State Bank			
Deposits (see note)	549.70	530.31	- 19.39
Cash inc. Money at Call	27.87	26.98	- 0.89
Giltedged Investments	237.47	256.28	+ 18.81
Total of Advances	267.33	244.56	- 22.77
Other Scheduled Banks			
Net Deposits	1,367.04	1,412.62	+ 45.58
Cash inc. Money at Call	153.18	149.89	- 3.29
Giltedged Investments	324.99	356.55	+ 31.56
Total of Advances	1,024.78	978.27	- 46.51

*Week ended 6 October for Reserve Bank and State Bank.

Week ended 29 September for Other Scheduled Banks.

Note: State Bank figures are distorted by Rs 24 crores loss in Deposits owing to repayment of counterpart funds.

Tap purchases of giltedged, except by the State Bank and during November and December, are naturally to be ruled out. The State Bank's busy season financing may be met by sales of giltedged, amounting perhaps to Rs 50 crores; and disinvestment by other Scheduled Banks during the next busy season may be placed at half that amount.

To sum it up, the 1961-62 busy season should be severe as measured by the expansion in Advances; but as reflected in Scheduled Banks' disinvestment or borrowings, the pressure should be considerably less.

BANK RETURNS

Steep Expansion in Currency

BEGINNING of the month disbursements and the demand for funds consequent upon the Pujās are both reflected in the rather steep rise of Rs 34.25 crores to Rs 1,891.49 crores in Active Note Circulation as disclosed in the returns of the Reserve Bank for 6 October. Even so the outflow of Rupee Coin is in the unusually large amount of Rs 2.46 crores. Foreign Securities are unchanged at Rs 116.86 crores, and so currency has been expanded for Rs 20 crores against Rupee Securities by transfer from the Banking Department. As a result the Reserve Bank's cash in the till has been run down by Rs 16.70 crores to Rs 18.09 crores.

Inter-governmental transactions are suggested in the return for the Banking Department. The States would appear to have repaid some advances to the Centre. Their balances are substantially lower by Rs 17.81 crores at Rs 4.68 crores, and their ways and means borrowings from the Reserve Bank have at the same time increased by Rs 7.67 crores to Rs 57.04 crores. Only part of such receipt is seen reflected in the Centre's balances, which are better by Rs 5.68 crores at Rs 65.15 crores. The Central Government with its cash obviously much above the traditional minimum of Rs 50 crores has chosen to cancel ad hoc Treasury Bills before their maturity. This is indicated by the fact that though the transfer to the Issue Department was only Rs 20 crores, Investments in the Banking Department have shrunk by Rs 40 crores; and besides the State Bank is known to have sold giltedged for Rs 5 crores. It follows that the amount involved, *vis-a-vis* reverse ad hocs, may be around Rs 25 crores.

It would appear that banks have also felt the strain of the beginning of the month disbursements. For their Reserve Balances have been drawn on to the tune of Rs 6 crores, now

14 October 1961

being placed at Rs 72.47 crores; and the State Bank is responsible for less than half that amount. In the second place it would seem that borrowings from the central banking institution have also risen: that is suggested by the rise of Rs 5.81 crores to Rs 139.14 crores in the Other Loans and Advances of the Reserve Bank. In point of fact the Reserve Bank's advances against usance bills have expanded by Rs 2.48 crores to Rs 7.82 crores.

The States' payments have apparently meant a considerable strain: and it may be that they had to rediscount Treasury Bills for finding the wherewithal. The Reserve Bank's portfolio of Government Treasury Bills purchased and discounted has gone up sharply by Rs 22 crores to Rs 34.69 crores.

It is again encouraging to note that Balances Held Abroad have risen, though only slightly. The rise is one of Rs 0.73 crore to Rs 13.60 crores, and the foreign assets held by the Reserve Bank are as a result just a shade under the Rs 130 crore mark. During the export "season" till next March, it should be the objective of Government to build up the reserve to not less than Rs 175 crores. This should not be an altogether impossible undertaking.

The return of the State Bank for 6 October also bears the impact of month-early disbursements. The total of Advances has risen by Rs 2.09 crores to Rs 244.56 crores; and, in the second place, Deposit resources have fallen by Rs 2.30 crores to Rs 530.31 crores. It is reasonable to infer that constituents have "financed" their beginning of the month expenditure partly by drawing on their Deposits and the balance by reliance upon bank credit. In consequence of the two-way "loss", the State Bank, in order to avoid borrowing from the Reserve Bank, has sold giltedged for Rs 5 crores. As an end result cash balances including money at call and short notice have fallen by Rs 2.64 crores to Rs 26.98 crores.

During the week ended 29 September Deposit resources of Scheduled Banks have shown a distinct rise, but it is wholly on account of the State Bank, with other Scheduled Banks figuring as having experienced some element of fall. Net Demand Deposits have risen by Rs 2.97 crores to Rs 821.34 crores while Net Time Deposits have increased by another Rs 2 crores to Rs 1,123.90 crores. In the relevant week the State Bank reported a rise of over Rs 8 crores in Deposits, and so the inference is that other Scheduled Banks suffered a fall of just over Rs 3 crores in their Deposit resources. Simultaneously the total of Advances has shrunk further by Rs 2.69 crores to Rs 1,232.41 crores, with the State Bank negligibly contributing. This has enabled Scheduled Banks to reduce borrowings from the Reserve Bank by Rs 4.55 crores to Rs 11.07 crores, though indebtedness to the State Bank has risen fractionally by Rs 0.84 crore to Rs 18.39 crores. The giltedged portfolio shows a rise of Rs 10.56 crores to Rs 617.84 crores, this being wholly ascribable to the State Bank. Cash balances have dropped slightly by Rs 1.07 crores to Rs 179.51 crores.

It is likely that the return of Scheduled banks for 6 October should bear the considerable impress of beginning of the month disbursements. The total of Advances will almost certainly rise; borrowings from the Reserve bank (and perhaps from the State Bank as well) should go up; cash balances, particularly balances with the Reserve Bank, are

likely to have been drawn upon; and perhaps Deposit resources will fall somewhat.

Treasury Bills

Tenders for Rs. 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 10 October 1961. Total amount offered was Rs 2,00,00,000. Tenders at Rs. 99.375 per cent were allotted in full. Total amount accepted was Rs. 2,00,00,000, the average rate of accepted tenders being Rs. 2.500 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at Calcutta up to close of business on Saturday, 21 October 1961 and at Bangalore, Bombay, Kanpur, Madras, Nagpur and New Delhi up to close of business on Monday, 23 October. Successful tenderers should make payment on Friday, 27 October 1961. Other conditions are as usual.

During the week ended 6 October 1961 Government of India Treasury Bills for Rs 3,35,50,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from 11 to 21 October 1961 at Rs 99.391 per cent. Sales can be stopped at any time without notice if Government think it necessary.

There were no sales of 91 days' Intermediate Treasury Bills during the period 4 to 7 October 1961.

Bank Rate for 6½ per cent

By Paul Einzig

THE reduction of the Bank rate by ½ per cent on 5 October took the City by surprise because, even though most people have not a very high opinion of the intelligence that guides the Government's monetary policy, they deemed it unlikely that Mr Selwyn Lloyd should go out of his way to ensure the defeat of his own policy of wage restraint. Hardly a day passes without some labour union declaring its determination to disregard that policy, and threats of strikes are flung about with great gusto. In the circumstances a gesture to indicate that the Government no longer considers sterling to be in danger is likely to remove the last vestige of hesitation on the part of the trade unions to press their wage demands with the utmost vigour. The relief obtained by industry as a result of the ½ per cent cut on the interest charges on their overdrafts will be offset

many times over by the increase of wages bill that will logically result from the Bank rate cut.

It is claimed that the Bank rate decision is justified by the need for discouraging the unwanted influx of hot money. The answer to this contention is that the influx, so far from being unwanted, is welcomed by the Government because it enables it to claim that its measures taken in defence of sterling had been successful. If the influx were really unwanted the Treasury would have the means to discourage it without having to jeopardise the chances of its major economic policy by this untimely Bank rate reduction. All that the Exchange Equalisation Account would have to do would be to resist the appreciating trend of sterling by buying forward dollars instead of buying spot dollars. The resulting widening of discount on forward sterling would make covered interest arbitrage unprofitable, while at the present level of spot sterling uncovered interest arbitrage, especially for short periods, entails a fairly substantial risk of capital loss through a depreciation of spot sterling.

The monetary authorities are fully familiar with the technique suggested above. The reason why they do not apply it is because the Government prefers to be able to announce at the beginning of each month an increase in its gold and Foreign Exchange reserve. It is a pity that the Treasury is not bound by the provision of the Companies Act under which a limited liability company is under an obligation to present a balance sheet showing liabilities as well as assets. A realistic balance sheet published by the Treasury ought to announce at the end of every month not only the amount of gold and Foreign Exchange reserve but also how much of that amount represents borrowed money, whether in the form of facilities from the International Monetary Fund and Central Banks or in the form of increase of London's short-term liabilities. Such a monthly return would not convey a false feeling of optimism at a time when such a feeling is calculated to give unwanted encouragement to wage demands.

It is true, Mr Selwyn Lloyd was at pains to emphasise that the credit squeeze would continue unabated. This will mean that industry will continue to have to bear the full burden of the credit squeeze without benefiting by the wage restraint which, after the Bank rate cut, stands a very poor chance of succeeding. It means that the country will have to bear the full disadvantages of the disinflationary policy without being able to benefit by its advantages. If there should be some major strikes during the next few months, or if such strikes are averted by granting more "unearned" wage increases, the Bank rate decision will be largely to blame for it.

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Notes

INTEGRATION

The Pressures of Unity

The papers examined by the National Integration Conference held two weeks ago are perhaps more interesting than the speeches. The diversity of cultures and languages stands in the way of unity and in spite of the nationalist movement, Indian nationalism remains vague and amorphous. The persistence of communalism after the partition of India is a real problem. Regional differences even within a single State, like Mysore or Andhra Pradesh, are perhaps less acute than the Hindu-Sikh differences, exposed to public view by Master Tara Singh's fast.

Whether economic progress and financial integration by means of the migration of capital, and labour too, has helped to create unity is an issue that was not examined at the 1958 seminar or at the recent conference. The advent of new enterprises, the dispersal of major plants and the constitution of directorates in the private sector may well suggest that the financial world is less conscious of differences due to religion or caste. That a religious

renaissance accentuates differences and limits missionary activity is a ground for complaint by some. But xenophobia has been absent happily and it may be claimed that the desire for foreign economic aid has created even a mistrust of Swadeshi enterprise.

No attempt has been made to examine the break-up of the United Arab Republic within three years or to point to the results of the application of socialism to a backward region that believes even now in men rather than ideas. The same danger may not exist in India today but the Assam troubles prove that what was done in the past to relieve overpopulation has become difficult. The reorganisation of the States did not eliminate the linguistic minority and at a time when integration is stressed there is also a plea for safeguards. The big cities too are aware of a problem raised by linguistic extremism but not all cities are vulnerable like Calcutta. The question whether religion is a less formidable barrier than language may not call for examination, but caste is known to be pervasive and political parties set store by caste and the Congress has made compromises both in Bihar and Madras in order to keep power. The end of untouchability has not destroyed caste. Prof. M. N. Srinivas of Delhi has made it clear that equality is a remote ideal and the conflict between castes is in its way a sign of vitality like the regionalism that led to protests by Breton farmers against the policy of Paris. The only common language in India today happens to be English and the integrationists have conceded that English binds the States while Hindi only divides. This perhaps is the only positive conclusion that has followed from the recent discussions in Delhi. This may properly delay decisions on the change-over to Hindi, now associated with both big battalions and backwardness.

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STEEL PLANTS

Defects in Raw Materials

Serious defects have been alleged in the supply of raw materials to steel plants in the private sector. A memorandum on the subject prepared by the Associated Chambers has drawn attention to the deterioration in the quality of raw materials and has called for

a scheme of attractive bonus and effective penalty for the producers of raw materials to ensure improvement in quality.

The two steel companies in the private sector, the Tata Iron and Steel Company and the Indian Iron and Steel Company have taken a grave view of the situation in respect of the supply of raw materials. The TISCO is confronted with a prospective shortfall in the supply of hard coke for its units. While its requirements of hard coke have been placed at about 165,000 tons, only about 75,000 tons are expected to be available to it for the period October-March and with its existing stock estimated at 30,000 tons, shortage of hard coke will amount to as much as 60,000 tons. The resulting loss in production of finished steel has been estimated at about 45,000 tons.

Shortfall in supply of coke is only one aspect of the problem of raw material supply faced by the private steel plants. Besides, there is also the question posed by the deterioration in the quality of coke and limestone. Apart from the high ash content of the market coal allocated to the TISCO, the note lays the charge of having to increase the ash content of its washed coal on account of the embargo imposed on movement of washery middling beyond Moghulsarai. Deterioration of deposits and mechanisation are also alleged to have affected the quality of limestone supplied to the TISCO. This is stated to have pushed the rate of consumption of limestone to 965 lbs per ton against 790 lbs considered for the mills expansion programme.

There can be no doubt that the deficiencies brought to light in the supply of raw materials to the steel plants will affect the production schedules in the private sector and delay the production target for steel in the Third Plan. At least in respect of the supply of limestone there seems to be scope for more equitable distribution as between the private and public sector steel plants, which could be ensured by throwing access to the private plants to the deposits in Palamau and Shahabad districts which are presently reserved to the public sector plants. Diversion from supplies of good quality limestone intended for the cement factories could also help ease the supplies situation for the steel plants further.

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PAPER

Problems of Dealers

The problems faced by the paper dealers were discussed at the meeting of the West Bengal Paper Merchants' Association held in Calcutta last week. Presiding over the meeting, Mr Panna Lal Seal, observed that the target

for production fixed for the paper industry in the Third Plan was low in view of the anticipated growth of literacy and the implementation of the schemes for free and compulsory primary education. It is not the total quantity of production alone that is important. The matching of production to demand in respect of various kinds of paper should also be a relevant consideration in the preparation of schemes for paper production. In this respect there are signs of grave imbalances developing in respect of certain varieties of paper. As Mr Seal has pointed out, the demand for cartoons, literature, publicity and display materials is mounting and is likely to grow further with the country becoming increasingly publicity minded. But the pattern of production that is presently followed by the paper mills is not calculated to meet the requirements in respect of all varieties. Considerations of profit also tend to discourage diversified production of various kinds of paper by the mills. In this circumstance, it is worth considering whether as Mr Seal has suggested, the Government should not insist on the mills to produce paper according to required specifications.

Mr Seal has also drawn attention to defects in the system of distribution of paper. It has been pointed out that nearly 80 per cent of the paper merchants had no quota of indigenous paper. The severe restrictions on imports of paper have also hit them hard. Increased production together with liberalised allocation to dealers would go some way in alleviating the present difficulties of lack of supplies and quota for the dealers. Mr Seal has urged the Government to adopt measures so that all

Indian Finance

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the mills distributed their increased production on a compulsory basis to new dealers other than the existing quota-holders. The greatest loss for want of quota and supplies is being suffered by the established importers who are being practically squeezed out of their normal avocation. It is noteworthy that out of the total licences issued for import of different categories of paper during April 1960-March 1961, only 4 per cent was allotted to the established importers. The case of the established importers is deserving of consideration in view of their long experience in the trade and the effective links they have forged in the trade and industry.

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TOBACCO

Surplus Stocks

Mr E. R. Campbell, Chairman of the Tobacco Export Promotion Council of Rhodesia, has in the course of an interview at Madras, warned against a serious situation developing in tobacco trade. What constitutes the danger signal to the tobacco trade is the mounting accumulation of tobacco surplus stocks in the United States and the Philippines. The US has been accumulating stocks since 1955 and the total was now 500 million lbs flue cured tobacco, while the Philippines had about five-year supplies. The disposal of these stocks which as Mr Campbell said must happen sometime in the future will seriously upset the world trade in tobacco, and in such an eventuality the repercussions on India and other tobacco producing countries such as Rhodesia will be very severe.

Mr Campbell has ruled out an international tobacco agreement on the lines of other commodity agreements in respect of sugar, tea etc, as being not warranted by the present signs in the tobacco trade. An agreement with the countries which have built up huge stocks so that the latter will not disgorge their stocks in a way which will harm the export markets may offer a way out. An opportunity for discussion to arrive at such understanding will be presented at the world tobacco congress which is scheduled to meet in 1963.

Apart from the danger signs constituted by the mounting stocks with the US and the Philippines, the intended move of the UK to seek membership of the European Common Market is another factor that clouds present prospects for export of tobacco from India and Rhodesia. Tobacco is one of the important items of export from India to the UK, while in the case of Rhodesia, it is the only agricultural export commodity. Since the conditions for Britain's entry into the Common Market are yet to be worked out, the position at the present time is somewhat uncertain. Mr Campbell has underlined the need for the tobacco

industries in India and Rhodesia to come closer together. Since both the countries will be faced with the same problem, exchange of ideas and coordination of policies in the marketing sphere should be to mutual advantage.

★

BANKING

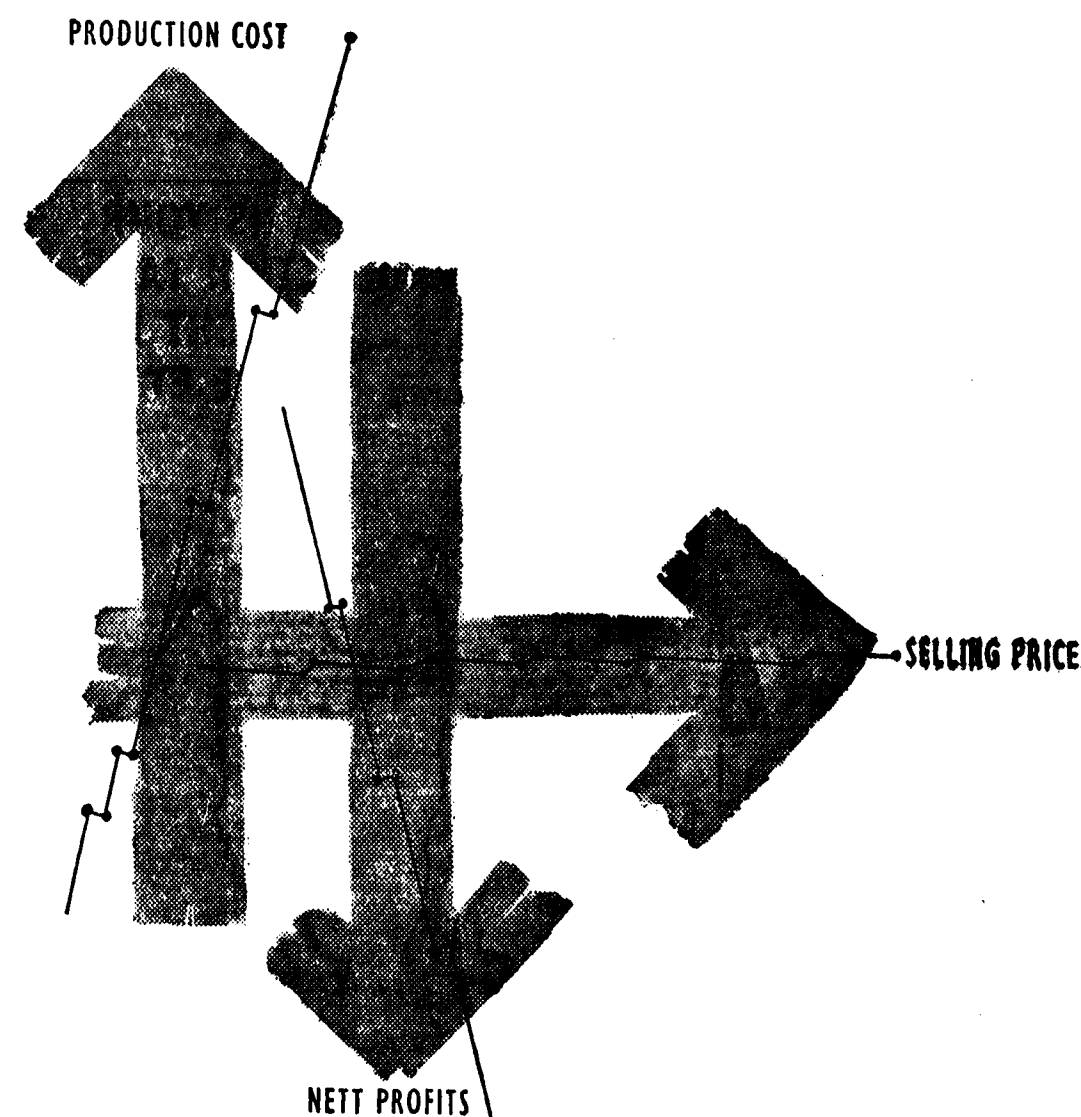
The Big Eight

How the eight big banks, the Allahabad, Baroda, Central, Indian, India, United Commercial, United and Punjab National fared in 1960 can be ascertained from the statistical tables issued recently. What is set down about co-operative or

non-scheduled banks is of little interest for it must be admitted that the major banks alone show signs of healthy growth. They reported an increase in deposits and their capacity to stand up to competition from the State Bank and the State-associated banks has been demonstrated. It is noteworthy that the age or capital structure does not qualify any of the State-associated banks to rank among the majors. The favourable trend may continue, and attention may, therefore, be invited to the increase in bill business, both foreign and inland. This too helps to raise the degree of liquidity prescribed for the sake of safety.

The most significant feature was the rise in advances coinciding

with a fall in investments. The foreign banks doing business in India showed the same tendency to lend more. This is proof of the increased tightness of money in the last busy season though it is clear that what Keynes wrote in 1915 about seasonal changes in the money market in British India no longer retains its validity. The decay of indigenous banking and the growth of modern banking in recent years has not been examined in detail and the effects of amended banking law on indigenous bankers have not been so far set out in detail. But it may be assumed that the old business of the Brahmins of Kalladaikurichi and the Chettians of Karaikudi has really declined and fallen. The extent of competition in



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banking may not be ascertainable from the average rate of interest paid on deposits or the interest charged on advances. The differences in service provided still constitute an advantage for the 16 foreign banks that are able to hold their own easily against the majors and integration among the exchange banks is perhaps an operative consideration. The extension of branch banking has helped the major banks far more than the State Bank of India last year. Of course, the exchange banks did not branch out but the volume of their deposits is still independent of official recognition because their capital and reserves impress clients who seek quality in service. It may be inferred that one quarter of the total deposits in 1960 was held by the non-Indian banks. This may not be (derived wholly from) the strong position held by foreign capital in trade and industry. But it may be an apt acknowledgement of the age and stability of the foreign

banks mainly British. Preference for the British banks in the big cities has survived the political changes of 1947. That is a truism worth repeating.

PARAMBIKULAM An Example To Emulate

The inauguration of the Rs 35 crore Parambikulam—Aliyar multi-purpose river valley project by the Prime Minister on Saturday last constitutes an important event in more respects than one. The project stands as an eloquent testimony to the inter-State cooperation for which the States of Madras and Kerala are worthy of plaudit, though the project took concrete shape only after protracted discussions by the representatives of the two riparian States. Of the impetus to both industry and agriculture in the nearby dis-

tricts belonging to the two States there would be any room for dispute. Another notable attraction of the new project is the facilities that will be made available for developing fishing centres, tourists resorts and wild game sanctuaries. The supply of water for irrigation purpose even before the completion of the multi-purpose project is yet another remarkable feature of great economic advantage.

The new project, when completed, will harness water of seven minor rivers that traverse through the States of Madras and Kerala for the generation of electricity to the tune of 180,000 kw and will bring under irrigation about 240,000 acres of arid land. According to the present calculations the timely availability of water from this project during agricultural operations will help produce an estimated 24,000 tons of paddy, 48,000 tons of dry crops and 7,400 tons of cotton.

The project provides for the construction of six major dams, two

dams of lesser dimension, twelve and a half miles of interlinking tunnels, thirty miles of lined contour canal, one hundred and twenty miles of lined canals that will ultimately eliminate wastage and seepage of water and hundred miles of distributary and field channels. The first dam will be built across the river Nirar from where water can be diverted to Sholiar through a tunnel extending about 14,000 feet.

Of the two States it is true that Madras stands to gain much from the completion of the project but the advantages that will accrue to Kerala are also considerable. In effect, the two riparian States have set an example worthy of emulation by other States.

PALMAROSA OIL Quality for Export

India ranks first among nations producing Palmarosa oil, and is chief supplier of this important raw material for perfumery manufacture. This oil is produced by steam or water distillation of the grass known as Cymbopogon martini Stapf, popularly known as Rusha or Kosha grass. There are two varieties of this grass: Motia and Sofia. Motia gives far superior Palmarosa oil and Sofia gives inferior ginger grass oil. Both varieties grow in India abundantly and sometimes they are found side by side. But the experienced distiller can at once recognise the more valuable Motia grass from Sofia, because of its rose-like odour. The grass is generally cut from October to December.

Motia grass is commercially distilled for oil in Vidarbha and Khandesh regions of the Maharashtra State and in Madhya Pradesh. In Hyderabad region of Andhra Pradesh also the oil is distilled; but, there generally a mixture of the two grass Motia and Sofia is distilled, the latter predominating. Hence, it is mostly ginger grass oil and not Palmarosa oil. Yield of the oil is generally 0.15 per cent from fresh grass.

The annual exports of Palmarosa oil are of the order of about 60 tons valued at nearly Rs 25 lakhs. The oil usually contains 90 per cent geraniol for which it is valued so much. Palmarosa oil stands third in the list of essential oils earning foreign exchange for the nation. The first two places are held by the sandalwood oil and the lemongrass oil. In 1955-56, Palmarosa oil was valued at about Rs 40 per lb. But the production of synthetic geraniol has adversely affected its prices to a certain extent and the present prices are around Rs 25 per lb. Nevertheless, the importance of this oil as a perfumery raw material has maintained itself. Among our main overseas buyers of this

oil are the Sudan in the Middle East, Western Europe, Japan and USA.

Absence of any recognised standard and quality control of this oil had tended to export, at times, of sub-standard qualities or adulterated oil under various private trade brands. Obviously, if things were allowed to continue in that way, the export of Palmarosa oil would have definitely suffered. Hence, after a thorough consideration, the Government of India have now banned the export of Palmarosa oil, unless it is graded and certified under the AGMARK.

US A Balanced Budget in 1963

When and to what extent are budget deficits justified? At what point do they begin to cross the line of prudent government financing?

There obviously can be many answers to these questions. But no amount of theorizing can come completely to terms with the realities of a given situation. In the United States, the administration of President John F. Kennedy has had some difficult budgetary decisions to make, as it has devised programmes to meet adequately the nation's needs at home and abroad.

These decisions were the subject of a recent address by US Budget Director David Bell, who undertook at a business meeting in New York to explain the US Government's budget policies. Mr Bell in effect was defending both the level of government spending, and the fact that it will contribute to a moderate budget deficit during the current 1962 fiscal year that began 1 July.

It is his view that given the size of today's economy, the projected fiscal 1962 spending total of \$88,000 million entails no greater burden than other and lower outlays of recent years. While the budget has been growing, so has the economy.

Moreover, Mr Bell used the occasion last week to reaffirm the Kennedy Administration's intention of submitting a balanced budget to Congress for the 1963 fiscal year which begins next July.

There are bound to be some contingencies in this expectation, of course, as in any estimates prepared so far in advance. After all, the first 1963 budget estimates will be presented officially in January, some six months before the start of the next fiscal year and 18 months before its close. One major contingency in this instance can be summed up in the phrase, barring unforeseen new defence requirements—an implicit acknowledgement that rising defence needs, as well as domestic economic requirements,

are contributing to the size of the government's outlays.

If all goes well, however, the thought is that the 1963 federal budget will come into balance at present tax rates as the continuing economic recovery results in higher incomes for the American people and higher tax receipts for the US Government.

In reply to spoken or tacit criticism that the US Government is spending too much money, Mr Bell notes that budget outlays for the current fiscal year work out to some 16 per cent of the total national output of goods and services. This is a percentage that has not varied substantially throughout the post-war period, and reflects the continuing growth of the US economy over the past decade and a half. It hardly needs saying that these percentages have not been predetermined by formula, but have resulted mainly from programmes undertaken by the Federal Government to meet its responsibilities.

Non-defence spending has been expanding steadily under all post-war US administrations, in response to the underlying needs of the nation. These needs, according to Mr Bell, "stem legitimately from the growth in population, the growth in urbanization, and similar accomplishments of modern civilization which result in heavier demands upon governmental services."

As for the prospective 1962 deficit, Mr Bell characterizes it as "moderate, proper, and defensible." While the economy has been advancing vigorously, industrial capacity is not strained. Unemployment, while declining, is still higher than what the administration would like.

While these conditions prevail, Mr Bell sees little danger of any imminent or serious inflation to which a budget deficit would contribute. He concedes, however, that there might be some reason for concern on this score if a further deficit of some size

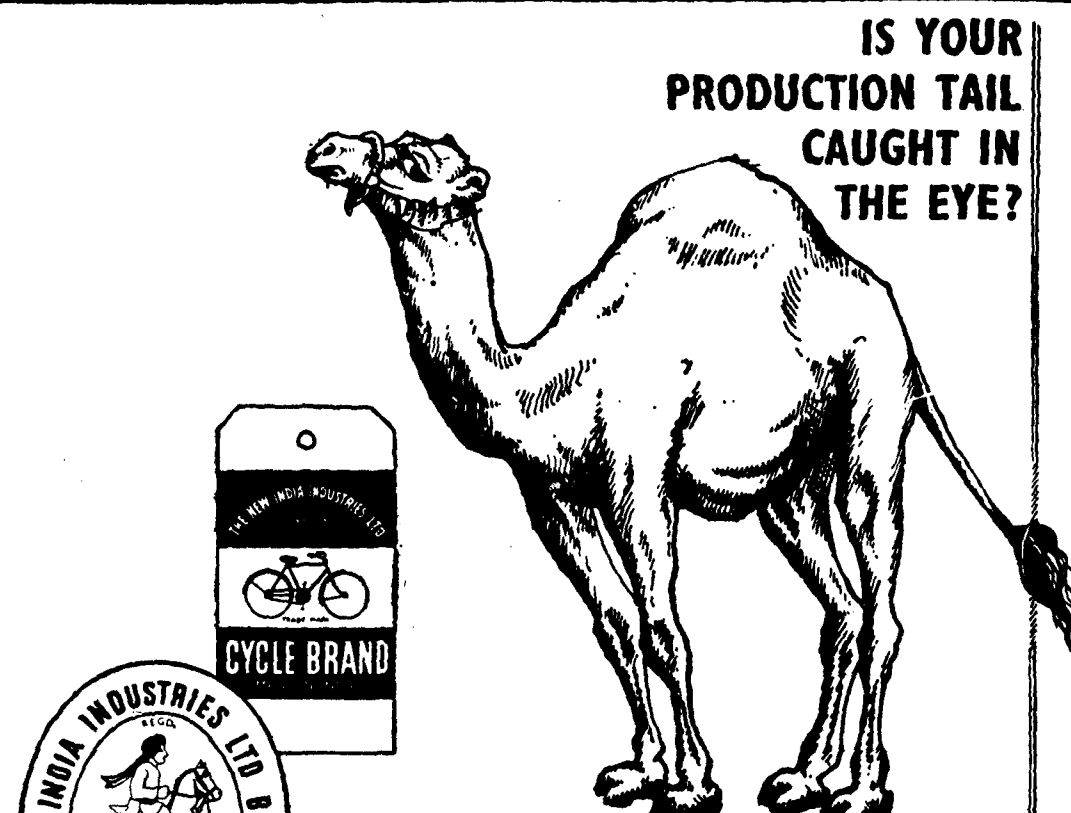
were anticipated during fiscal 1963, when the economy will be more fully employed.

But the fact that President Kennedy plans to propose a balanced budget for the 1963 fiscal year should allay that fear. In the view of Mr Bell and other administration officials, it should provide additional evidence of the administration's interest in financial prudence, as well as in encouraging vigorous economic growth on a sound and sustainable basis.

JAY ENGINEERING Inroads in Foreign Markets

Another year has passed by and the Jay Engineering Works Limited has recorded, as pointed out by Mr Charat Ram, Chairman, in his address to the twenty-fourth annual general meeting of the

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Company, "quite gratifying" results. The Company's profit, after providing for employees' share in 1960-61 registered a slight increase to Rs 58.4 lakhs from Rs 52 lakhs in the previous year. The increase in profit would have been much more pronounced but for the loss sustained by stimulating exports and reduction of prices of fans. Higher provision for income-tax also had corroded into the profit of the Company.

On the production side, the Company's performance has been very encouraging: total number of sewing machines manufactured during the year under review amounted to 0.26 million in contrast to 0.24 million in the previous year while the relevant figures for electric fans were 0.51 million and 0.35 million respectively. Net sale value also looked up and was marked higher at by Rs 1.7 crores to be placed at Rs 8.9 crores. Plans for the establishment of a new unit in Hyderabad for the

production of 0.3 million sewing machines are at hand and the Government of India has already granted industrial licence for that purpose.

Thanks to the vigorous selling efforts of the Company and the selling agents, greater inroads were made in foreign markets. The Company's achievement in gaining a strong foothold in the industrially advanced countries like the UK, the USA and West Germany is a creditable performance. The bulk of exports is however absorbed by the developing countries. The impact of international competition, the eagerness of the developing countries to develop indigenous manufacturing units and their foreign exchange difficulties were increasingly felt by the Company. It is indeed gratifying that the authorities have decided to re-orient the export policy firstly by producing highly attractive products, secondly by commencing assembly

and progressively manufacturing its products in those countries which are contemplating to set up their own units and finally by entering into technical collaboration with foreign countries. It should be remembered that the Company has obtained licence for installing a new unit in Ceylon and similar arrangements with countries like Burma, Pakistan and Thailand are in the offing. Arrangements for technical collaboration have already come into operation in S. Vietnam and negotiations with Iraq, Egypt and Yugoslavia are well under way.

PRAGA TOOLS An Array of Favourable Factors

Briefly reviewing the progress registered by the Praga Tools

Corporation Limited from 1 July 1958, from which date the management of the Company passed into the hands of the Board of Directors, Mr S. Ranganathan, Chairman, drew a picture which provides room for both enthusiasm and disappointment. The gross profit of the Company was marked higher at Rs 17.36 lakhs. The financial position of the Company was placed on a comparatively sound footing. Considerable improvements were effected in the factory, which had already started yielding rich dividends and many technical collaborations were entered into with foreign firms of great repute. On the other side of the medal weigh unsettled labour conditions and the consequent slackening of production particularly in 1960-61. An agreement has been reached by the employees and management on 1 July 1961 and harmonious labour-management relations prevail since then. The comparatively insignificant carry forward of Rs 23,631 on 31 March 1961 is the direct result of utilisation of profits in writing off past losses, intangible assets and unsaleable finished products, developmental expenses and the like.

With an array of favourable factors which have been listed above conducive for expanding production the Company can naturally anticipate brighter days ahead.

The Government of India has appointed a new advisory committee on national income consisting of the following members. Mr P. C. Mathew, Director, CSO (Ex-officio Chairman); Dr N. S. R. Sastri, Statistical Adviser, the Reserve Bank of India; Dr I. G. Patel, Ministry of Finance; Dr K. N. Raj, Delhi School of Economics; Mr Moni Mukherjee, Indian Statistical Institute; Prof. V. M. Dandekar, Ghokhale Institute of Economics; Mr P. N. Dhar, Institute of Economic Growth; Mr M. V. Devatia, National Council of Applied Economic Research and Dr S. G. Tiwari, Special Officer, National Income Unit, CSO.

The Chemical Limited will be setting up a factory at Dadra, near Bafoda, for the production of metallised paper and plastic films with the technical collaboration of a Dutch firm. The initial capacity of the new plant will be approximately 15,000 tons of metallised paper per annum. The factory will go into operation by the middle of 1962.

Nearly 14,500 acres of forest land will be brought under rubber plantation in 1962 in the Kelara State. Of these 4,000 acres would be planted directly by the State Government and the rest would be allotted to small private holders and for big plantation interests on auction basis.

Clive Street Gossip

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

AT Hyderabad last week, Mr Nehru is reported to have lost his temper with a lot of persons who came whining to him about their backwardness. Like his lofty obiter at Kanpur on election funds, this is likely to land local politicians with a prickly problem on the eve of elections. A vested interest in backwardness is a curious back-wash of State paternalism which a vote-catching politician cannot quite afford to ignore. In two articles in the Statesman this week, Professor M. N. Srinivas, the noted sociologist, has examined the rather involved motivations behind the professions and the pampering of backwardness. The South provides an instructive case study. Historically, the non-brahmin movement is an excellent illustration of the equivocation

over definitions that has bedevilled the question of backward classes. The ambiguity has been useful politically and otherwise to some sections of the people. It would be largely true to say that the Justice Party's early history is nothing but the success story of a self-conscious non-brahmin elite exploiting with considerable cunning to its own advantage the sense of guilt of a once-privileged minority and the rancorous clamour of a miscellaneous majority. The beneficiaries of the new movement were largely the more go-ahead sections among the non-brahmins who gained at the expense of both the brahmins (rich and poor) and the less enterprising non-brahmins themselves. The other day, a DMK friend of mine made the cynical and on the whole unfair remark that the only persons who were benefited by the communal G.O., as it used to be shamelessly called, were the Nairs and the Menons. Even after the Constitution came into being, the ambiguity in definition persisted and mental reservations of various sorts led even to the amendment of the Constitution. And even today, eleven years after the Constitution came into being, there are sundry provisions that entrench vested interests in belonging to a backward caste. As pointed out by Professor Srinivas, in Madras today, 25 per cent of the seats in colleges and jobs in government are reserved for backward classes. In Andhra, the percentage is thirty-eight and in Kerala, 35 per cent of the seats and 40 per cent of the jobs are similarly reserved on a caste basis. Mysore apparently believes that all persons—except of course the brahmins—

are backward, but some are more backward than others. Consequently, the backward have 21 per cent and the more backward 24 per cent of the jobs kept exclusively for them. No wonder then that the Lingayats whom the Backward Classes Committee (1961) had included among the forward, have since successfully agitated for inclusion among the backward. But who can convince politicians that stratification of backwardness on caste basis is unreal and unjust? Others will however agree with Professor Srinivas that a more meaningful criterion of backwardness would be based on economic, educational and environmental considerations. It is however true that except for the discrimination involved in the shutting out of educational opportunities, these reservations should not unduly worry the so-called forward communities and castes. It is possible that this is already the case. Social and economic pressures are solving the problem in their own somewhat painful way. Sanskritisation, (an ugly word but a useful concept thought up by Professor Srinivas in another context) is operating on a wider area than that of ritualistic patterns of behaviour and social values. It is discernible in bread and butter decisions. A government job which was once as definitive a hallmark of a brahmin as the sacred thread is no longer that. Thus even while the communal G.O. has "sanskritised" the other castes into government servants, the brahmin has been "westernised" into choices of avocations that were not as recently as twenty years ago associated with him. I heard an orthodox friend of mine complain the other day that in ten years he won't find a purohit to help him in his filial pieties, since the sons of all the purohiths have become motor mechanics. And the DMK friend I mentioned earlier said something blistering about the uncanny sense of timing of the brahmin. Look, he said, at his having got on to the industrialisation band-wagon in recent years. Obviously old grievances die hard.

At Blackpool last week Mr Gaitskell redeemed the pledge he took at the end of the Scarborough Conference last year to fight till he got reversed the unilateralist decision then taken by the party. For a year Mr Gaitskell has been steadily wearing down opposition

to his views on the subject, and, for some time now, Mr Gaitskell's success has been a foregone conclusion. But the formal defeat of Mr Cousins' resolution at Blackpool sets, as it were, the official seal on the Gaitskell line. Thus the rather odd spectacle of the leadership fighting the declared policy of the party has now been brought to an end. But, then, the Labour Party has throughout its life found itself in paradoxical situations without any lasting harm being done to it. At the moment, what with one thing and another, the Labour Party's morale is higher than at any time in the last few years, and, for the first time, in several years it has to think seriously of the responsibilities of office. During last year the shine on the Macwonder has worn off more than somewhat. The embarrassments of the British economy and consequently of the Conservatives have made the Labour Party think less fatalistically of its prospects of taking office. It is this prospect and hope that has tilted the scale in the weighing of the nuclear question by the rank and file. In one sense, the latest decision is no advance over the position taken

by Bevan after his famous volte face that left his friends confuse and scattered; you cannot send British Foreign Secretary naked to the conference table. In other words, as the prospect of their being a Labour Foreign Secretary in the near future become brighter, the necessity of checking up his diplomatic wardrobe assumes urgency. This certainly is one reason for the decision. Another is the schism in the unilateralist camp itself. Even Bertrand Russell, who apparently advocates complete nuclear disarmament, does not wish the US to throw its nuclear bombs into the ocean. Rather involved moral, emotional and political considerations entered in the earlier party decision to vote for unilateral renunciation of nuclear weapons and tactical reasons brought about strange alliances within the party. These exert less power now. Other incidents of a purely domestic nature within the party have also had their effect on the voting this year. Disgust with the Electrical Trades Union and vote-rigging by its communist officials must have played its part in the resiling from a position that has vague fellow-travelling associations in the popular mind. All in all, despite minor reverses over Polaris and training of Germans in Wales, Mr Gaitskell has every reason to be satisfied with the outcome of this year's Party Congress.

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Subscriptions will be received in cash or cheques from the 16th October, 1961. But the lists will be closed without notice as soon as the total subscriptions amount to approximately Rs. 200 lakhs and in any case not later than the close of business on the 23rd October, 1961.

Applications will be received at all branches of the State Bank of India within the State of Madras and at the State Bank of India at Madras, Bombay, Calcutta, Delhi, Bangalore and Bangalore city.

Copies of the Notification announcing the terms of issue and application forms are available at all the receiving offices mentioned above, at all treasuries and sub-treasuries in the State of Madras and at all Offices of the State Electricity Board and its undertakings.

Olympus

FOREIGN TRADE FICCI's Suggestions

CONSTRUCTIVE suggestions on foreign trade policy and procedures are contained in a comprehensive memorandum submitted on behalf of the Federation of Indian Chambers of Commerce and Industry for the consideration of the Import and Export Policy Committee. By its terms of reference the Committee has been asked in particular to enquire into the working of Import Trade Control in all its aspects as well as to review the efficacy of existing export promotion schemes and to recommend measures necessary to step up exports to the level envisaged in the Third Plan. The memorandum has put forward suggestions against the background of the changes in the country's foreign trade, the emergence

of new trade groupings in other parts of the world and development of new trends in world trade.

The scope of Import Control, which was first introduced during the second world war with the primary objective of conserving shipping space, has been considerably enlarged in the context of planned development. Import Policy has now come to be regarded as the instrument to serve the three-fold objective of industrial development, conservation of foreign exchange and export promotion. The memorandum points out that it is in the common interest to utilise the limited foreign exchange resources in a manner that will sustain not only the reasonable requirements of the existing industries, but also those of new industries envisaged as part of planned development.

The basic point is that we cannot afford to have a stagnant economy, and therefore, in the allocation of resources among the different projects

under the Plan as well as in the distribution of foreign exchange resources, primacy must be given to the building up of the nation's productive capacity and to making it viable and self-generating. In this context the memorandum deals with the utilisation of the foreign aid and underlines the necessity of quickening the procedure for the disbursement of the available foreign exchange for speedy and successful implementation of the development plans. A part of the foreign aid, it is suggested, should be available to private industry as this will largely obviate the necessity of private parties approaching their foreign collaborators for supply of machinery on deferred payment terms. In this connexion it is also urged that such aid should be made available without insisting on immediate rupee payment.

In the distribution of foreign exchange for imports among Established Importers, Actual Users and governmental purposes, the share of the first category has been progressively reduced till it amounts at present to hardly 11 per cent of the total. The number of items licensable to Established Importers has also been drastically reduced. The memorandum draws attention to the substantial economies in the use of foreign exchange that could be realised by enlarging the scope for Established Importers. (Governmental purchases now account for over half the total imports. Publication of the details of the import licences of various categories of Government undertakings and departments including ordnance factories, it is suggested, will be helpful in forming a correct judgment as to whether it would not be possible for normal trade channels to undertake the imports more efficiently and economically than is being done now.

Referring to the complaints regarding the working of Rupee Payment Agreements, the memorandum calls attention to the need for a comprehensive review of these bilateral trading arrangements. Three points are made in this connexion: these agreements in some cases have led to disruption of our normal pattern of exports to some of the West European countries; the expectation that our trade with rupee payment countries would be diversified has not been realised; it has also been pointed out that imports available against rupee credits are not satisfactory in respect of range of commodities, their quality and prices. While conceding that bilateral trade on the basis of rupee payment has some part to play in eking out limited foreign exchange resources, the memorandum suggests that such arrangements should contain provisions to the effect that—(1) goods exported from India, particularly in the traditional lines should be for internal consumption and not for re-export or re-sale to a third country; (2) the importing country would buy a specified percentage of newly developing lines of exports from India. And as regards imports from rupee payment countries, there should also be adequate examination for ascertaining that goods are being sold at prices which do not compare unfavourably with the prices of similar products from other sources.

Indian Finance

The activities of the STC and their repercussions come in for detailed examination. The entry of the STC in the import trade, it is pointed out, has led to a certain amount of diversion of trade in favour of certain privileged importers. The stabilising influence the Corporation's entry was expected to have on prices has not materialised as imports do not seem to have been planned properly. The Federation, therefore, has suggested that a trade panel consisting of experienced and reputed businessmen may be set up to aid and advise the Corporation regarding quality, quantity, distribution methods and sale of imported commodities at reasonable prices. It is also urged that established trade channels should be utilised to the maximum extent possible in the distribution of STC imports. Regarding link and barter arrangements entered into by STC, the Federation has doubts whether these deals served their purpose at any time.

Stressing the importance of streamlining licensing procedures, the memorandum urges the need for adopting the system of annual licensing and for the abolition of ad hoc licensing. Annual licensing would be desirable, for, apart from reducing the volume of clerical and administrative work involved in applying for and granting of licences, it may also lead to procurement of supplies at reduced prices and thereby help in saving foreign exchange.

As regards the policy of issuing import licences on an ad hoc basis, the Federation feels that this policy should be discouraged for it vests in the licensing authorities discretionary powers which may not always be used with care. In the absence of any basis of allocation of foreign exchange, this policy also tends to create misunderstanding in the mind of the public.

On export policy, besides drawing attention to the suggestions contained in the detailed note on export promotion submitted by the Federation to Government last March, the memorandum has highlighted certain basic issues. As the future level of exports will depend largely on our ability to build up competitive strength both in regard to price and quality, effective steps should be taken forthwith to make available the requisite finance and other facilities for modernisation of productive equipment in export industries. Failure to effect timely modernisation, the memorandum warns, will lead to loss of foreign markets which it may not be possible to capture once they are lost. Since the level of cost has overriding importance, it is in the national interest that the question of sanctioning bigger units, especially in the case of export industries, must receive precedence over other considerations.

The memorandum has urged the need for strengthening commercial sections abroad and for study of 'growth imports' of our trading partners, particularly in the Afro-Asian region. In this connexion it may be mentioned that the Federation is organising an Afro-Asian Economic Conference commencing on 11 December, which will also provide the occasion for exploratory trade talks.

14 October 1961

Industrial Finance Corporation of India

Loans Reach All-Time High

Resources Position Quite Comfortable

Mr Mathrani's Review

Speech delivered by Shri K. P. Mathrani, I.C.S. Chairman, Industrial Finance Corporation of India, at the Thirteenth Annual General Meeting of the Corporation held on the 28th September, 1961.

Gentlemen,

Owing to the fortuitous circumstance that I assumed my duties immediately on the expiry of the year 1960-61, it is my pleasure and privilege, soon after my taking over, to present to you the Annual Accounts of the Corporation and the Report of the Board of Directors for the year ending the 30th June 1961. The printed copies of the Accounts and of the Report have been circulated to all the shareholders and I shall, with your permission, take them as read.

2. The year under report marks another stage in the economic development of the country—the completion of the Second Five Year Plan and the beginning of the Third. Your Corporation has played not an insignificant role in the achievement of one of the major objectives of the Plan, namely the establishment of a sound and progressive industrial economy. During this five year period, we sanctioned loans of the value of Rs. 62 crores and 61 lakhs and disbursed funds to the extent of Rs. 40 crores and 62 lakhs. Over the thirteen years of the existence of the Corporation loans aggregating Rs. 105 crores and 82 lakhs have been approved, a sum of Rs. 57 crores and 35 lakhs having been disbursed during the period. It shall be our aim to ensure that the Corporation makes a further useful contribution to the economic growth of India with the specific object of reducing our dependence on the import of manufactured goods as well as plant and machinery.

3. The year under review has been a particularly successful one for the Corporation. Our gross income reached the record figure of Rs. 2 crores and 99 lakhs as against Rs. 2 crores and 50 lakhs during the preceding year and our net profits, after making provision for income tax and corporation tax, came to Rs. 84.75 lakhs, showing an increase of nearly 42% over the previous year. It has, therefore, been possible for us to add substantially to our reserves which now stand at Rs. 1 crore and 89 lakhs, an increase of 69% on the balance at the end of the last year. We have, in addition, as a reserve for doubtful debts, a sum of Rs. 14.61 lakhs, which is considered to be more than adequate. In fact, a review of the reserve has shown a distinct

improvement in the position of our bad and doubtful debts. As in the previous two years, we have provided a sum of Rs. 10 lakhs towards progressive liquidation of the subvention of Rs. 53.45 lakhs received by us from the Central Government for the purpose of paying the guaranteed minimum dividend on our share capital in the early stages of the establishment of the Corporation. This leaves a balance of Rs. 18 lakhs only which we plan to repay in the course of the next two years. In view of the statutory restriction contained in the second proviso to Section 31(2) of the I.F.C. Act the dividend for the year is being limited to the minimum guaranteed by the Central Government, nearly 24%.

4. As will be evident from the Statement of Profit & Loss Account, there has been an appreciable diversification of our activities during the year, even though the interest on loans continues to be the major source of our income. While the income from this source has gone up by 13.3%, from Rs. 2 crores and 25 lakhs during the previous year to Rs. 2 crores and 60 lakhs, that from commission on underwriting of shares and on guarantee of deferred payments has increased by over 120%, from Rs. 4.60 lakhs to Rs. 10 lakhs; in addition, we have earned a handsome profit by sale of some of our investments. Moreover, during the year we also received, for the first time, a dividend on the shares held by us.

5. The total amount of loans approved by your Board of Directors during the year aggregated Rs. 21.21 crores, which is an all time record for the last 13 years of the Corporation's activities and shows an advance of Rs. 3 crores and 29 lakhs over the figures for the last year of Rs. 17 crores and 92 lakhs. The Corporation received 76 loan applications during the year under review for an aggregate amount of Rs. 36.88 crores as compared to 38 applications for an aggregate amount of Rs. 17.54 crores received during the year 1959-60, indicating an increase in the volume of business handled by the Corporation of almost 100% over the previous year. The aggregate amount of loans sanctioned by the Corporation has now exceeded rupees one hundred crores, which may be considered as a landmark in the life of the

Corporation. These noteworthy achievements have been facilitated by the fact that the Corporation has widened the scope of its activities by granting loans in foreign currency, guaranteeing deferred payments, underwriting equity and preference issues, and financing industrial projects jointly with other institutions, etc.

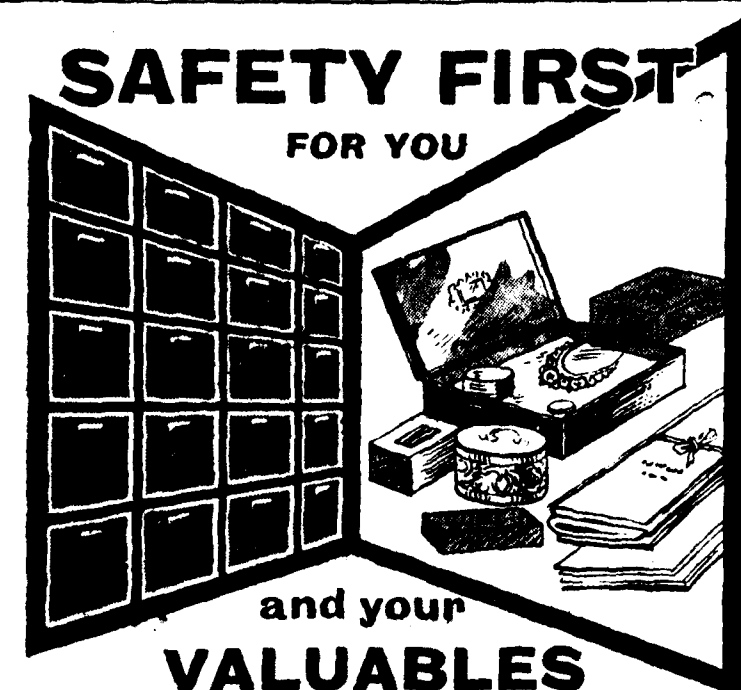
6. It may not be out of place to refer briefly here to some of the joint ventures with other financing institutions in which the Corporation has participated in recent months. The Corporation has for the first time sanctioned a loan of Rs. 60 lakhs to a concern engaged in the manufacture of paper jointly with the Commonwealth Development Finance Company Ltd., of the United Kingdom (CDFC) and the Industrial Credit and Investment Corporation of India Ltd. (ICICI). These two institutions have agreed to grant loans of £525,000 (approximately Rs. 70 lakhs) and 1.47 million dollars (approximately Rs. 70 lakhs) respectively to meet the cost of the imported plant and machinery while the loan of the Corporation is to be utilised for the rupee expenditure. In another case, the Corporation has agreed to grant a loan of Rs. 18 lakhs to a concern engaged in the manufacture of camphor and its allied products jointly with the ICICI which has granted to it a loan of Rs. 30 lakhs in foreign currency. In two other cases the Corporation has agreed to finance industrial projects jointly with two State Financial Corporations. I am sure you will agree with me that these are steps in the right direction. It is our intention progressively to broaden the fields of co-operation between ourselves and other financial institutions, both at home and abroad. This policy would also help to diversify the risks of investment and thereby render it possible to finance large requirements with a view to making a further contribution to the rapid industrialisation of the country.

7. At the last Annual General Meeting, mention was made of the efforts of the Corporation in obtaining credits in foreign currency and of the sanction by the Development Loan Fund of the United States Government of a loan of 10 million U.S. dollars to the Corporation for giving sub-loans to industrial concerns in the private sector in the country.

How useful this facility has proved can be gauged from the fact that during the few months of the year after signing of the agreement the Corporation approved dollar sub-loans aggregating 9.023 million dollars (Rs. 4.23 crores) along with rupee loans of the order of Rs. 1.37 crores to 14 concerns engaged in the manufacture of a variety of products such as glass, paper, chemicals including fertilisers and electrical machinery, etc. Shareholders will be glad to note that our relations with D. L. F. in the matter of these loan operations have been very satisfactory and the Fund have agreed to raise the limit up to which the Corporation can grant sub-loans without their prior approval from \$250,000 to \$500,000. The Corporation had, at the close of the year, pending with it application for the dollar sub-loans equivalent to Rs. 5.62 crores. As we stand almost fully committed in respect of this first loan, negotiations for an additional loan of U. S. \$20 million from the D. L. F. are in progress and it is hoped that a further tranche of dollar loan will soon be available to us. Apart from the credit in dollars, possibilities of securing loans in other foreign currencies are also being explored.

8. In regard to our loan operations, the sugar industry continues to lead the list of loans approved by the Corporation for the last three years consecutively. This is mainly due to the high priority given by the Corporation to the establishment of sugar factories in the Co-operative sector. The Corporation has so far sanctioned loans aggregating over Rs. 23.20 crores to 37 sugar co-operatives distributed all over the country and I am glad to say that the working of most of the factories which have gone into production, has been satisfactory. The success achieved in the establishment of sugar co-operatives has led to the promotion by the Corporation of co-operatives projects in other lines of production as well. The Corporation has sanctioned loans amounting to Rs. 49.70 lakhs for the establishment of two co-operative spinning units. The loans approved by the Corporation for co-operative societies represent 22.4% of the total loans approved by it, which is indicative of the important role played by the Corporation in the promotion of this sector of the economy.

9. Next to sugar, paper and textiles occupied the second and third places in the quantum of loans approved by us during the year. For the first time since its inception, the Corporation has



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M. J. Mathrani
General Manager.

sanctioned a loan of Rs. 20 lakhs to a concern engaged in coal mining. It is also a matter for satisfaction that concerns from the less developed parts of the country are now utilising the facilities offered by the Corporation on an increasing scale. In this context you may be interested to note that 17 loans aggregating in amount to Rs. 5 crores and \$3 lakhs were sanctioned to concerns located in the States of Andhra Pradesh, Assam, Kerala, Orissa, Rajasthan and Uttar Pradesh.

10. In the field of underwriting too, we have made much progress, though our approach in this line has been somewhat cautious. The Corporation approved twelve proposals for underwriting of preference and equity issues of Rs. 2.32 crores (as compared to five proposals for Rs. 1.87 crores in the previous year), thereby bringing the total amount of underwriting approved by the Corporation to Rs. 4.30 crores. The applications for underwriting came from a variety of industries such as cement, glass, pottery, basic metals, basic industrial chemicals, fertilisers, textiles, rubber, etc.

11. As in the case of applications for underwriting, requests for guaranteeing deferred payments to the suppliers of foreign machinery also showed a significant increase over the figures for the previous year. The Corporation received 14 applications for an aggregate amount of Rs. 18.61 crores against 5 applications for Rs. 3.72 crores in the year 1959-60 and approved 9 such proposals to the extent of Rs. 13.29 crores. This brings the total number of proposals approved to 20 and the total amount to Rs. 25.47 crores.

12. It has been our practice to carry out regular inspections of the concerns financed by us and to obtain periodical progress reports from them. These inspections and reports, I am glad to say, show that most of the concerns have done well in the quantum of production as well as sales during the year. Many of them earned sizable profits and were, with our prior approval, able to declare dividends in excess of 8% (subject to tax), which is our standard limit. An overwhelming majority of our borrower concerns met their obligations to us promptly in the course of the year. There has been a further improvement in the position regarding defaults in the repayment of principal and in the payment of interest. The percentage of defaults in the repayment of principal has declined from 4.3% in 1960 to 2.34% in 1961, while that in regard to interest has come down from 1.2% to 0.25%. The industrial review which we have given in an appendix to our Annual Report will give an idea of the progress made by the various industries to which we have advanced loans and it is a matter

of satisfaction to us that they have contributed significantly in the rapid industrial progress made by the country.

13. The resources position of the Corporation during the year in regard to rupee finance was quite comfortable and we were able to meet the commitments for disbursement of sanctioned loans largely from our own resources supplemented by a net additional loan of Rs. 2 crores from the Central Government. In view of this we did not have to enter the market during the year for fresh issue of Bonds; but, as and when money market conditions justify our doing so, we shall go in for fresh issues of Bonds in order that we may be able to meet the demands likely to be made on us during the Third Five Year Plan period. We are also assured of further loans from the Central Government for meeting a part of our requirements during this period. In addition your Board of Directors have under their active consideration the issue of further share capital of Rs. 2 crores by the Corporation, carrying a minimum guaranteed dividend of 4% per annum for which the approval of the Central Government has been obtained. This will enable the Corporation to broad-base its capital structure and increase its borrowing powers in terms of Section 21 of the Industrial Finance Corporation Act, in order to meet the growing demands of industry for capital. Having regard to the progress achieved by the Corporation during the last 13 years of its working, I have no doubt that we can count upon your generous support when the issue comes in the market. While we have tried to ensure that the shareholders get an adequate return by way of dividend on the new issue, the question of enhancing the existing rate of dividend on the present paid-up capital will need an amendment to the I.F.C. Act. The Corporation is in correspondence on this subject with the Central Government.

14. In December last, Parliament enacted a bill incorporating certain amendments to the Industrial Finance Corporation Act, for which there was a pressing need in view of the changed conditions including the growing activities of the Corporation. These amendments now enable the Corporation to guarantee (a) deferred payments to machinery suppliers both within and outside India, (b) loans raised by industrial concerns from scheduled banks or State Co-operative Banks, and (c) loans raised and credit arrangements made in foreign currency by industrial concerns with any bank or financial institution outside India. The Corporation has also been empowered to subscribe directly to the stocks and shares of industrial concerns as also to convert at its option the loans granted or

debentures subscribed to by it into stocks or shares. These are useful facilities which have been eagerly sought for by industrial concerns and we have already, in one case, agreed to guarantee a loan of Rs. 1.47 crores in foreign currency. Another amendment of which I might make a specific mention is the deletion of the provision in Section 24 of the Act which required a guarantee of the Central Government in respect of accommodation by the Corporation exceeding rupees one crore to an individual concern. Since in all such cases the Corporation carefully examines the profitability of the project and the security available, the guarantee of the Central Government was hardly necessary. After the amendment, the Corporation is, however, required to obtain the prior approval of the Central Government before sanctioning the accommodation. This gives adequate opportunity to Government to scrutinise the merits of the proposal before any commitment is entered into by the Corporation.

15. As you are probably aware the Finance Bill introduced in the last Budget included an amendment to the Income Tax Act which gives us a welcome relief. The new clause (xiva) of Section 10 (2) of the Indian Income Tax Act provides that financial corporations which are engaged in providing long-term finance for industrial development and have been approved by the Central Government can claim rebate in Income-tax in respect of amounts not exceeding 10% of the total income of each year which are transferred to a special reserve fund, so long as the aggregate of the amounts so transferred does not exceed the paid-up share capital of the institutions concerned. I am glad to say that this Corporation has been approved by the Central Government for the purpose of this concession, and we have been permitted this rebate in respect of our accounting year ended the 30th June, 1960, the assessment in regard to which has been very recently completed. We have, as a result, got a relief of nearly Rs. 5 lacs in our assessment and we expect to be able to get a somewhat larger relief in respect of the assessment for the accounting year 1960-61.

16. Our relations with the various Chambers of Commerce and with our loanee concerns continue to be cordial. We have, during the year, nominated more non-officials on the Boards of our loanee concerns and I wish to thank them on behalf of our Board of Directors for the keen interest they have taken in the work.

17. Shri K. R. K. Menon who held the office of the Chairman of the Corporation since 18th September, 1955 with distinction and was largely responsible for the great strides made by the Corporation in the last six years proceeded on leave with effect from the

1st July, 1961 preparatory to the expiry of his tenure of office. On behalf of the Board of Directors, I should like to express our high appreciation of the valuable services rendered by him to the Corporation.

18. It is with profound regret that I have to report to you the sad demise of Shri H. V. Venkatasubbiah, who was the General Manager of the Corporation for about five and half years and who rendered valuable service to the Corporation. He has been succeeded by Shri D. R. Madhok, Secretary of the Corporation.

19. Before I conclude, you will, I am sure, wish to join me in expressing our warm appreciation of the co-operation and assistance made available to us by the Development Loan Fund and its officials. You would also like me to convey our sincere thanks to the members of our five Advisory Committees - non-officials and officials—for the very able and effective assistance they have rendered to the Corporation. I should also like to thank my colleagues on the Board for their very valuable co-operation and wise counsels and their generous response to the many calls made on their time. In this connection I should like to make a special reference to our two directors, Shri S. V. Ramamurthy and Shri S. C. Roy, who have been on the Board of Directors for two full consecutive terms and are due to retire this year. Finally, I have great pleasure in conveying the thanks of the Board of Directors, as well as my own, to the General Manager and the entire staff of the Corporation for another year of loyal and devoted work on their part.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

BURN AND COMPANY LIMITED.

Notice is hereby given that the Registers of Members and Share Transfer Books for 6% and 7% Preference Shares in the Company will remain closed from the 28th October to the 31st October, 1961, both days inclusive for the purpose of payment of Preference Dividends for the half year ending 31st October, 1961, on or after the 10th November, 1961, to those Preference Shareholders whose names appear on the Company's Registers of Members for 6% and 7% Preference Shares on the 31st October, 1961 or to their mandatees.

By Order of the Board,
MARTIN BURN LTD.,
F. G. LIVERSEDEGE,
Managing Director,
Managing Agents.

Registered Office
12, Mission Row,
Calcutta.
13th October, 1961.

Markets

JUTE

Steady Conditions

MILL production will further increase this month as the Indian Jute Mills Association has decided last Saturday on resumption of 48 hours working with effect from the 16 October. In a press note, the IJMA has pointed out that the decision has been prompted by the current rate of jute imports and the prospects for this year's crop. It is noted that the increase in production in this manner will benefit both the jute mill workers and overseas buyers while the reduction in overhead costs will be most welcome to the mills themselves. Referring to the raw jute situation, the press note reiterates the importance of long-term self-sufficiency which in its turn at least in part depends on the cultivator receiving an economic price for his jute. Even though the IJMA does not expect any big surplus of raw jute this season, the scheme for establishing the buffer stock authority is well under way: the Articles and Rules of the Jute Buffer Stock Association are now being finalised. Perhaps the most important point in the press note is the decision of the mills to increase their purchases of raw jute. Members of the Association are to keep current purchases of raw jute approximately at the rate of imports during the pre-Puja period.

The decision of the IJMA mills to step up their purchases of raw jute will remove the uncertainty that was allowed to prevail for some time as to the future trend of raw jute prices. The recent continuous fall in the price of raw jute caused concern

and it was thought that if the downward trend continued unchecked Authority might be obliged to reopen the question of fixing a floor price despite the earlier indication that floor prices would be fixed well in advance of the commencement of a jute season. The resumption of 48 hours working will itself absorb increased quantity of jute and since mills have decided to match their rate of purchases to the rate of arrivals, the quantity that will be taken from the markets will be quite considerable. In its latest issue, the Jute Bulletin, says: "Although, on the assurance of a steady internal availability of jute, the mills in the membership of the Indian Jute Mills Association had ventured on their first production increase in about a year by working 24 additional hours per week with effect from September 22, their fibre stocks would need a large increase to meet the consumption requirements of 48 hour weeks. This was because the mills had been running on a virtual day-to-day purchase of jute".

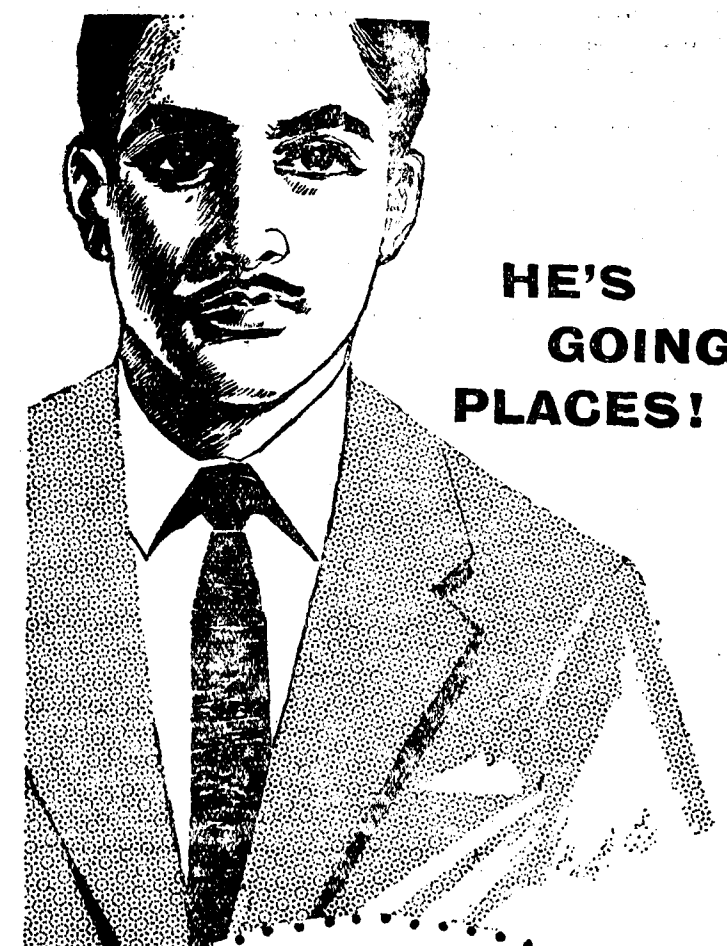
The jute goods market ruled steady although in Tuesday's trading the

STOCKS OF JUTE GOODS AT THE END OF SEPTEMBER, 1961.

	(000 Metric Tons/Tons)	30-9-61	31-8-61	30-9-60
Hessian Cloth & Bag	15.8 (15.5)	20.4 (20.0)	30.0 (29.5)	
Sacking Cloth & Bag	29.2 (28.7)	34.9 (34.4)	40.1 (39.5)	
Others	7.5 (7.4)	9.7 (9.6)	8.9 (8.8)	
Grand Total	52.5 (51.6)	65.0 (64.0)	79.0 (77.8)	

PRICE TRENDS.

	As on 5 Oct. Rs	As on 7 Oct. Rs	As on 11 Oct. Rs
Hessian:			
45" x 11 ozs. ...	56.75	58.25	60.00
40" x 10 ozs. Ready ...	51.25	53.25	56.00
do November ...	48.00	49.00	50.75
do Jan./March ...	45.00	45.75	47.00
40" x 8 ozs. ...	40.75	41.75	43.00
40" x 7 1/2 ozs. ...	38.25	39.00	40.25
Sackings:			
B Twills Ready ...	132.00	133.50	136.75
do November ...	128.00	130.00	132.75
do Jan./March ...	122.50	123.50	126.25
Heavy Ceers (Green) ...	134.00	135.00	137.50
Cornsacks ...	140.00	142.00	147.00
Cubans ...	166.50	169.00	170.00
A Twills ...	162.00	164.00	166.00
L Twills ...	153.00	153.50	157.00
D W Flours ...	160.00	161.00	165.00
Sugar Twills ...	152.50	154.00	155.00
Ready Raw Jute:			
Assam Bottoms ...	32.50	33.00	33.50
Northern " ...	32.50	33.00	33.50
Dalsee " ...	35.50	36.00	36.00
Futures:	Highest	Lowest	Closing
Hessian—November ...	48.96	45.86	48.96
Sacking—November ...	130.50	124.40	130.25
Raw Jute—December ...	33.06	31.60	33.02



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undertone was somewhat easier toward close. Interest was, however, mostly centred on near delivery goods. The figures pertaining to stocks of jute goods at the end of September show that total stocks stood at 52,500 tonnes comprising 15,800 tonnes hessian and 29,200 tons sacking. Other varieties were at 7,500 tonnes. Compared with the stocks at the end of the previous month, total stocks at the end of September were 12,500 tonnes lower. Hessian stocks were 4,600 tonnes lower while those of sacking were 5,700 tonnes lower. Stocks of other varieties were lower by 2,200 tonnes. With stocks at such low level and with indications of further improvement in overseas enquiries, the near delivery positions were in good demand.

The raw jute market ruled somewhat dull on Tuesday although in

earlier dealings a steady undertone prevailed. Mills were keen buyers in pursuance of their decision last week but on Tuesday they did not evince much interest with the result that sellers became anxious to conclude transactions at prevailing rates.

TEA Demand For Exports

THE demand for export space by the tea shippers has continued to be very heavy and, with arrivals from the gardens increasing steadily, the current good demand for export is expected to continue.

In the Export Sale held in Calcutta this week, there was a strong gene-

ral demand. Prices for plain Broken and the better Fannings in this category were fully firm; but Fannings of poor appearance containing fibre were up to 15 nP per kilo easier. Medium and better orthodox descriptions met with useful competition at firm to dearer rates.

CTC types were irregular and prices were generally around last rates. But, as in previous weeks, demand weakened considerably towards the close of sale. Off-grades were in demand; but prices were generally easier. Legg-cut descriptions were up to 15 nP easier. Darjeeling teas met with good support and were generally dearer.

Whole Leaf grades were sold well around last rates, while Tippy teas were generally dearer. Following rates were quoted:—Clean Plain Pekoe Rs 4.40 to Rs 4.60; Clean Broken Pekoe Rs 4.20 to Rs 4.40; Plain Fannings Rs 4.00 to Rs 4.20; Medium Assam CTC BP Rs 5.00 to Rs 5.40; Medium Assam CTC Fannings Rs 4.70 to Rs 5.10; Best Assam CTC B P Rs 5.40 to Rs 5.80 and Best Assam CTC Fannings Rs 5.40 to Rs 5.80.

Direct exports of North-East Indian tea to the UK, during July 1961, were slightly higher at 11.42 million pounds as against 11.28 million pounds in the corresponding month of last year. Exports of tea from South India, however, fell to 3.51 million pounds in August from 5.98 million pounds in the corresponding month of last year.

Meanwhile, the Ceylon's Board of Tea Research Institute has estimated that the total production of tea in the Island in 1961 will be 444 million pounds. This production figure will go up to 501 million pounds in 1965. The estimate does not seem to be absolute and the continued increase in production from 1961 to 1965 can be sustained only with the new and improved methods for stepping the output.

Tea circles in Ceylon have stated that, since most of the margin between the cost of production and gross proceeds of sale goes in taxes, improvements in production have to be very large before they provide any incentive in terms of returns. They have held that heavy taxation

is hitting the tea estates. Besides, there is the problem of replantation. On this aspect, the director of the Tea Research Institute has stated that nobody can say how long tea production in the island will continue, especially when there has been a decline in the rate of replanting due to lack of financial confidence amongst investors.

Tea production in Indonesia fell to 8.1 million pounds in June 1961 from 9.0 million pounds in the previous month. But, compared to the output of 8.0 million pounds in June last year, it shows a slight increase.

In London auction, a total of 26,751 package of tea, including 21,494 packages from Northern India, were on offer. Continued demand for colour and quality Assams resulted in a price rise of 2d to 4d per pound for most lots, while good medium teas remained steady at last week's rates. For the balance of the sale, with the exception of thin liquoring and fibry Dooars which were inclined easier, the markets ruled fully firm. Rates were unchanged.

Indian Finance

COTTON Futures React Sharply

AFTER initial buoyancy the cotton futures market in Bombay during the past week gave way to cautious trading and Jarilla March after touching a peak level of Rs 631.00 reacted sharply to a low of Rs 620.75 and at the close of the week was quoted at Rs 628.75. However, the contract fell further to Rs 626.50 on Tuesday last.

Such a turn in sentiment in a technically overbought market was not altogether unexpected and was by all counts long over due. With the return of the dry weather in the cotton growing centres all the apprehensions of considerable damage to the new crop, which fanned the bullish fervour during the past few days, were relegated to the background. The favourable weather conditions in these areas, in their wake, interestingly enough, led to an upward revision of the crop estimates to 0.50 million bales. Naturally the concern over a likely scarcity of raw cotton due to the anticipated lower production appears to have been shed and the operators are at present confident of a satisfactory supply.

During the week a re-emergence of sellers was visible in the spot market. The reports that emanated from the cotton growing centres like Berar, Khandesh and CP narrate that the damage to the cotton crop would be as much as was feared earlier. Consequently mill demand showed signs of slipping down and the prices in the market tended to decline gradually.

In the export front, barring stray enquiries for the American cotton no worthwhile development took place. The report of the Food and Agricultural Organisation that India may be able to step up its exports of cotton to Europe did not produce any immediate effect. Moderate spinner demand was evident in the import section. East African and Sudan cotton met with fairly good interest. Stray transaction in American ready cotton was also reported.

Influenced by the consideration of a reduced crop the Cotton Advisory Board is reported to have recommended for the import of about 0.12 million bales of cotton during the current season as against 0.7 million bales imported in the previous season. Of this the major portion will be US cotton under PL-480 programme provided the negotiations with the American Government prove successful and the balance will be imported from sterling area countries. The Board seems to have rejected the suggestion made by a section of the trade for earmarking Bengal Deshi solely for export.

PIECEGOODS

The Bombay cotton piecegoods market during the past week depicted slight, but pronounced change in transactions. The offtake was on the whole not unsatisfactory.

Revival of demand in all the varieties particularly in seasonal goods was the main development during

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this week under review. Punjab, UP and Bihar, among others, were found active buyers of seasonal goods. The demand for these goods is likely to firm up with the approach of Dusserah festival.

Among the other varieties dhoti, sari, shirting, longcloth, and fancy goods met with increased attention but unfortunately turnover never reached the expected level. Fancy prints also attracted the fancy of the buyers on a limited scale.

It has been reliably understood that the Indian Cotton Mills' Federation has adopted special methods to ensure adequate supply of piecegoods to West Bengal during the festive season. It has been reported that even the mills were alerted to make the relevant arrangements for the supply of dhoties, saris, etc. for meeting the boisterous demand.

Export section failed to produce any satisfactory results, demand for piecegoods did not flow on an encouraging level. Apart from small transaction with UK there was virtually no demand from overseas buyers.

Lac Prices to be Regulated

It is learnt that the Government of India has nominated the State Trading Corporation as the buffer stock agency to regulate the purchase and export prices of lac. Simultaneously, the Government has decided to fix the minimum purchase prices of different qualities of lac and reduce the export prices. As a result, the export price of B II quality seedlac will come down from Rs 70 to Rs 64 a maund with corresponding changes for other grades.

The minimum prices at which the STC will purchase certain types of lac from growers and manufacturers have been fixed at Rs 58 a maund for B II seed lac and corresponding prices for other types. The export duty will be Rs 160 per 1,000 kg of seedlac and shellac and Rs 125 per 1,000 kg on other types of lac.

The new scheme, which will take effect immediately, has been drawn up with the twin objective of encouraging overseas traders to purchase lac in preference to synthetic substitutes and also ensure fair prices to the growers and manufacturers.

The low price level at which lac purchases were being made recently from the growers and the manufacturers, it is feared, will lead to a curtailment of production. The Government expects that the new scheme will ensure reasonable prices to the growers, optimum production of lac and stabilise the export trade.

SUGAR

The decline in Sugar prices, expected after decontrol, has not materialised. Mills are reported to be quoting higher prices following the brisk demand from the Punjab, Gujarat, Rajasthan, Madhya Pradesh, Saurashtra and Delhi. Nearly 2,50,000 bags of sugar are reported to have been sold since the announcement of decontrol.

In the Muzaffarnagar market, prices are quoting 25 nP to 69 nP a maund higher than the previous controlled rates. It is feared that prices will rise further if the supplementary sugar quota for the coming festivals is not announced by the Government without delay. In the case of some factories, the quantity already released has been sold out and a few are trying to sell even the coming quota. The rate is quoted around Rs 101 a bag.

[At the time of going to Press, it is learnt that the Government of India have decided to release a further quantity of one lakh tons of sugar for sale in the open market from the 1960-61 season's production. This decision has been welcomed by the trade as this will meet the growing demand for the commodity, especially on the eve of Puja and Duruli festivals. How far the present release of one lakh tons will help to bring down the price level will depend on the attitude of the sugar factories, which, in turn, is dependent on the pressure of stocks with them. Market circles, therefore, do not believe that there will be any serious reduction in the prices. If at all a reduction materials, it will be marginal.]

NON-FERROUS METALS

In the Bombay Non-Ferrous Metal market, Copper ruled steady, while the prices of Tin showed an easier tendency. Zinc suffered a setback after early strength with Lead ruling almost unchanged.

The easier tendency of Tin prices was attributed to discouraging advices from London and Singapore. The volume of demand from the ready section also exerted a depressing influence although speculators tried to sustained the levels, presumably on the basis of advices from Madras.

GOLD & SILVER

After opening lower, prices on the Bombay Bullion Exchange developed a firmer tendency towards the close, thanks to the revival of demand in the ready section, improved offtake in both the metals and buying by Delhi and other upcountry operators. The offtake in both the metals registered improvement over their previous week's performance.

Arrivals of silver amounted to 35 bars as against an offtake of 15 bars. Ready silver (below .996) changed at Rs 203.30 to Rs 205.90. Arrivals of gold were 5,500 tolas as against an

offtake of 4,000 tolas. Ready gold changed hands at Rs 124.65 to Rs 125.10, while sovereign remained very firm at Rs 97.

OILS & OILSEEDS

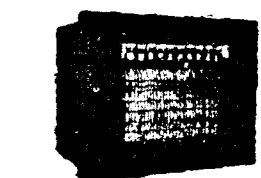
The Bombay market for Oils and Oilseeds reflected an uncertain behaviour. After starting on a quiet note, the market for Groundnut registered a small improvement towards the close on rumours that the Government would grant export quotas for HPS variety and groundnut oil-cake. Ready Boid was quoted at Rs 43 and Groundnut Oil at Rs 18.50.

Trading in the Castorseed section was relatively dull. The demand for castor oil continued to be very small in view of the obscure export outlook. The bulk of the business was of a speculative nature. Castor ready was quoted at Rs 32.25 and Castor Oil, commercial quality, at Rs 13.20.

In the absence of fresh influences, trading in the Linseed section remained dull. The demand for ready linseed oil tended to improve following a broader interest shown by the paint manufacturers. Linseed ready was quoted at Rs 37.75 and Linseed Oil at Rs 16.50.

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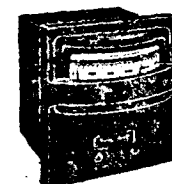
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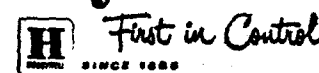


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DALMIA ENTERPRISES IN THE NATION'S SERVICE

Company Reports

First Dividend by Kalinga Industries

KALINGA Industries Limited has produced encouraging results for the year ended 31 March 1961, thanks to increased production and the expansion programme. While sales have risen to Rs 1.18 crores from Rs 71.14 lakhs, the net profit, after providing for Depreciation and Development Rebate Reserve, amounts to Rs 9.58 lakhs against a loss of Rs 3.86 lakhs incurred in the previous year.

In respect of allocations, Depreciation is reduced to Rs 4.16 lakhs from Rs 4.87 lakhs, while the provision for Development Rebate reserve is substantially lower at Rs 27,140 against Rs 13.55 lakhs. After paying all the arrears of dividend on the preference shares the directors have proposed a dividend of 5 per cent on the Ordinary shares for the first time. The company will not have to pay any income-tax in view of the development rebate concession allowed to the new industries.

The company has set up the first successful low shaft furnace in the country and, for the last 21 months, has been producing highgrade foundry pig iron. The present capacity is 30,000 tons per annum. The company is still awaiting advice from the Government of India about the allocation of foreign exchange for the import of essential equipment. The directors have stated that further headway towards the expansion programme can only be made after the Government decision is known about the allocation of foreign exchange from the German loan.

The expansion programme for which an industrial licence has been obtained includes increasing the production of pig iron to 1,00,000 tons per annum and setting up of a cast iron spun pipe plant using this pig iron as raw material and a power plant of 5,000 KW capacity using the rich top gas from the furnace. In collaboration with a Swedish firm, the company is also manufacturing the world famous Electrolux refrigerators in its factory at Cuttack.

Board of Directors.			
Year ended March.	1961	1960	
	Rs.	Rs.	
Sales	11,757,522	7,114,029	
Stocks	2,670,142	2,054,374	
Stock in progress	203,190	205,311	
Net profit	1,400,551	1,456,831	
Depreciation	415,818	486,964	
Dev. Rebate Reserve	27,140	1,355,475	
Div. Amount Ord.	193,955		
Div. Amount Pref.	220,536*		
Carry Forward	137,787	—405,315	
Div. % Ord.	5†		
Div. % Pref.	5†		

(Annual General Meeting held on 11-10-61).
*Preference dividend upto 31-3-61 inclusive of all arrears of Dividend at 5 per cent (tax free), per annum.

Synopsis of balance sheet as on the last day of March, 1961.

Liabilities.	Rs.	Assets.	Rs.
Capital Paid up:		G. Block	9,787,712
5% RC Pref.	263,000	Depreciation	1,506,832
Ordinary	3,881,750	Block (net)	8,280,880
Forfeited shares	232,800	Stock in progress	203,190
Share Deposit		Raw Material	
Money	1,600	& Stores	2,856,961
4% Debs.	2,200,000	Stocks	2,670,142
Other F'ds.	1,382,615	Outst'dgs.	1,139,073
Loans Secured	3,143,109	Do More than 6 months	94,017
unsecured	1,442,225	Mis. Deposits & Advances	411,594
Debs	2,585,603	Invest'mts.	100,000
Carry F'd.	137,787	Cash	48,632
Total	15,044,489	Total	15,044,489

Midnapore Zemindary Incurs Loss Again

The absence of any further progress made towards the settlement of the company's compensation claims is reflected in the working results of the Midnapore Zemindary Company Limited for the year ended 13th April, 1961. The accounts reveal a loss of Rs 1.45 lakhs as against Rs 1.08 lakhs for the preceding year. Adding the year's loss, there is a debit balance of Rs 23.39 lakhs, which is carried forward.

The directors state that the Government of West Bengal was unable to publish the Compensation Assessment Rolls within the period prescribed in the Estate Acquisition Act and consequently the date for publication has been further extended by the West Bengal Government to April, 1963. In addition, no payments have been received from the Government of Bihar and Pakistan.

The company now faces a difficult position due to non-receipt of ad-interim compensation and the progressive postponements of the date on which final compensation will be paid. In this connection, the directors state that the consideration of any further repayment of capital must be deferred until some payments towards the company's compensation claims are received.

Secretaries:—Andrew Rule & Co., Ltd.			
Year ended April 15	1961	1960	1959
	Rs.	Rs.	Rs.
Collections	8,505	9,526	8,141
Interest and Mis.			
Incomes	53,056	86,084	149,985
Net profit	—145,482	—107,507	—215,291
Taxation			8,000
Depreciation	50	68	265
Carry Forward	—2,338,871	—2,193,339	—2,085,764
Div. % Ord.	Nil	Nil	Nil

(Annual General Meeting held on 6-10-61).
Synopsis of balance sheet as on the 13th day of April.

Liabilities.	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid up	7,990,000	8,695,000	8,695,000
Taxation Provision	774,853	1,103,842	1,395,673
Debtentures	231,212	236,339	280,536
Total	8,996,065	10,035,181	10,860,611
Assets.			
G. Block	67,063	95,116	99,949
Depreciation	46,554	46,504	47,049
Block (net)	20,509	48,612	52,900
Stores	188	258	295
Outstandings	5,102,615	5,154,713	4,071,852
Mis. Deposits & Advances	116,226	118,974	1,338,379
Investments	51,100	51,100	51,100
Deposits in Banks	314,000	1,715,000	2,317,010
Cash	1,052,556	753,185	943,330
Debit Balance	2,338,871	2,193,339	2,085,764
Total	8,996,065	10,035,181	10,860,611

Ahmedabad Electricity Repeats

Thanks to the increase in units sold from 6.98 million to 7.55 million and the consequent increase in revenue by sales from Rs 5.03 crores to Rs 5.54 crores, the Ahmedabad Electricity Company Limited has been able to report a slight rise in the net profit from Rs 1.28 crores to Rs 1.51 crores for the year ended 31 March 1961.

In respect of allocations, Depreciation is raised to Rs 49.68 lakhs from Rs 48.52 lakhs and Other Funds to Rs 19.74 lakhs from Rs 16.03 lakhs. The dividend on the Ordinary shares is maintained at 7 per cent, subject to tax.

The directors state that, in order to confine the demand within the limits of plant capacity, certain controls have been introduced under the directions of the Gujarat State Government and

with the co-operation of the Millowners' Association and the Textile Labour Association. The power position is expected to be considerably eased with the commissioning of the first and second 30 MV Sets in March 1962 and March 1963 respectively.

For the years 1955-56 and 1956-57, an arbitration at the instance of the then Bombay State Government (now the Government of Gujarat) was pending before the Central Electricity Authority. The award was received recently and is being considered as it relates to matters which may affect the accounting position between the company and the managing agents, and the company and the consumers.

Mg. Agents:—Killick Industries Ltd.			
Year ended March.	1961	1960	
	Rs.	Rs.	
Units sold	755,426,226	698,212,519	
Revenue	55,415,045	50,284,406	
Net profit	13,064,593	12,574,182	
Depreciation	4,967,907	4,851,812	
Other Funds	1,973,505	1,602,633	
Div. Amount Ord.	6,123,397	6,123,397	
Carry Forward	422	638	
Div. % Ord.	7†	7†	

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

Liabilities.	1961	1960
	Rs.	Rs.
Capital paid-up	87,411,100	87,411,100
Preferred shares	1,295	1,295
4½% Debentures		20,000,000
5½% Debentures	30,000,000	
Capital Reserve	6,835,494	5,691,753
Reserve Fund	945,109	945,109
Other Funds	6,957,921	5,071,795
Loans unsecured	1,297,216	1,705,623
Taxation Provision	450,337	150,337
Debts	20,355,578	16,310,468
Carry Forward	422	638
Total	154,320,472	137,654,116

Assets.		
G. Block	160,461,688	152,394,046
Depreciation	45,257,864	46,447,082
Block (net)	115,203,824	111,946,954
Cap. Exp. in progress	13,127,695	4,158,831
Miscellaneous Exp.	1,490,502	545,441
Stores	6,153,487	6,145,962
Outstandings	8,195,380	10,029,634
Do More than 6 months	414,325	448,707
Mis. Deposits & Advances	1,025,995	1,318,744
Investments	3,154,595	2,507,010
Deposits in Banks	4,000,000	
Cash	1,554,669	252,773
Total	154,320,472	137,654,116

Barakar Engineering Reports Better Results

Despite a decline in sales from Rs 17.12 lakhs to Rs 11.73 lakhs, the Barakar Engineering and Foundry Works Limited has reported a higher net profit of Rs 1.51 lakhs as against only Rs 27,429 for the previous year.

In respect of allocations, the Depreciation amount is raised to Rs 1.41 lakhs from Rs 1.26 lakhs, while the provision for Development Rebate Reserve is reduced to Rs 9,000 from Rs 17,500. The dividend is, however, skipped again for the year.

The directors state that there has been a further hold-up in the implementation of the collaboration with Messrs. August Klonne of West Germany on account of reorganisation of the said firm. They expect the agreement coming into force in another few months. In the meantime, the Structural Shop has not remained idle and the company is successful in securing jobs to keep it going.

Year ended March	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	1,173,005	1,712,181	1,936,698
Stocks	273,806	18,745	4,840
Raw Materials	538,004	540,038	275,876
Stock in progress	270,166	226,891	370,723
Net profit	150,923	27,429	88,588
Depreciation	140,883	126,242	106,049
Development Rebate Reserve	9,000	17,500	85,879
Carry Forward	—603,925	—604,965	—488,652

(Annual General Meeting held on 30-9-61).

For the Investor

INVESTMENT GOSSIP

Pre-Puja Caution

Although prices have tended to sag in the past two days, the undertone of the stock market this week has been steady. In earlier dealings equity values were marked up under the impetus of buying support but higher levels could not be maintained due to profit taking. However the movement in the reverse direction has been slow as there has been no excessive selling pressure. The fast approaching Puja recess is a major limiting factor this week. With Lyons Range remaining shut for eleven days from this week-end, it is not surprising that operators are reluctant to extend commitments.

A feature of trading during the past few weeks has been the support that has been forthcoming for selected shares. Corporate news is generally good and investors have not been slow to lend support to shares which have good dividend and growth prospects. Such discriminating attention may well continue to characterise trading in coming weeks.

For a couple of weeks or so, sectionwise, textiles have been receiving the sustained attention of buyers evidently because cotton mill prospects are believed to have improved following increased offtake of cloth both by the domestic and overseas markets. It is not unlikely that interest may broaden in the jute section as the industry is expected to fare better in coming months than hitherto. Jute mills have decided to increase their working hours to 18 from the middle of this month following large arrivals of raw jute. It is expected that with raw jute prices at current reasonable levels and indications of larger foreign enquiries, mills may be able to record some profit instead of the heavy loss sustained by them during the past few months. Tea shares which have been sluggish presumably due to fears of a glut of the commodity in world markets may come into favour in view of the improved price levels obtained in the auction in Calcutta this week. Likewise paper shares which have been neglected so far seem to be getting attention following revival of the hope that government may sympathetically view manufacturers' plea for an upward revision of the selling prices of paper.

While the outlook for equities seems to be quite good, it would appear that wide price fluctuations there may not be witnessed for some time to come. The continued stringent conditions in the money market and new issues may not leave much funds for the stock market to put into speculative use. Opera-

tors have also perforce to bear in mind that there is now the Committee of Stock Exchange Presidents charged with the onerous responsibility of ensuring orderly working of stock markets.

NEW ISSUE NOTES

Dunlop Rubber

The Dunlop Rubber Company (India) Limited has obtained the Government sanction for the issue of 1,500,000 equity shares of Rs 10 each by capitalising the Reserves to the extent of Rs 1½ crores. The company's existing paid-up capital is Rs 3 crores and the bonus shares will be issued at the rate of one bonus share for every two shares held.

Kesoram Industries

It is understood that Kesoram Industries & Cotton Mills Limited has decided to offer 15,000 equity shares of Rs 10 each at Rs 28.75. The current market price of these shares is Rs 29.50. The company has, in addition to the spinning and weaving unit, commissioned a rayon plant and has achieved full production of the same. It has also further plans of diversification. The company plans to put up a Spun Pipe Plant with an annual capacity of 30,000 tons and also a steel tube project.

Tata Chemicals

Tata Chemicals Limited has announced to increase its capital, partly by issuing right shares and partly by Debentures. The directors have decided, subject to the approval of the shareholders and consent of the Controller of Capital Issues, to issue right shares of Rs 10 each, at a premium of Rs 2.50 in the ratio of one share for every five shares held and to issue additional Debentures of the value of Rs 50 lakhs, carrying interest at 6½ per cent, taxable, repayable in 1970-75.

Lucas-TVS

Lucas-TVS is a new company, proposed to be incorporated in the Madras State for the manufacture of automobile electrical equipment in collaboration with Messrs Joseph Lucas (Industry) Limited, UK. It is proposed to issue Rs 2 crores, divided into 200,000 equity shares of Rs 100 each for cash, at par. Of this, 60 per cent will be subscribed by the foreign collaborators.

India Refrigeration

The Controller of Capital Issues has given consent to the India Refrigeration Industries Limited, Delhi,

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for the issue of shares worth Rs 80 lakhs, divided into Rs 36 lakhs worth of equity shares of Rs 10 each and Rs 14 lakhs worth of Cumulative Redeemable Preference shares of Rs 100 each, carrying interest at 9 per cent, free of company's tax, but subject to deduction of taxes at source.

Kerala State IDC

The Kerala State Industrial Development Corporation Limited, Trivandrum, has obtained the Government sanction for issuing 10,000 equity shares of Rs 1,000 each, for cash, at

par. The entire capital will be subscribed by the Government of Kerala and the proceeds will be utilised for promoting, establishing and executing industries for the manufacture of various types of plant and machinery.

Oldham & Son

Oldham & Son (India), Limited has been permitted to issue bonus shares of the value of Rs 2.5 lakhs on capitalisation of the company's reserves to a like extent. The company's paid-up capital is Rs 7.5 lakhs.

Shivrajpur Syndicate

The Shivrajpur Syndicate Limited has obtained the approval of the shareholders to issue 1,50,000 ordinary shares of Rs 10 each to the existing shareholders as bonus in the ratio of one share for every share held on 13 November, 1961. These shares will be issued by capitalising Rs 10.50 lakhs from the General Reserve.

Chartered Bank

The stockholders of the Chartered Bank, at their meeting held in London on 4 October, approved the increase in the authorised capital of the bank to £10 million. The Stock Exchange has granted quotations for and permission to deal the 1.1 million new £1 shares. The issued capital of the bank is now £6.6 million.

INVESTMENT NOTES

Gokak Mills

Gokak Mills Limited, Belgum, has been licensed to instal 50 automatic looms for the manufacture of industrial fabrics, such as tyre canvas. The licence is, however, subject to certain conditions. The firm will manufacture only cotton canvas and duck. No foreign exchange will be incurred by the company on the import of capital equipment. Moreover, it will have to undertake to export 50 per cent of the canvas and duck production for five years.

Godrej Soap

Godrej Soaps (Private), Limited, Bombay, has been refused permission to undertake the manufacture of 18,300 metric tons of fatty acids per annum; because even the existing manufacturers are currently working below their installed capacity owing to a shortage of foreign exchange for the import of raw materials, viz, copra and palm oil.

Jay Shree Tea

Jay Shree Tea & Industries Limited has been refused industrial licence to



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JB-12

manufacture 18 million square feet of commercial plywood per annum on three shifts. The refusal is at the instance of the State Government, which is reported to have felt that there will be difficulty in ensuring adequate supplies of raw material for the unit in the proposed area.

Union Carbide

It is understood that the Maharashtra Government has entered into a long-term contract with the Union Carbide Limited, Bombay, for the supply of rectified spirit for manufacturing polythene used in the plastic industry. With its State-owned distillery at Chitali already in production, the Government has an installed capacity for producing 2.7 million gallons of rectified spirit a year for industrial uses. The Government gets its supply of molasses for this purpose from a dozen sugar factories in the State.

J. K. Synthetics

J. K. Synthetics Limited has proposed to set up a Nylon factory at Kota. The building is almost complete. Plant and Machinery have arrived in India. The erection work is going on in full swing and every possible effort is being made to complete it as early as possible. It is expected that the plant will go into production before the close of the current year.

STOCK EXCHANGES

Overall Trading Pattern Unchanged

Watch-Dog Writes:

STOCK markets have disclosed no change in the overall trading pattern during the week under report. In the absence of any adverse news and with the return of buyers on a selective basis, slight improvement in prices have been recorded. There is, however, a general disposition to restrict commitments and book profits at bulges.

With operators reluctant to enter into fresh commitments owing to the approaching Puja holidays, the Calcutta Stock Exchange displayed a dull, but steady undertone, prices responding to selective support.

The Bombay Stock Exchange gave a mixed performance. Popular Mill shares met with good demand, while the shares in other counters came in for selective enquiry.

On the Madras Stock Exchange, activity was confined to only a few selected issues.

CALCUTTA

Thursday Evening.

ALTHOUGH trading was patchy and price movements were confined to narrow limits, selected issues on the local stock exchange continued to attract a fair measure of support. In general, the week just ended saw the familiar pattern of each successive rise being immediately followed by profit-taking.

Resuming the week on a hesitant note, prices looked up on cautious bear-covering and renewed bull support, thanks to a steady flow of favourable corporate news. Sentiment was also assisted by the Government decision to consult industries with a view to promoting exports through pooling arrangements. Support to the market, however, proved to be selective. This was mainly due to the fact that, apart from the unwillingness to extend commitments in view of the approaching holidays, operators were unable to take a constructive idea about the future trend of the market.

The Giltedged section continued to remain dull with enquiry limited to very few loans. Most of the medium-dated loans were on offer with buyers reserved. Barring a little interest shown in the new 4½ per cent 1972 issues at a heavy discount, other State Loans were neglected. 3 per cent 1986 Conversion Loan hovered narrowly around Rs 72.85.

Bank shares remained steady with United Commercial changing hands at Rs 91.00 and Punjab National at Rs 18.62.

Despite the news of the decision made by the IJMA to raise the working hours further from 45 to 48 a week, Jute shares continued to be out of favour, mainly due to a lack of overseas business in finished goods. Only very few dealings were recorded. Prominent amongst these were Fort William changing hands at Rs 27.19 to Rs 27.50; Birlas at Rs 25 to Rs 25.75; Ganges at Rs 10.94 to Rs 11.12; Howrah at Rs 20.25 to Rs 21.00 and New Central at Rs 18.87 to Rs 17.

Coal shares continued to be neglected on reports of the accumulation of stocks at various pit-heads. Burakur moved narrowly between Rs 18.25 and Rs 18.31 and Western Bengal between Rs 9.25 and Rs 9.31. New Beerboom turned ex-dividend at Rs 21.50. New Manbhoom came in for some enquiry up to Rs 15.62; but receded at the close to Rs 15.31 on reports of the company's proposal to issue the right shares in the ratio of 2:3 at a premium of Rs 2.50 a share.

Thanks to the improvement in the prices obtained at the week's export auction, Tea shares steadied up a little although enquiry was confined to only a few selected issues. The general belief, that there would be no more increase in production during the remaining months of the year, was also a contributory factor to the steadier tendency in prices. Bateli changed hands at Rs 18.94 to Rs 19.06; Hasimara at Rs 31.37 to Rs 31.62; Hattikhira at Rs 9.75 to Rs 18.18; Jay Shree at Rs 17.87 to Rs 18; Huldibari at Rs 29 to Rs 29.31 and Tezpor at Rs 15.69 to Rs 15.81.

Sugar shares continued to remain depressed. Operators did not view the prospects of the sugar companies with optimism as there was very chance of profits being affected under the new sugar policy. The only steady feature were Cawnpore, having sustained support up to Rs 13.19. Raza/Buland were a narrow market around Rs 10.50.

Textile shares continued to present a firm front on prospects of higher

exports to the UK and USA as a result of an agreement between India and the US. Jayshree met with business at Rs 17.25 to Rs 17.37; Cawnpore at Rs 9.06 to Rs 9.19; Bowraah at Rs 35.12 to Rs 35.75; Dunbar at Rs 33 to Rs 33.31; Elgins at Rs 21.87 to Rs 22.06; Kesoram at Rs 29 to Rs 30.00 and J. K. Rayon at Rs 19.25 to Rs 19.44.

Engineering shares displayed generally a steadier tendency under the lead of Indian Irons. After opening at Rs 24.34, Indian Irons touched a low of Rs 23.30 and a high of Rs 24.48 before closing finally at Rs 24.36. Other engineering shares, which came into limelight, were Jessop having sustained support up to Rs 21 from Rs 20.75; Binani Metal up to Rs 12.12 from Rs 12; Jay Engineering up to Rs 27.50 from Rs 27.37 and Guest, Keen, Williams up to Rs 40.75 from Rs 40.50.

Miscellaneous issues were in good favour due to hopes of a better showing in the near future as a result of import restrictions. The pews of the Government having given consent to the issue of bonus shares caused Dunlop Rubber to firm up to Rs 54.81 from Rs 54.25 before finishing at Rs 54.62. Hindustan Motor, after being taken up to Rs 19.44 from Rs 18.94, reacted at the close to Rs 19.06 on selling pressure following the news of the look-out of the factory in view of the strike. Following were the price trends of a few other selected shares:

	As on 7 Oct.	High 12 Oct.	As on 12 Oct.
Orient Paper	35.45	35.70	35.50
Shree Gopal	26.50	26.75	26.50
Sirpur	16.19	16.50	16.50
IBP	28.31	28.31	27.94
Rohtas	16.50	16.62	16.50
Phillips Carbon	19.12	20.00	20.00
Isaac Holden	19.25	19.50	19.50
Alkali Chem.	38.50	38.50	38.12
I. Cable	35.75	36.12	36.06
I. Aluminium	35.12	35.37	35.37
I. Oxygen	39.15	39.15	39.12
I. Steamship	8.06	8.06	8.12
I. Copper	4.76	4.85	4.83
BIC	9.44	9.81	9.73
General Tyres	6.19	5.95	6.12

Usha Martin has decided to make the first and final call of Rs 5 a share on the 4,00,000 equity shares of Rs 10 each, payable on or before 14 November, 1961.

"The proprietors of Indian Patent No. 54892 Improvements relating to apparatus for administering injections of fluid under the action of compressed gases" desire to conduct negotiations for the grant of a manufacturing licence with respect to or for the disposal of the above numbered Patent. Anyone interested should apply to:—Box No. 12, C/o. Indian Finance, Calcutta-14.

NEW LICENSING ARRANGEMENTS

Vantona Textiles Ltd., 3, Woodstock Street, London, W. 1 are actual steady consumers of all types and widths Indian Grey Cloth. We are not merchants and invite orders and correspondence for regular supplies. Avoid uncertainty by trading direct.

14 October 1961

RESERVE BANK OF INDIA			
ISSUE DEPARTMENT: (In 000's of Rupees)			
	6-10-61	29-9-61	7-10-60
LIABILITIES:			
Notes in Banking Dept.	18,09.45	34,79.88	12,21.71
Notes in Circulation...	1891,40.52	1857,23.93	1810,91.18
	1909,57.97	1893,03.81	1823,12.89
ASSETS:			
Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Starling Securities	116,86.07	116,86.07	123,00.89
Total of A	234,62.10	234,62.10	240,76.92
(B) Rupee Coin	125,15.47	128,61.31	130,61.96
Rupee Securities	1548,80.40	1528,80.40	1451,74.01
	1909,57.97	1893,03.81	1823,12.89
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	50,00.00	50,00.00	40,00.00
National Agricultural Credit (Stabilisation) Fund	6,00.00	6,00.00	5,00.00
Deposits:			
(a) Central Govt.	65,14.79	59,46.37	55,73.92
(b) Other Govt.	4,68.21	22,49.47	11,25.39
(c) Banks	72,47.13	78,47.32	105,61.49
(d) Others	149,16.99	146,68.86	85,95.55
Bills Payable	22,65.81	26,78.27	16,34.73
Other Liabilities	16,90.55	17,51.57	15,30.18
	472,03.48	491,91.86	420,01.26
ASSETS:			
Notes	18,09.45	34,79.88	12,21.71
Rupee Coin	2,29	2,90	1,70
Subsidiary Coin	3,94	3,95	5,31
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	34,39.49	12,76.74	23,78.31
Balances held abroad*	13,60.23	12,87.24	17,79.38
Loans & adv. to Govt.	57,03.64	49,36.26	39,19.41
Other Loans & Adv.	139,13.51	133,32.97	127,74.84
Investments	191,59.07	231,23.70	186,94.27
Other Assets	17,81.86	17,49.12	12,26.23
	472,03.48	491,91.86	420,01.26

(1) The item 'Other Loans and Advances' included Rs 7,82,50,000 advanced to scheduled banks against advance bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA			
(In 000's of Rupees)			
	30-9-60	22-9-61*	29-9-61*
Demand Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	20,52.18	16,00.21	20,95.21
(ii) Other demand liabilities	756,89.02	818,37.53	821,34.36
Time Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	20,54.06	19,31.55	19,49.99
(ii) Other time liabilities...	1161,30.81	1121,90.44	1123,89.79
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	18,33.02	7,24.97	7,62.65
(ii) Time Liabilities	67.00	10,20.00	10,76.00
Borrowings in India from the R. B. I.	33,44.28	15,62.10	11,07.40
Cash in India	46,76.72	46,49.46	43,47.81
Balances with the Reserve Bank of India	107,00.91	77,40.81	73,19.72
Balances with other banks in current account in India	16,15.60	16,04.36	16,11.96
Money at call and short notice in India	29,54.97	42,63.67	46,71.15
(Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	722,53.57	607,38.06	617,84.82
Advances in India	986,93.25	1071,81.48	1061,81.85
Inland Bills Purchased and Discounted in India	99,13.76	117,49.30	124,58.19
Foreign Bills Purchased and Discounted in India	49,74.66	45,70.28	46,01.29

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

4—Including borrowings from R.B.I. also.

STATE BANK OF INDIA			
(In 000's of Rupees)			
	6-10-61	29-9-61	7-10-60
LIABILITIES:			
Capital Paid-up	5,62.50	5,62.50	5,62.50
Reserve Funds	7,45.00	7,45.00	7,29.00
Deposits and other Accounts	530,31.20	532,61.52	589,28.90
Borrowings from other Banks, Agents, etc.	17.00	17.00	14.25
Bills Payable	10,93.30	10,24.63	9,52.81
Bills for Collection as per contra	2,88.23	2,86.19	2,19.18
Acceptances etc. for constituents as per contra	84.75	87.50	1,77.13
Other Liabilities Including Inter-office Adjustments	16,52.12	15,53.37	18,13.82
Total	574,74.10	575,37.70	633,88.59
ASSETS:			
Cash in hand and with R. B. I.	20,57.26	23,69.68	19,55.71
Balances with other Banks	4,40.26	4,32.02	3,55.34
Money at call and short Notice	2,00.00	1,60.00	93.33
Government and other Trustee Securities	256,27.79	261,28.59	360,86.19
Other Authorized Investments	9,24.36	9,24.37	9,88.01
Loans Advances cash credits & Over Drafts	233,66.79	231,45.87	204,06.21
Bills Discounted and Purchased	10,89.50	11,01.28	9,83.21
Bills for collection as per contra	2,88.23	2,86.19	2,19.18
Constituents' Liabilities, etc., as per contra	84.75	87.50	1,77.13
Dead Stock	3,32.60	3,32.31	2,36.98
Other Assets	30,62.56	25,69.89	12,67.30
Total	574,74.10	575,37.70	633,88.59

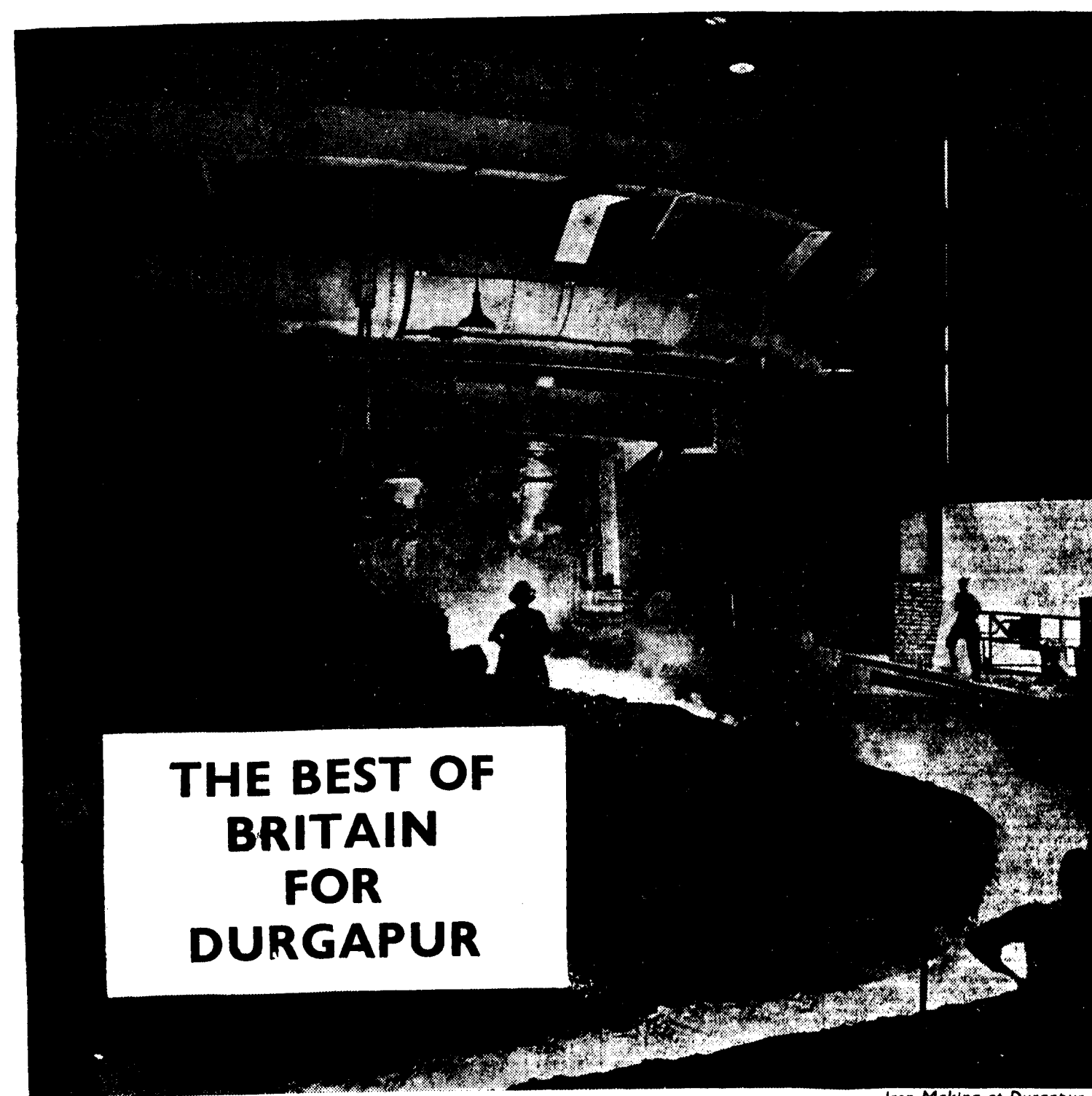
CLEARING HOUSE RETURNS

Week ended 6 October, 1961			
Clearing House	No.	Amount	
		Rs.	p.P.
Madras	98159	13,04,73,010	00
Dalhi	49478	9,62,07,376	58
Kanpur	19925	3,83,90,710	00
Bombay	357721	79,58,16,000	00

BANK OF ENGLAND			
(In Million £)			
	4-10-61	27-9-61	5-10-60
Notes in Circulation	2,300.2	2,303.7	2,220.1
Notes in Banking Department	17.1	21.6	30.3
Govt. debt and securities	2,324.0	2,324.0	2,247.7
Other securities	0.8	0.7	0.8
Gold Coin and Bullion	0.4	0.4	0.4
BANKING DEPARTMENT:			
DEPOSITS:			
Public Accounts	11.6	14.6	11.6
Treasury Special Account	232.9	232.9	149.8
Bankers	258.9	265.5	251.4
Other	68.6	71.4	65.3
Total	572.0	584.5	478.1
SECURITIES:			
Government	501.6	517.5	428.0
Discount and Advances	51.6	43.4	17.6
Other	19.4	19.6	19.0
Total	572.5	580.5	464.6
Banking Department reserves	18.3	22.5	31.2
"Proportion" %	3.1	3.8	6.5

Government debt is £11,015,100, Capital £14,553,000
Fiduciary issue reduced by £25 million to £2,325 million
as 20 September, 1961.

STATE BANK OF PAKISTAN			
ISSUE DEPARTMENT:			
(In 000's of Rupees).			
	Week Ended		
	29-9-61	22-9-61	30-9-60
LIABILITIES:			
Notes in Banking Dept. .	13,35.08	12,00.11	12,80.02
Notes in circulation ...	346,74.47	348,04.54	342,23.55
	360,09.55	360,04.65	355,03.57
ASSETS:			
(A) Gold Coin & Bullion	24,93.90	24,93.90	24,66.79
Approved Foreign Exchange	71,54.96	71,06.87	73,06.09
India Notes receivable from Reserve Bank ...	43,01.64	43,01.64	43,01.61
(B) Rupee Coin ...	3,89.21	3,84.31	5,10.36
Govt. of Pak. Securities held with Reserve Bank of India pending transfer	210,79.78	211,27.87	203,28.66
Gold coin & Bullion ...	19.02	19.02	19.02
Sterling Securities ...	4,40.63	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90	1,00.90
Rupee coin ...	29.51	29.51	29.51
Total ...	360,09.55	360,04.65	355,03.57
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up ...	3,00.00	3,00.00	3,00.00
Reserve Fund ...	4,65.00	4,65.00	5,15.00
Rural Credit Fund ...	2,00.00	2,00.00	
Deposits:—			
(a) Central Govt. ...	21,17.59	25,85.15	11,95.62
(b) Provincial Govts....	2,82.83	95.54	61.29
(c) Banks ...	18,26.84	17,17.43	20,73.61
(d) Others ...	115,21.38	113,18.42	183,61.59
Bills payable ...	20.18	11.06	89.32
Other Liabilities ...	6,98.68	8,07.24	10,99.00
	173,82.50	174,49.84	156,45.23
ASSETS:			
Notes ...	13,35.08	12,00.11	12,80.02
Rupee Coin ...	72	70	45
Subsidiary Coin ...	65	61	54
Bills purchased & discounted,			
(a) Internal ...	...	...	...
(b) External ...	...	...	...
(c) Govt. Treasury Bills	...	...	...
Balances held outside Pk. Loans & Adv. to Govts.	16,20.49	17,44.69	24,60.20
Provincial Governments	...	89.00	7,35.00
Debtor Balances ...	...	...	...
Other Loans & Advances	42,19.21	42,74.14	10,22.43
Investments ...	92,46.04	91,97.95	93,60.76
Other Assets ...	9,60.31	9,51.64	8,85.83
Total ...	173,82.50	174,49.84	156,45.23
Ratio of Gold Coin and Bullion, Silver Bullion, Sterling securities and approved Foreign Exchange to Banks' notes issued, 40:17 per cent.			
SCHEDULED BANKS IN PAKISTAN			
(In 000's of Rupees).			
	Week Ended		
	22-9-61	15-9-61	23-9-60
DEMAND LIABILITIES:			
(a) General	201,49.18	202,17.99	204,04.04
(b)(i) Deposits from Banks	5,02.33	5,25.87	3,85.85
(ii) Borrowings from Banks	12,32.23	11,11.40	18,39.51
TIME LIABILITIES:			
(a) General	119,60.33	116,80.07	104,17.80
(b)(i) Deposits from Banks	3,48.25	3,62.38	2,86.63
(ii) Borrowings from Banks	8,37.95	8,52.72	5,20.55
Borrowings from the State Bank			
(a) Against Usance Bills promissory notes ...	32,23.50	31,23.25	15.50
(b) Other Borrowing ...	5,01.69	3,70.95	60.30
CASH IN PAKISTAN:			
(a) Pakistan Notes ...	6,39.84	6,51.71	5,95.36
(b) Pakistan Rupee Coins	33.02	34.48	30.15
(c) Pak. Subsidiary Coins	12.96	13.26	11.09
BALANCE WITH THE STATE BANK:			
(a) Principal Office ...	8,97.81	9,25.82	12,49.03
(b) Other Offices and Branches	6,86.86	6,96.30	6,60.26
Balances with other banks in Current Account in Paktn.	4,84.04	4,35.04	4,35.06
Money at call & short notice in Pakistan	19,68.60	18,87.02	21,83.15
INVESTMENT (AT BOOK VALUE):			
(a) In Central Govt. Securities including Treasury Bills	109,64.14	109,14.17	111,73.56
(b) In Provincial Govt. Securities including Treasury Bills	19,10.98	17,87.28	19,75.78
(c) In Others	3,88.62	3,54.81	3,15.31
ADVANCES IN PAKISTAN	201,78.67	196,41.39	185,40.30
BILLS DISCOUNTED IN PAK.	6,06.17	6,19.44	4,19.07
FOREIGN BILLS DISC. PK.	16,27.49	16,88.71	16,27.49



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PSIC 31

Indian Finance

Indian Finance

Saturday

28 October 1961

Volume LXVIII No. 17

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HIGHLIGHT OF THE ISSUE

Trends in the capital structure of corporate enterprises during 1960-61 are discussed in the first Leading Article.



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Founded in

1928

by

C. S. Rangaswami

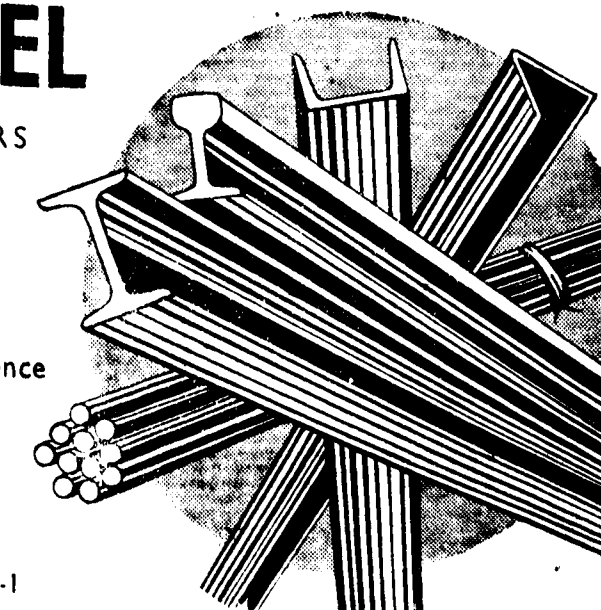
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Staple Textiles:—

MADESHI COTTON MILLS COMPANY LIMITED, NAINI (Allahabad)

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REE ANAND SUGAR MILLS LIMITED, KHALILABAD (Basti)

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Indian Finance

Established 1928

28 October 1961

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is Right'—The Analects of Confucius

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Trends in Capital Structure

INTERESTING information regarding new capital issues, such as the proportions of equity and preference shares, financing of project costs, formation expenses etc. is provided by a recent survey undertaken by the Research and Statistics Division of the Company Law Administration. The results summarised in the table overleaf are based on the study of prospectuses issued by the companies during the year ended March 1961. The study covered 43 big-sized companies with capital issues aggregating Rs 31.12 crores. Out of the 43 companies, only 8 were to be managed by Boards of Directors, while as many as 18 companies proposed to have Managing Agents. This apparently indicates a reversal of the trend that had been evident during the four years since the new Company Law came into operation. During this period the most popular form of management was that by Boards of Directors. Out of 4,356 new companies registered during the period 1956 to 1959, as many as 3,105 companies or 71 per cent were proposed to be managed by Boards of Directors. Next in the order of preference came companies to be managed by Managing Directors of which 1,182 were registered during this period. But out of 4,356 companies only 50 companies proposed to have Managing Agents. The analysis of the sample selected for 1960-61 indicates that there is still a lot of life left in the Managing Agency system. But a larger and more representative sample will have to be taken for analysis before conclusions could be drawn as to whether the Managing Agency system has staged a decisive come-back. The fact that most of the companies whose prospectuses were studied are of big size may be one of the reasons for the preponderance of managing agencies. Nevertheless the question has to be examined whether development of top management talent has been keeping pace with the growth of the corporate sector, both as regards number of companies and the scope and complexity of their operations.

Within the limits of the sample, three aspects of company finance are highlighted by the study. During a period of steady erosion in the value of money, it is not surprising that preferred shares are not preferred and that investors are inclined to seek scrips with 'growth prospects' to a greater degree than in the past. During the two quarters subsequent to the passing of the Preferred Shares (Regulation of Dividend) Act of 1960, which clarified the position regarding deduction of tax at source from preferred dividends, there was a spurt in the issue of preference shares. The percentage of preference shares to the total issue rose to 9.6 per cent and 13.8 per cent in the second and third quarters of the year as compared to the low level of 4.2 per cent in the first quarter. But the percentage declined to 6.1 per cent in the first quarter of 1961. For the entire twelve month period covered by the study, equity offerings accounted for 99.3 per cent of the total capital issue and preference shares for 9.7 per cent. This is about the same level as the average for the years 1951 to 1959 excluding the two years 1955 and 1956. During these

two years, when the new company legislation was on the anvil, the percentage of preference shares shot up to 23.8 and 23.5 per cent respectively.

Analysis of the subscriptions raised from different sources shows that, over the twelve months, less than half of the total issue (48.4 per cent) was offered to the public. Out of the balance, 27.2 per cent was taken up by the promoters, directors and their friends and 12.1 per cent by foreign collaborators, 12 per cent by financial institutions and 0.3 per cent by Central and State Governments. Further breakdown of the figures shows that in the case of new companies with assured growth prospects and having foreign collaboration, the share of capital subscribed by promoters was high and generally varied between 40 to 50 per cent of the total capital issue. On the other hand, in the case of issues by existing companies and issues which did not involve foreign collaboration, the promoters, directors, and their associates and friends subscribed a smaller proportion of the capital, and in some cases even the entire amount was offered to the public.

The third aspect brought out by the study is the high proportion of project costs proposed to be met by borrowed funds. In the first quarter, only 35.9 per cent of the cost of the projects were to be met from current issues and existing capital and a substantial portion of the project cost was to be met by foreign loans. During the first six months, borrowings from various sources constituted 56 per cent of the total project costs. In explanation of this trend it has been suggested that borrowings might have been considered to be more expedient as the resulting interest charges rank as allowable expenses for income tax purposes. But in view of the tax holiday enjoyed by new ventures, this cannot be regarded as the determining consideration. It appears more likely that the heavy foreign exchange component of the projects which had to be met in large measure by foreign loans is the main reason for the heavy proportion of borrowings to the total projects costs.

For the year as a whole, about 53.4 per cent was to be covered from current issues and existing capital, 17.2 per cent from foreign loans, 6.8 per cent from foreign collaborators, 12.9 per cent from bank credits and 9.7 per cent from miscellaneous sources. Miscellaneous sources include loans from financial institutions like the ICICI, the Industrial Finance Corporation etc. For the period covered by the study, taking all the 43 cases together, the total cost of raising capital came to Rs 1.10 crores, which worked out to 1.8 per cent of the total project costs and 3.5 per cent of the total capital issues. The preliminary expenses amounted to Rs 32.1 lakhs (29.3 per cent) and Brokerage and Underwriting Commission, Rs 52.3 lakhs (47.7 per cent). The other important item of cost was remuneration to promoters which for the period under review is placed at Rs 15.2 lakhs representing nearly 14 per cent of the total cost.

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CAPITAL ISSUES DURING 1st APRIL 1960 TO 31st MARCH 1961.

	April/June 1960		July/Sept 1960		Oct./Dec. 1960		Jan./Mar. 1961		Apr. '60/Mar. '61	
	(Rs lakhs)	(Percentage)	(Rs. lakhs)	(Percentage)	(Rs. lakhs)	(Percentage)	(Rs. lakhs)	(Percentage)	(Rs. lakhs)	(Percentage)
1. Issued Capital:										
(a) Total	537.4	100.0	612.6	100	1307.1	100	654.5	100	3111.6	100
(b) Equity	514.9	95.8	553.6	90.4	1127.1	86.2	614.5	93.9	2810.1	90.3
(c) Preference	22.5	4.2	59.0	9.6	180.0	13.8	40.0	6.1	301.5	9.7
2. Share Subscription:		100.0	...	100	...	100	...	100	...	100
(a) Promoters, Directors and friends	184.5	34.3	102.3	16.7	372.0	28.5	188	28.7	847.2	27.2
(b) Foreign Collaborators	112.5	20.9	79.5	13.0	135.7	10.4	47.5	7.3	375.2	12.1
(c) Central and State Govts.	—	—	—	—	—	—	10.0	1.5	10.0	0.3
(d) Financial Institutions	—	—	110.0	17.9	215.5	16.5	46.5	7.1	372.0	12.0
(e) Public	240.4	44.8	320.8	52.4	583.5	44.6	362.5	55.4	1507.2	48.4
3. Total Project Cost	1,608.8	...	1211.0	...	2035.6	...	1198.0	...	6053.4	...
4. Financing:		100.0	...	100	...	100	...	100	...	100
(a) Current Issues and existing capital	577.5	35.9	664.1	54.8	1337.0	65.7	654.5	54.6	3233.1	53.4
(b) Foreign loan	681.0	42.3	...	...	360.0	17.7	2.5	0.2	1043.5	17.2
(c) Loan from foreign collaborators	159.5	9.9	...	...	53.5	2.6	200.0	16.7	413.0	6.8
(d) Banks	160.5	10.0	326.9	27.0	169.2	8.3	123.0	10.2	779.6	12.9
(e) Others	30.3	1.9	220.0	18.2	115.9	5.7	218.0	18.3	584.2	9.7
5. Cost of raising Capital:										
(a) Preliminary Expenses	3.3	14.0	6.9	32.1	14.5	32.5	7.4	37.2	32.1	29.3
(b) Brokerage & Underwriting Commission	3.4	14.4	12.5	58.1	27.6	61.9	8.8	44.2	52.3	47.7
(c) Remuneration to Promoters	15.0	63.5	...	...	...	...	0.2	1.0	15.2	13.9
(d) Expenses of Issue	1.9	8.1	2.1	9.8	2.5	5.6	3.5	17.6	10.0	9.1
(e) Total	23.6	100.0	21.5	100	44.6	100	19.9	100	109.6	100

Limits to Expansion

THE estimate that industrial output in India rose in 1960 by 12.1 per cent has been supported by reference to the new units installed last year. Whether the current year will be marked by the same favourable trend is debatable, owing to the sad results of the general shortage of power and the widespread flood disasters. The rise in output last year took place despite a rise in the cost of raw materials like cotton and jute. This means that agriculture must raise output to help industry with raw materials but prices must be cheap so that higher output as in the case of sugar mills does not mean only a bigger squeeze on the profits earned.

Whether the rise in imports had a bearing on higher industrial production may be debated by reference to the plea for maintenance imports. But the figures relating to diversification and expansion in existing industries suggest that the old industries did better than supposed. The performance of engineering units is decidedly better than that of Iron and Steel which had to face fuel difficulties. The increase in machinery output from local sources has already made many conscious of what is now called the second industrial revolution in India.

The rise in output has so far created few problems except in the case of sugar. The restriction of output for 1961-62 is certainly logical, if cane prices are to be maintained alongside sugar prices but the excise revenue might suffer from a reduction in output by 10 per cent. How far the new co-operative mills have aggravated the overproduction and the excess of stocks now carried over can hardly be glimpsed from the sugar statistics of 1960-61. But it may be urged that the States by a foolish clamour for expansion leading to 37 new mills are responsible for the sugar cesses and one way to rectify the mistake due to zeal is to cancel the licences for units that have not yet been set up. This may help to restore the lost balance. So will the scrapping of overaged mills or of mills that cannot pay their way. What is done in the case of redundant jute mills may even justify today a plea for 'concentration' in the Indian sugar industry.

How far a rise in cloth prices helped cotton mills to raise output may be ascertained

by reference to a rise of 2.5 per cent in cloth output. One point that requires emphasis is the superior performance of the larger composite units. The reorganisation on the pattern of Lancashire may not be called for but it may be argued that the industry is ripe for a degree of integration though the Government is averse to the extinction of obsolete and uneconomic units by means of a spindle levy. The shortage of cotton may not be dismissed by most as an irrelevant factor at present. Of course, textile machinery output may be restricted but the efficiency of the bigger units may rise to help enlarge output for export also. In older industries like jute and cotton, the rationalisation demanded by the rise of new rivals in Pakistan may be adduced as reason for curtailment of output and the consequences, though unpalatable, must be borne by capital and labour alike.

The limit of expansion has been reached in some other industries, for instance, plywood. The timber shortage may not be taken as a reason for the excess of capacity because exports are difficult. The paper industry too has grown to the point at which doubts arise in respect of new expensive units. The squeeze on profits under price control is patent and it cannot be denied that imports have fallen during the Second Plan. The demand for bamboo from rayon mills eager to make pulp on their own is one reason for curtailing expansion in paper. But still new units have been started and there is a distinct risk of overproduction together with a liability for foreign credits taken for the new mills. The shortage of raw rubber has not stood in the way of expansion of rubber manufactures. The licensing of more units in the current year has not been deprecated unduly. But it is fair to suggest that only the big, foreign-sponsored units are likely to perform up to expectations.

The Indian chemical industry's progress has induced few doubts. Excess of caustic soda militates against any rise in profits but the advent of fertilizer plants in response to the needs of agriculture has been hailed. But one may point out that older chemical firms are not making much headway and the really bright record is that of the new smaller companies making dyes and colours to replace the imports secured in the past. The risks of Indian expansion are underlined by a reference to Vanaspati also. The shortage of vegetable oil, the demands of export trade and the shadow cast by the UK's entry into the European Common Market may go far to support

a plea for caution in future. Protection by import control has stimulated the rise of Swadeshi glass, pharmaceuticals and refractories. But it may be argued by the usual inference from experience that the limit of safe expansion has been reached already as in the case of cement. In regard to exports, Indian cement makes a very poor showing. And the pressure of rising costs of fuel, limestone etc. is one reason for saying that in spite of the Third Plan targets, there is no place for any further expansion.

The limit of safety has obviously been reached in the case of iron and steel. The cost of production and the selling prices after levy of excise as in the case of cement inhibit optimism about domestic consumption growing as expected. The public sector may not absorb much of steel or cement hereafter and the outlook for exports is dim because India is not a low cost producer. Dependence on export as in the case of ~~ferromanganese~~ is certainly fraught with risks and it is easy to say that India is not like Canada or South Africa, that can count on exports to take care of enlarged production. The circumstances of aluminium may be different but here too, world prices and the trend of consumption must be kept in view.

In regard to consumer goods like sewing machines or razor blades, the growth of indigenous production may appear justified. But here too, the old, stable concerns alone have a future. The late entrants cannot hope for the same measure of prosperity. The licensing procedure has been modified this year by reference to capacity installed and the tacit conclusion is that in some lines an excess of competition may cause damage.

How far electric or other equipment made in India compares in respect of prices has not been examined but in regard to small motors or even storage batteries there is no doubt as to the excess of capacity and the limited possibilities of the home market. That some industries stand in need of essential imports and expansion of output is inseparable from the liberalisation of imports is underlined now by the experience of the motor industry. The clamour for a small car or the prospect of a State-owned plant cannot blind one to the fact that the Indian motor industry is now missing on more than one cylinder. The rage for automobile shares must not reduce forgetfulness as regards Japanese competition or the level of world prices attuned to shrinking demand entailed by credit restrictions.

That the industrial future is dependent on adequate supply of fuel and transport goes without saying. And pessimism in this regard seems fully justified. The coal industry is still a sick industry and sea transport has given no relief to distant consumers. The old and valuable export trade has also suffered. The planners may be constantly appraising results but something can be said for a devil's advocate when it comes to expansion and licensing of new industries. Industrial maturity depends on high efficiency and low costs and in regard to economic growth the experience of Japan and India tends to be dissimilar in spite of the framework of planning. There is no need to labour the usual point that Socialism in spite of its popular appeal has not yet provided the foundation for the expansion of the home market on the basis of real purchasing power and the steady cheapening of prices. Costs are, in any case, an insuperable barrier to expansion of steel or other major industries.

Planning in Britain?

By PAUL EINZIG

UNTIL recently the term "planning" was a dirty word in the vocabulary of British Conservatives. It seems now, however, that ten years after assuming power on the slogan of "Tory freedom works," the Conservative Government will now embark on some form of economic planning. The nature and extent of this planning remains to be seen. The fact that the example of France is often quoted seems to indicate that no really drastic change is envisaged. The French example is popular because of the spectacular economic improvement witnessed in France within the last two years or so. That improvement can be explained, however, largely on the ground of the higher degree of stability in French domestic politics achieved under General de Gaulle. Even so, it would be idle to deny that the influence of centralised planning must have been helpful.

The main channel through which the decisions of the French planning committee is put into operation is the nationalised French banking system. In France all the important banks have been under Government control and ownership since the 'forties, so that a decision to encourage or discourage the expansion or contraction of certain branches of industry can be put into practice by simply instructing these banks to increase or reduce credit facilities to the industries concerned. But to be able to do so in Britain it would not be necessary to nationalise the clearing banks. It has always been the British banking tradition to follow the hints received from the Bank of England in respect of encouragement or discouragement of credit expansion in specific industries. With the notable exception of Reginald McKenna Chairman of the Midland Bank during the inter-War period, who in the twenties often defied the official policy, all British bankers were willing to accept official advice even before the adoption of the Bank of England Act after the second World War. Under that Act the Bank of England has statutory powers to issue directions to the banks.

It has always been a mystery why so little use has been made of the Bank of England's powers, statutory or otherwise, to influence industrial activity in the desired direction. Possibly this was because apart from its views on the need for a general encouragement or discouragement of activity,

the Government of the day never had the courage to assume responsibility for steps which would directly affect individual branches of industry. Indirect effect is often produced, of course, by fiscal and other measures such as changes in the purchase tax or hire-purchase restrictions. But it seems that the Government would be reluctant to give instructions as a result of which employment in certain industries, as distinct from total employment, would be reduced through curtailment of credit facilities. Yet it is precisely that kind of planning that is needed. The main cause for Britain's economic difficulties has been the spectacular expansion of the motor industry and a few other industries, which can well afford to bid up wages in order to secure the manpower they require, and pass on the increase of their costs to the consumer. If as a result of the proposed planning the Government should be in a better position to call a halt to such expansion it would constitute a great improvement. Otherwise the additional assurance given to the unions that full employment will continue unabated would only encourage excessive wage demands and non-stop inflation.

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Company Finances

THE Reserve Bank's study of company finances, apart from indicating the use of profits, affords a measure of the rate of economic growth, governed by profits retained. The really important conclusions do not relate to the dividends but to the prospect of further industrial expansion. Two points are made plain. The dividends paid to the hilt of disposable earnings in the cotton mill industry are due to the age of the industry. Iron and Steel is largely a post-war creation and the borrowing undertaken is a reason for retaining profits instead of distributing them. The figures certainly illuminate dividend policy. Far more significant in the layman's view is the effect of price control on profits, following larger sales. Earnings on total capital employed remain modest because of State intervention and the higher rate of gross profit in the planting industry is only a measure of the risks involved. The high profits in textiles were earned by a very few firms, due to size, age and export connections.

The iron and steel industry does not fall in the category of blue chips, as now measured by earnings and dividends and it is clear that when only 33 out of 100 companies earn profits exceeding 25 per cent, the efficiency of Indian industry must be in doubt. The selection made in 1957 may not be a guide to the future but once again reference must be made to the erosion of profits by price control and wage awards. The trend of profits over four years will not encourage the average investor. The preference now shown for new promising ventures springs from the circumstance that scarcity of imports may help to maintain the market and raise the level of earnings.

The passion for growth stocks among equities is derived also from the pattern or investment of prospects. It is also noteworthy that rubber manufacturing is omitted though it is patent that the situation is far more favourable for the two big manufacturers than for the two steel companies whose profits have long been under pressure. The percentage of profit to the total capital employed appears highest in regard to matches and this is striking enough to show that,

in spite of taxes and competition created for some sentimental reasons, the match industry is immune to recession. On the other hand, the trend of profits in tea since 1955 has been downward and a study of share prices over a decade will establish that depreciation in share values is due to the impact of higher costs and the obvious dependence on exports as in the case of jute manufactures. One more point is that in the case of public utility concerns dividends are pegged because gross profits run at a level of 7 per cent and dividends paid out are linked with the Bank Rate. Of course, there are other industries in which profit margins have been pared by executive action; paper is one like sugar and the most important point is that the reward for risk capital has all along been limited while labour has asked for and obtained more.

Depreciation in Company Law

(Continued from previous issue)

5. It is not clear whether depreciation of a particular year is to be calculated after taking into consideration the additions to assets and the sale or disposal of the asset during that year.

In accordance with accepted accounting procedure the additions to the assets and the sale or disposal of assets during the year have to be taken into consideration before calculating depreciation in accordance with Section 350, in respect of that financial year; but the depreciation to be adjusted in any particular year on the additions and disposals made in that year would only be on a pro-rata basis with reference to the actual date of such additions/disposals.

6. Since plant and machinery which for income-tax purposes is divided into 10 or 12 sub-headings, each of which carries a different rate of depreciation, whether it would be in order to apply the average rates calculated with reference to the total depreciation allowed in respect of that type of fixed assets in relation to the written down values of the various items included under that asset head:

Since Section 350 of the Act refers to the rates specified in the Indian Income-tax Act and the rules framed thereunder, the relevant rates will apply to each kind of asset separately. Calculation of depreciation at the average of the rates would not be in conformity with the requirements of that Section.

7. The rates of depreciation in respect of agricultural assets have not been specified in Section 350—the procedure to be adopted in this regard may be clarified.

In accordance with sound company practice, if a company desires to deduct depreciation in respect of its agricultural assets for the purposes of Section 350, it may adopt the rates prescribed in the Agricultural Income-tax Act of the State in which it is situated.

II. Section 205 has been amended by the Companies (Amendment) Act, 1960 requiring companies to provide for minimum depreciation in their profit and loss accounts, in accordance with the norms suggested in that Section, before declaring dividend. The views of the Department in regard to the difficulties experienced by company manage-

ments in complying with this Section have been made known to the Chambers of Commerce, professional bodies etc. However, it would appear that some company managements continue to experience difficulties in this regard and the Department's views in regard to the queries raised by them are set out below for information:—

- (1) Whether it would be necessary to provide depreciation after the commencement of Companies (Amendment) Act, 1960 in respect of the entire amount of the 'original cost' as mentioned in sub-sections (2)(b) and (2)(c) of the above Section.

Any depreciation already provided for in the books, that is the profit and loss account of the financial years prior to the commencement of Companies (Amendment) Act, 1960, should be taken into account and only the written down value, after deduction of depreciation actually provided in the books in the earlier years, need be depreciated in accordance with Section 205(2)(b)(c). The reference to "original cost" is only for the purpose of determining the "specified period" in accordance with Section 205(5)(a) and the quantum of annual instalment of depreciation under the straightline method under Section 205(2)(b) (or any other method adopted under Section 205(2)(c)).

- (2) Whether it would be necessary to provide depreciation in respect of immovable property which has been acquired as an investment for the purpose of earning supplementary income and not for the use of the company.

Since immovable properties, unless they are acquired for re-sale, represent fixed assets, it would be obligatory to provide for depreciation on such immovable properties in accordance with the provisions of Section 205 of the Act, read with Section 350, which contemplates that depreciation should be provided at the rates specified for the asset comprised in the immovable property in question by the Indian Income-tax Act and the rules framed thereunder. Rates for different classes of buildings and other immovable properties under the Income-tax Rules and the rates prescribed in these rules have to be adopted for the purpose of providing for depreciation under Section 205(2), irrespective of the section of the Income-tax Act under which income arising from these assets becomes assessable to Income-tax.

- (3) Whether any company which had adopted the widely used "straight-line method" of providing depreciation in the past is required to change it in view of the provisions of the amended Section 205, provided of course that 95% of the original cost of the asset is written off by way of depreciation before the expiry of the specified period.

Section 205(2)(b) seeks to authorise the use of "straightline method" of depreciation and no company following this method is obliged to change this provided the provisions of that Section are complied with. The reference in this Section to "original cost" is only for the purpose of determining the quantum of annual instalment of depreciation under the straightline method and the "specified period" in accordance with Section 205(5)(a).

- (4) Under Section 205, it is required that arrears of depreciation should be provided for before any dividend is declared. This may create an anomaly in relation to the provisions of the Income-tax Act.

It is expected that depreciation would be provided every year as it is a charge on the revenue of the company and should not be allowed to fall in arrears.

- (5) Whether it would be open to a company to charge depreciation on straightline method in respect of major fixed assets like plant and machinery, building etc, while adopting the reducing balance method for fixed assets of a lesser value like motor vehicles, equipments, furniture, fittings etc.

It is permissible to adopt different methods for different types of assets provided the same basis is consistently adopted from year to year in accordance with the provisions of Section 205(2).

- (6) If extra and multiple shift allowance is not claimed by a company for the purpose of income-tax assessment, whether it would be necessary to take into account such allowances in calculating the specified period?

The real criterion would be whether the assets concerned are used for more than one shift and if so, the shift allowance will have to be taken into consideration for the purposes of Section 205(5)(a) and Section 350 and it would be immaterial whether such allowances are claimed by the company for the purpose of its tax assessment.

- (7) If any asset has already been reduced to 5% or below its original cost, whether any further depreciation would require to be provided in accordance with Section 205 before declaring dividend provided the asset is still in commission. If the written down value is slightly over 5% of the original cost, whether depreciation can be provided under Section 205 only to the extent it will bring it down to 5% of its original cost?

If the straight-line method is adopted in accordance with Section 205(2)(b), depreciation has to be provided till such time the written down value of the asset is reduced to 5% of its original cost. For the purpose of that Section, it would not be statutorily necessary to provide for depreciation in respect of the balance amount of 5% till such time when the asset is sold, discarded, demolished or destroyed.

- (8) The calculation of depreciation in accordance with Section 205(2)(b) would be a strenuous task and whether it would be adequate if the method is confined to the major assets like plant, machinery, building etc.

It should not be difficult to determine the specified period as prescribed in Section 205(5)(a). It is however open to a company to choose any of the methods mentioned, namely, the reducing balance method under Section 205(2)(a) or the straightline method under Section 205(2)(b) in respect of any of these fixed assets, subject to the stipulation that once a method is adopted, it must be consistently used in subsequent years.

- (9) Whether it would be necessary to provide for depreciation in the books of accounts in respect of assets which are not in use for the whole or part of any financial year.

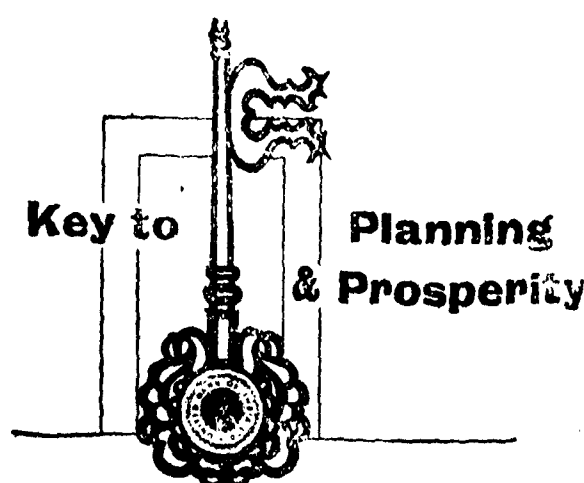
Since according to accepted accounting principle, depreciation also arises out of efflux of time, it would be necessary for the purposes of Section 205 to provide for depreciation even in respect of assets which are not

in use during any financial year, if it proposes to declare to pay dividend for that year.

- (10) The amendment of Section 205 requiring the provision of minimum quantum of depreciation before declaration of dividend would make it difficult for new undertakings to declare dividends even after a number of years after commencing production, as the new company will necessarily take a long-time to clear the backlog of arrears of depreciation before it could declare dividend.

From the cases examined in this Department, it would appear that these misgivings have arisen mainly due to the fact that the alternative method of providing for depreciation according to the straightline method under Section 205(2)(b) of the Act has not been appreciated properly in many cases. The advantage of the straightline method is that it evens out the so-called burden of depreciation on a company and thereby enables it to bear it more easily than what the reducing balance method would ordinarily permit. It is for the managements of the companies under such expert guidance as they may need, to decide for themselves which of these two methods of charging depreciation or any other method, duly approved by the Central Government, would serve the basic objects of the provisions of Section 205. There is no reason why, if the company's profitability is not below the average obtaining in that particular business or industry, it should not be able to declare adequate dividends after a reasonable period after the commencement of production.

(Concluded)



Individual well-being is linked with national prosperity and only planned efforts can ensure both in the shortest possible time. And planning, for its success, largely depends on savings, individual as well as national. Saving in the form of Bank Deposits provides resources for the National Plan.

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World of Finance

BUSY SEASON

Prospects

The 1961 slack season has almost drawn to its close, at least on paper; and prospects are that the 1961-62 busy season will seem to start off, in the first week of November, in strident fashion. For in that week on top of the demand for money consequent upon beginning of the month disbursements will be super-imposed payments in connection with the Diwali.

For another reason also it appears possible that the next busy season will get off to an early start. During the last few weeks of the current slack season there has occurred a slowing down in its progress; that is to say growth in Deposits has tended to taper off, and the total of Advances, presumably owing to Puja disbursements, has signally failed to contract. As such there is already some element of pressure felt by the banking system, as witness the level of banks' borrowings from the Reserve Bank.

The fact, however, remains that the slack season now drawing to its close did produce easier money conditions than we have known in similar periods of recent years. Hence banks do have some "reserve" from which to meet the demand for funds in the emerging busy season. To the extent that they have purchased giltedged in the past few months, and to the extent of their holdings in loans which mature next year, one avenue of replenishment of resources, worth perhaps Rs 30 crores, is easily available. (In this reckoning the State Bank is omitted, since in any case the relevant institution can count upon Reserve Bank purchase of securities).

Beyond that there is always recourse to central banking credit. Though banks will be chary of paying the penal interest rates, they will not balk at the 5 per cent rate or even the top tier of six per cent in the event that the busy season does produce a demand for funds beyond their normal capacity to finance. At a pinch the credit lines they could use, in as far as the Reserve Bank is concerned, may be as much as Rs 60-80 crores.

In the final analysis, however, a relatively facile meeting of the monetary demand will depend on whether or no Deposits once again accrue with the banking system. In the first four months of the 1961 slack season there was reasonable prospect of not inconsiderable increase (and sustained, at that) in bank Deposits: since then the experience has been such as to hold out rather less hope of any useful-sized improvement in Deposits.

We trust that the slow-down in growth of bank Deposits is temporary. It may be that two factors—the State loans and the Puja disbursements—were mainly if not wholly responsible for the changed situation. In such a reading, it is not improbable that in the next six months, bank Deposits should rise by, say, Rs. 50-60 crores.

Against this is the certain foreknowledge that expansion in Advances in the next busy season will exceed Rs 200 crores. If we add up the "resources" we find that banks will barely be able to manage; and this is despite release of resources in a slack season prior to the commencement of what should be a

rigorous busy season. The inference is that in a developing economy, except in the short bursts of relative stagnation that are experienced, the pressure upon the banking system is sustained and considerable.

From the banks' point of view it obviously makes for better earnings; but the Advances/Deposits ratio will tend disturbingly to rise. This, too, should not normally matter. Unfortunately there is a traditional opposition to what is held to be high credit ratios.

The answer seems to lie in some form of a bank balance-sheet. Firstly, we would suggest that bills purchased and discounted should be left out when the Advances/Deposits ratio is worked out. After all such bills are supposed to be self-liquidating. So, to the extent of borrowings against bills, the least that can and should be done is to treat the relevant bills and the borrowings there-against as "contra" items.

Secondly, more use should be made of the Re-finance Corporation. And such borrowings could also be treated as a contra item, with the relevant Advances so shown on the assets side of the balance-sheet.

We would then have net Advances, whose ratio to Deposits would be much lower.

The second recourse is in disregarding the Advances/Deposits ratio, and instead to concentrate upon the liquidity ratio. For this purpose the items that form "liquid" assets should be: cash balances; unencumbered securities; and bills purchased and discounted against which no borrowings are outstanding.

Whatever the method, what should be obvious is the fact of sustained pressure upon banks. For the immediate future we suggest that banks be informed that, for the financing of the 1961-62 busy season, liberal credit limits with the Reserve Bank will be sanctioned.

BANKS

Restrictions Removed

With effect from 24 October 1961, the Reserve Bank has withdrawn the provisions of the directive issued on 11, March 1960 which required banks to maintain a ratio of clean advances to total credit in any one month at

a level not exceeding the ratio in the corresponding month in 1959. The circular issued on 23 October by the Reserve Bank to the Scheduled Banks on this subject says that the area of operation of selective credit control has since been curtailed following the removal of controls on advances against sugar, wheat and raw jute and jute goods. The general credit situation with the higher pattern of lending rates also acts as a curb on unessential demands for credit. In the circumstances the Bank considers that control on clean advances as such is no longer necessary. The circular, however, does not affect the operation of any directive regarding clean advance specially imposed by the Reserve Bank in respect of any individual scheduled banks.

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BANK RETURNS

Balances Improve with Foreign Aid

WHILE the returns of the Reserve Bank for 13 October bear testimony to the spillover of month-early disbursements into the second week, the relative figures for 20 October reflect the return of easier conditions.

Active Note Circulation, after expanding substantially by Rs 14.63 crores, is marked lower by Rs 2.22 crores at Rs 1,903.90 crores. After an outflow amounting to Rs 0.60 crore there has been return of Rupee Coin from circulation in an amount of Rs 0.39 crore. Currency was expanded against Rupee Securities in the earlier week, for Rs 10 crores, by transfer from Investments in the Banking Department, and the latest figure is unchanged at Rs 1,558.86 crores. In the result, the cash in the till, which had been drawn on to the tune of Rs 5.18 crores, has since improved by Rs 2.61 crores to Rs 15.52 crores.

The return for the Banking Department, as at 13 October, suggests that there has been no recourse to deficit financing. The decline of Rs 10 crores in Investments can be traceable to transfer to the Issue Department; and the rise of some Rs 15 crores in the Reserve Bank's portfolio of Treasury Bills Purchased and Discounted probably relates to refinancing operation by the State Bank as to Rs 7 crores and by the State Governments as to the balance; but in as much as other Scheduled Banks figure as having purchased for Rs 7 crores in the same week, it is likely that the Treasury Bills discounted by the States were in larger amount. The Centre's balances were drawn down by Rs 4.08 crores, and the States' by Rs 0.70 crore. The improvement of Rs 9.63 crores in Reserve Balances of member banks is largely owing to the State Bank (Rs 6.73 crores). The States besides had to borrow

PROGRESS OF 1961 SLACK SEASON

		28-4-61	Latest Week*	Change
Reserve Bank				
Active Note Circulation	...	1,982.43	1,903.90	- 78.53
Banks' Deposits	...	78.16	84.49	+ 6.33
Other Loans & Advances	...	125.47	135.93	+ 10.46
Adv. Against Usance Bills	...	21.09	7.19	- 13.90
State Bank				
Deposits (see note)	...	549.70	529.94	- 19.76
Cash Inc. Money at Call	...	27.87	34.54	+ 6.67
Giltedged Investments	...	237.47	257.34	+ 19.87
Total of Advances	...	267.33	244.70	- 22.63
Other Scheduled Banks				
Net Deposits	...	1,367.04	1,405.48	+ 38.44
Cash Inc. Money at Call	...	153.18	150.62	- 2.56
Giltedged Investments	...	324.99	368.32	+ 43.33
Total of Advances	...	1,024.78	989.95	- 34.83

*Week ended 20 October for Reserve Bank and State Bank.

Week ended 13 October for Other Scheduled Banks.

Note: State Bank figures are distorted by Rs 24 crores loss in Deposits owing to repayment of counterpart funds.

Rs 6.33 crores more from the Reserve Bank. Balances Held Abroad fell by Rs 3.58 crores.

In the week ended 20 October, there appears to be considerable recourse to deficit financing. Investments are higher by Rs 20 crores at Rs 201.08 crores, despite probable purchase of Rs 8 crores of securities by the State Bank. Created money was in this wise necessary for two reasons. On the one hand, payments to the States, whose balances have improved sharply by Rs 24.62 crores to Rs 28.60 crores, on top of a fall of Rs 3.92 crores to Rs 59.45 crores in ways and means borrowings from the Reserve Bank, involved a considerable liability for the Centre. On the other hand, the Centre had also the obligation of the maturing liability in respect of Treasury Bills purchased and discounted by the Reserve Bank, the amount involved being nearly Rs 18 crores. As a result, the Centre's balances have fallen by Rs 11.15 crores to Rs 49.92 crores. Reserve Balances of member banks have further improved by Rs 2.39 crores to Rs 84.49 crores. Lastly, there is a sudden jump of Rs 18.25 crores to Rs 28.27 crores in Balances Held Abroad—inflow of foreign aid, clearly enough.

The return of the State Bank for 13 October disclosed a rise of Rs 0.99 crore to Rs 531.30 crores in Deposits. There was a small rise of Rs 0.32 crore to Rs 244.88 crores in Advances. The State Bank disinvested in gilt-edged for Rs 7 crores, and hence cash balances, including money at call, went up by Rs 6.53 crores to a level of Rs 33.51 crores.

In the week ended 20 October, the State Bank made good its sale in the earlier week of gilt-edged. The portfolio is higher by about Rs 8 crores at Rs 257.34 crores. Deposits, however, marked a fall of Rs 1.36 crores to Rs 529.94 crores. The purchase of gilt-edged has been "paid" for by running down Other Assets by Rs 8 crores to Rs 21.82 crores. The total of Advances shows little change at Rs 244.70 crores, and cash balances have improved by Rs 1.03 crores to Rs 34.54 crores.

In the week ended 6 October, thanks to month-early disbursements, net Demand Deposits of Scheduled Banks fell by Rs 4.23 crores to Rs 817.11 crores and net Time Deposits by Rs 3.98 crores to Rs 1,119.92 crores. While indebtedness to the State Bank was more or less unchanged at Rs 18.28 crores, with the total of Advances rising stridently by Rs 13.65 crores to Rs 1,245.46 crores, borrowings from the Reserve Bank mounted by Rs 5.33 crores to Rs 16.40 crores. The gilt-edged portfolio, which was lower by Rs 6.20 crores at Rs 611.65 crores, mainly reflected disinvestment by the State Bank. In the end result, cash balances improved by Rs 2.49 crores to Rs 182.00 crores; if the State Bank is taken into account, it would be seen that cash balances of other Scheduled Banks rose even more handsomely by over Rs 5 crores.

The return of Scheduled Banks for 13 October, with its suggestion of spillover of month-early disbursements into the second week, records a rise of Rs 2.50 crores to Rs 819.61 crores in net Demand Deposits which, however, is more than offset by a fall of Rs 2.74 crores to Rs 1,117.18 crores in net Time Deposits. The total of Advances has again expanded, though nominally, by Rs 0.56 crore to Rs 1,246.02 crores. While borrowings from the State Bank are slightly lower at Rs 18.01 crores, indebtedness to the Reserve Bank has been pruned by Rs 3.31 crores to Rs 14.99 crores. It would appear that other Scheduled Banks have bought securities for Rs 7 crores, since the portfolio for all banks is unchanged despite sale for like amount by the State Bank. Consequently cash balances, including money at call, are shown to be Rs 2.13 crores higher at Rs 184.13 crores. However, it is known that, in the relevant week, the State Bank reported cash balances to be some Rs 6½ crores higher; and the implication is that other Scheduled Banks, by virtue of purchase of gilt-edged, ran down their cash by about Rs 4½ crores.

Common Market Prospects

By Paul Einzig

MUCH to everybody's surprise, the Conservative Party Conference at Brighton endorsed the Government's decision to join the Common Market with an overwhelming majority. It is true, during the debate much was said about safeguarding the interests of the Commonwealth. But the size of the majority in favour of joining the Common Market has enabled the Government to put its own interpretation on what constitute the Commonwealth interests which it is pledged to protect. The main reason why the Conference has given the Government virtually free hand to proceed was the utter lack of constructive response on the part of the Commonwealth. The attitude of most Commonwealth Governments during the last few months has been purely negative. They simply objected to Britain joining the Common Market without trying to put forward an alternative solution or a formula for some compromise acceptable to them. They expected Britain to make all the sacrifices without any reciprocity. In the circumstances it is small wonder if even many formerly enthusiastic supporters of Commonwealth preference have arrived at the conclusion that, after all, it would be wiser for Britain to join forces with the Common Market, even at the cost of losing much of her trade with the Commonwealth.

Judging by what one hears about the line likely to be adopted, the Commonwealth is not likely to be affected adversely as far as the exports of tropical products are concerned. They are likely to be admitted to the Common Market on the same terms as are the similar products exported from French overseas territories. As for wheat, dairy produce, &c., quotas could safeguard the interests of the Commonwealth, and might even allow for an expansion of the market in the United Kingdom. When it comes to manufactures, however, there seems to be little chance for safeguarding their preferential treatment in the United Kingdom and no chance at all for securing their admission to continental countries of the Common Market. In view of the negative attitude of the Commonwealth Governments the British Government is not likely to sacrifice the chances of an agreement with the Common Market for the sake of safeguarding the industrial interests of the Commonwealth as distinct from their agricultural interests. The development of many of the new industries in the Commonwealth took place at the expense of British exports, and it is widely felt that it would be too much to expect Britain to forgo the prospects of an increase of exports to Common Market countries for the sake of bolstering up these new Commonwealth industries.

All is not yet lost, however. As negotiations are likely to drag on for many weary months, there is still time for Commonwealth Governments to adopt a more constructive attitude instead of expecting all the favours without offering anything in return. The fact that they are no longer shielded by a Commonwealth-minded majority of Conservatives should make them realise the need for offering concessions as well as showing some willingness to make sacrifices for the sake of facilitating Britain's task to come to terms with the Common Market. Any constructive gestures on the part of the leading Commonwealth countries might yet revive pressure on the British Government against sacrificing their interests. But the gesture must be prompt and impressive in order to secure a reversal of the attitude displayed at Brighton.

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Treasury Bills

Tenders for Rs. 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 24 October 1961. Total amount offered was Rs 2,00,00,000. Tenders at Rs. 99.375 per cent were allotted in full. Total amount accepted was Rs. 2,00,00,000, the average rate of accepted tenders being Rs. 2.500 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, 30 October 1961. Successful tenderers should make payment on Friday, 3 November 1961. Other conditions are as usual.

During the week ended 20 October 1961 Government of India Treasury Bills for Rs 167,77,50,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from 25 to 28 October 1961 at Rs 99.391 per cent. Sales can be stopped at any time without notice if Government think it necessary.

91 days' Intermediate Treasury Bills sold from 16 to 21 October 1961 amounted to Rs 1,85,00,000.

Notes

MADRAS

Memorandum to Finance Commission

In a memorandum submitted by the Madras State Government to the Third Finance Commission which had concluded its inquiries in this State, the Government had recommended that the divisible income tax pool may be increased from 60 to 75 per cent of the net collection and the division effected on the population basis. On excise duties, which is the other main item of divisible central revenues, the Madras Government has suggested that 25 per cent of the net collection may be divided amongst States on the basis of population. It has been observed in this connection that in a country of vast regional disparities in industrial and commercial development, any mode of division other than the population basis, may tend to accentuate the existing disparities and therefore should be avoided.

According to the Government's forecast, during 1961-66, the Government would have a revenue gap of Rs 125 crores during the Third Plan period or non-Plan expenditure, i.e. expenditure on normal administrative services of State and a gap of Rs 94 crores on the new items of

expenditure incorporated in the Third Plan.

In respect of excise duties, the Madras Government memorandum states that substitution of additional excise duties in lieu of sales tax on sugar, textiles and tobacco has reduced the elasticity of the structure of the State taxes. It is therefore necessary, it pleads, that the proceeds of any enhancement by the Central Government of the excise duties on these commodities should be divisible between the Central and State Governments in the ratio of the existing respective incomes from this source.

Perhaps the Madras State is the first State in India to forcibly stress the aspect of the disparity in emoluments between the Central Government and State Government employees in the same area and to suggest the levelling up of this disparity. It urges that the Central Government should not unilaterally revise the dearness allowances rates to their staff without assessing and providing for the repercussions on the State Government.

The memorandum urges that there could be no justification for such wide disparities in the emoluments of the two Government servants doing similar work in the same locality and it has been suggested that the cost of bridging the gap would be about Rs 4 crores a year for the Madras Government.

The memorandum recalls that the Government of India's discontinuance effective this year of their assistance towards the increased emoluments of low-paid employees of State Government would cost the State nearly Rs 272 lakhs. An ad hoc grant is being pleaded to cover this deficit in the Madras State budget of the current year.

The Madras Government has stressed that the present ad hoc methods of determining targets of additional taxation should be replaced by more rational procedures based on the existing level of taxation in each State, the per capita income and the desired size of revenue component of the Plan. The memorandum has stressed the need for a suitable matching grant to be given by the Centre to the States, levying taxes in excess of the target fixed in the Plan.

The present procedures for the release of grants on Plan schemes have caused considerable irritation and delay, the memorandum complains. The Madras Government has, therefore suggested that in the place of the existing system of matching grants, a scheme of increased devolution should be devised which would meet the bulk of the Plan and non-Plan expenditure, leaving only a small balance to be covered by a variable grant.

PLASTICS

Scope for Expansion

A number of suggestions were made at the 14th All-India Plastics Manufacturers' Conference held in Bombay to impart greater momentum to the development of the plastics industry which it was observed has not touched even the fringe of the great potentialities of the use of plastics in food and agricultural fields. The great handicap in the development of the plastics industry is the absence of a well-established basic chemical industry. In a way, the growth of these two industries is interdependent and plastics industry provides the intermediate materials indispensable to the development of the chemicals industry. The most urgent problem facing the plastics industry at present is inadequate availability of raw materials which have to be secured through imports. The prospects are also not bright in view of the difficult foreign exchange situation. The scarcity of foreign exchange has underlined the need for setting up within the country itself capacity for manufacturing processing equipment and machinery needed by the industry. Two resolutions passed at the conference have drawn attention to these aspects of the difficulties faced by the industry at present and have stressed the need for providing more foreign exchange to meet the industry's requirements of raw materials.

The Third Plan schemes for the plastics industry envisage expansion of the capacity six-fold. The requirements of plastics and synthetic resins at the end of the Plan period have been assessed at 125,000 tons. Plastics offer a prospective source for substantial earnings of foreign exchange through exports. While taking note of the outlook for exports, the conference has suggested a number of measures to push the tempo of the export drive. These include availability of industrial raw materials at fair international prices and in desired quality, prompt issue of import licences for essential raw materials against prospective and actual exports, simplification of the procedure and settlement of claims in regard to draw-back of import duty and refund of excise duty, introduction of fiscal incentives such as rebate of income-tax and super-tax on export earnings and the planning of production suitable for exports.

*

INDUSTRIAL RESEARCH Achievements of NRC

The progress of research for industrial applications has to be intensified, but what has been done by the National Research Corporation in 1960-61 suggested that in addition to the Suri transmission for diesel locomotives, there were

some achievements. The Corporation with its capital of Rs 10 lakhs enjoyed an independent income and it is not liable to pay donations to political parties though it is a company. Its contacts with institutes carrying on research for specific purposes were continuous and the many inventions offered were taken up for development, for the Corporation is concerned with the practical use of processes and patents.

It is from the latest report that one can learn how baby food manufacture at Kaira through co-operative milk society came into being last year. It is noteworthy that the Tata Institute at Bangalore leads the field in invention. Age then has something to do with a standing in the world that works. A process that was launched last year promises something for the export trade. A prototype plant at the Tata Oil Mills, Bombay, for the integrated production of proteins and oil from groundnut is set up and Tomco will operate the plant, using the process evolved at the Food Research Institute, Mysore. The Poona Chemical Laboratory has been equipped with a unit to produce aromatic chemicals. This too may help cosmetics-makers in India and help in the development of export of geranium and other essential oils. The manufacture of white cement from gypsum, limestone and feldspar has been the subject of experiments at Hyderabad. The cement produced was comparable in colour with imported material. This conclusion may have good results for many cement producers. The manufacture of pine oil on a successful basis will have important consequences for the chemical industry. And the production of citric acid is launched on the basis of trials with pilot plant. The enrichment of low-grade graphite promises advantages like the application of betamen emulsions. Forest

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products come within the range of research. And the Corporation gets licences for using foreign patents in India, if there is a demand from local users. The State agency that deals with the results of research has sustained a loss, but in the case of scientific advance or application, there should be no concern over the financial results or records. If royalties and premia do not cover the whole outlay there is a good case for a block grant to cover the deficit accumulated for additional capital to let the Corporation continue in its chosen line of business.

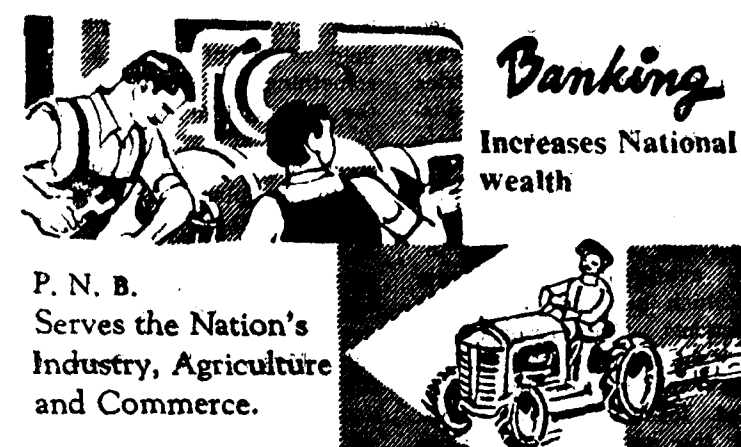
WAGES Need for Restraint

What was said at Bangalore about the application of labour laws to public sector industries will encourage trade unions to conform to the code of discipline if the State as employer observes the rules, as Mr G. L. Nanda promised. A good labour record is as important as commercial success and labour relations must be maintained though a

share in management represents only an ideal. The Railway workers probably have the means to enforce observance of ILO conventions and the Centre, through the Mines Department, will probably conform to accepted rules. But the new steel plants have blotted their book and they must be subject to a full degree of State control like the privately-owned undertakings that supplement wages by profit-sharing agreements.

The wage differentials between the public and private sectors have not been examined as yet and it

may be found that the State-owned plants must raise wages. The inevitable rise in costs will stand in the way of any reduction of iron and steel prices. Sardar Swaran Singh perhaps had this in mind when he declared against any cut in prices to stimulate consumption. The public regulation of wages is in its way a cushion against unemployment so that wage awards are necessary for cement, sugar and textile workers. But productivity must be raised to meet the rise in costs and the welfare expenditure too must be met out of earnings.



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The problem of labour under socialism is not vastly different because trade unions will remain independent and the State cannot coerce them. This is calculated to restrain profits even in expanding industries and the whole object of workers' education is to secure the rights of labour. The improvement in the situation last year with fewer strikes on record has been offset by troubles this year due to power shortage and jute shortage. The employers' problem has been obvious and the State Government in enforcing payment of compensa-

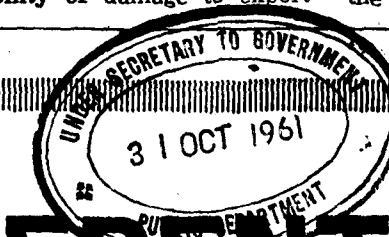
tion declined to consider the needs of employers. Whether the jute mills' problem will be treated as unique remains to be seen. But the recent return to the 48-hour week is meant not only to help the jute grower but the operatives. Integration in the industry by the closure of some smaller units and the sealing of looms may be regarded as natural in the case of jute mills that live now by export in competition with mills abroad. The steel industry does not face such a problem but if exports of India's engineering goods are to rise as expected the

claims of labour must be modified. The tariff or the excise cannot be regarded as exceptional if labour does not concede the necessity for wage restraint. But Mr Nanda has not referred to the need for a wage pause during the Plan but only to the enforcement of labour legislation. The automatic increase in wages rather than the bonus is now the aim of labour unions that have to be reminded that conditions of trade are changing and Indian industries have to face up to competition from new industrial countries. The possibility of damage to export

in the case of plantation products must be kept in view at present. So also the need for new capital for development in rubber and tea alike.

INDIAN POLICE Celebrates Centenary

The Indian Police Service has been described in a history, long before the official centenary. And in States



DIFFERENTIAL BONUS SCHEME ANNOUNCEMENT

The Differential Bonus Scheme has now been finalised and in exercise of the powers conferred by Section 49 of the Life Insurance Corporation Act, 1956, the Corporation has made Regulations classifying the policies issued by the Corporation, and by the various insurers, whose controlled business has been transferred to and vested in the Corporation, for the purpose of declaring Differential Bonuses. The Regulations have been drawn up in consultation with and approved by the Central Government and notified in the Gazette of India.

2. The Scheme is being implemented under instructions from the Government of India and supersedes the Provisional Scheme framed by the Corporation and published in June 1959. The participating Policies of the erstwhile insurers and of the Corporation are now classified in 25 groups instead of the 6 groups under the superseded Scheme.

3. The rates of bonus now declared are as a result of the valuation as at 31st December 1957. The business valued included all the policies which were issued by the Life Insurance Corporation or by the erstwhile insurers and were in force as on 31st December 1957. Out of the gross profits disclosed by the valuation an amount of Rs. 27.56 crores was reserved for distribution to participating policyholders, after providing for the estimated Income-tax liability and the Government's share of surplus.

4. The rates of bonus in respect of participating policies issued by the Life Insurance Corporation of India are:

Whole Life—Rs. 16.00 per Rs. thousand sum assured per annum.
Endowment—Rs. 12.80 per Rs. thousand sum assured per annum.

5. As stated earlier the policies of the erstwhile insurers are now classified in 25 different groups. The policies of the Life Insurance Corporation as well as of cer-

tain insurers included in the same group have been allotted key index No. 10. Each of the other 24 groups has been given an index number and the ratio thereof to 10 indicates the proportion which the bonus rates applicable to the group bear to the bonus rates of the group which has the key index No. 10. The bonus vests immediately.

6. For the purpose of illustration, the bonus rates applicable to policies of some of the erstwhile insurers are shown below:

Name of the Unit	Index No.	Rate of bonus per thousand per annum
		Whole Life Endowment
		Life Rs. ment Rs.
Bombay Mutual	11	17.60 14.08
Hindustan Co-op.	10	16.00 12.80
National Insurance	10	16.00 12.80
New India	11	17.60 14.08
Oriental Govt. Sec.	12	19.20 15.36

7. The classification adopted in the new scheme will also apply to bonus allocations at future valuations. The new scheme will not apply to policies which have resulted into claims by death or maturity after 31st Dec. 1957 but before 15th Oct. 1961. For these policies bonuses are payable on the basis of the Provisional Scheme.

Full details of the L.I.C. Differential Bonus Scheme and names of Units in various groups are being published in the following papers:

Times of India, Bom/Del. 14-10-61
Statesman, Calcutta/Del. 14-10-61
Hindu, Madras 14-10-61

Economic Times, Bom. 14-10-61
Hindustan Times, Del 16-10-61
Amrita Bazar Patrika, Cal. 16-10-61



Life Insurance Corporation of India

like Madras the police centenary has been celebrated earlier than in Delhi which has set up a memorial to record a border incident divorced from the normal labours of the police. The progress from a semi-military to a civilian force is part of the British Indian tradition raised on the codes. The fact that elected local authorities have no contact with the force is part of the tradition, though efficient, local self-government may demand the creation of a Watch Committee that will influence the Police and maintain a Record to deal promptly with local crime. The recent conference in Bombay revealed that the Police suffered from lack of confidence in itself due not only to judicial comments on police behaviour in certain cases, but to the march of crime in the Prohibition era. The imposition of hard tasks has certainly made for some difficulties and the reliance in many places on private watch and ward is due to a feeling that the Police are not equal to their responsibilities. In spite of appeals for public cooperation the policeman is apt to be regarded often as a beggar

in uniform. The selection may not be peculiar to India but upgrading to recruitment, training and methods can only follow a rise in pay for officers and other ranks too. The record of the police in Assam and UP too of late has been bleak so the effusive remarks about self-improvement can only be treated as irrelevant at present. The Police Commissioners who have examined the record of the services in the States may afford one a better idea of what are shortcomings. The percentage of crime in the police force and the prevalence of corruption, not only according to disciplinary proceedings, may be cited as one reason for saying that Peel's work had no large results in India which built up the police from the remnants of Mughal administration and relied on the law to infuse gradually a right spirit into the administration. The attitude of organised labour to the police in India only reflects the general mistrust of those in high authority. The constable as a public servant has acquired little standing and experiments in welfare work in odd places signify little, for the rate of

increase in police expenditure (especially on housing and amenities) due to the rise in population especially in towns, is bound to cause anxiety where and when development expenditure keeps rising.

COFFEE Stabilisation of Acreage

Speeches made by planters about the fall in export prices, the impact of excise and the Port Sales have not been without effect. The increase in India's coffee production requires attention to the home market and quality must be raised by ensuring an adequate return to the grower. It has been often pointed out the Pool receipts do not cover the increased cost of cultivation on coffee estates. If there is no direct assault on the Coffee Board, it has been made clear that production will suffer if prices go down for the sake of exports. As in the case of sugar, the internal market must meet the losses sustained

on export but the exports can realise better prices for premium grades if sales by estate marks are allowed. The new markets in Eastern Europe can be retained only if the right grade for blending are shipped. In view of a smaller crop owing to flood havoc it is possible that prices at home can be kept up but difficulties are necessary and sales promotion in the north must be revived soon because the Robusta crop cannot be sold abroad easily.

These are points that have been already emphasised by Mr. J. N. A. Hobbs. The Union Minister has conceded in part the demand for open sales for export leaving foreign buyers free to raise prices in line with quality. What obtains in the case of tea will be adapted to coffee sales and the idea of pool sales will be renounced for the sake of getting good prices for Coorg Coffee in line with the better culture available for the crop. There has already been a full review of marketing policy and the application of excise needs to be modified if the sliding scale related to quality and price were to apply as in the case of tea exported. The expansion of coffee production in the last decade has helped India to win export markets but African output is rising, and it is widely known that Ethiopia exported 65,000 tons this year emerging as a real rival to Kenya. The world coffee agreement cannot help India and the grower must be helped by better marketing. The extension of coffee to Assam or Andhra Pradesh appears uncalled for and the stabilisation of acreage is far more important than supposed at present.

TOBACCO EXPORTS Severe Competition

Though India is critical of Rhodesian policy, there is a tacit community of interests in regard to tobacco exports. An interview given by Mr. E. R. Campbell in Madras made it clear that if Imperial preference were to end both will perhaps be hit by competition from the USA and the Philippines. There has been no offer by the USA to sell tobacco under P. L. 480 but the weight of the surplus will be felt on prices realised by Commonwealth producers in future. The chances of sales in Asian markets are slim because many tropical regions grow tobacco and Western Europe is always accessible to Balkan producers. The competition in the UK market between South Rhodesia and India is, of course, a problem but the Imperial Tobacco Co. buys large quantities in both countries. A rise in internal consumption through higher quality may help but the periodical cancer scares must be reckoned with. However, in the USA the consumption of cigarettes has gone up and the leading tobacco shares have turned of late firm on Wall Street.

The real problem in India is not Virginia tobacco but disposal of country tobacco for which the excise relief is not enough. The outlets for cheap country used tobacco must be

sought in the Middle East or Far East but the China market appears to be out of reach. If Rhodesia were to get on foothold via Hongkong which supplies cigarettes, Burma, Ceylon and other markets the Indian export problem will become more difficult. In Europe, the cigar habit is well entrenched and sales of Indian tobacco for cigarette manufacture depend upon arrangements with State monopolies that will require guarantees as to quality and delivery.

CEMENT Anxious Future

The donation of 200 tons of Swish cement for relief work in Poona made by SKF is probably without precedent. The Government imported cement at a high price in the past in order to augment domestic production. But the SKF gift, even if it is a prelude to the early entry of SKF as a partner of Tatas in a new venture to make bearings may only suggest that cement is still scarce in Bombay and the donation in kind is demanded by the situation. The volume or value may not seem great in relation to the output of Indian Cement factories but the failure to meet demand is a result of retention prices fixed without reference to rising costs and the failure of production to reach installed capacity. The prompt acceptance of the Tariff Commission's views on the need to raise price in line with higher cost of fuel, packing, etc was expected widely. But the reports that Sheik of Government being unwilling to raise the price or to reduce excise in order to stimulate domestic consumption will only accentuate anxiety about the industry's future. The theory that the cost of projects will go up ignores the virtual completion of many irrigation projects, as also the poor return to the investor who put up money for the sake of the country's self-sufficiency in cement.

FLOOD CONTROL New Approach

The devastating floods in recent times have underlined the need for rethinking on the programmes of flood control. Formulation and implementation of flood control schemes is at present the responsibility of State Governments. The role of the Centre is to provide a measure of technical and financial assistance. But in respect of both formulation and implementation of control measures, the existing arrangement is not entirely satisfactory. In most cases the catchment areas of rivers lie outside the States which they devastate when in flood. Effective schemes for controlling floods in one State—these included formulation of master plans, construction of flood control reservoirs, river training works, soil conservation measures and flood forecasting and warning systems—have to be implemented in another. The idea has gained ground that notable progress will

not be possible unless the problems involved are tackled on a regional basis corresponding to the different major river systems. But before regional plans could be formulated, it will be necessary to prepare the ground for the acceptance of the idea. The Union Minister of Irrigation and Power, it is learnt, has asked State Governments to organise five regional seminars to lay down suitable policies and priorities for future works. It has been suggested that the regional seminars could be organised on the basis of the main inter-State river systems, namely the Brahmaputra region (West Bengal and Assam), the Ganga region (West Bengal, Bihar, U.P. and Punjab), the North Western region (Punjab, J. & K. Gujarat and Rajasthan), the Central India region (Orissa, Madhya Pradesh and Andhra Pradesh), and the Southern region (Mysore, Maharashtra, Madras and Kerala.) The demarcation of the regions could be improved; for instance, Maharashtra will have to be included in the Central region also as the Godavari system originates in Maharashtra. Simi-

larly, since Gujarat is included in the North-Western region Madhya Pradesh must also be included in this region as Narmada and the Tapi originate in that State. It is also suggested that the seminars should not be confined to experts and officials, but others interested in flood control who could make effective contributions to the discussions, such as retired engineers, Members of Parliament, and State legislators, should also be invited to these seminars. In fact a complete rethinking on riparian problems on the basis of river systems than of arbitrary State boundaries is an urgent necessity from the point of view of flood control as also of other familiar problems of sharing of waters etc.

IDA Loan to Costa Rica

The World Bank and its affiliate, the International Development Association (IDA), have jointly lent the

equivalent of \$11 million to Costa Rica for the improvement of its highway system. The Bank loan and the IDA development credit, each for the equivalent of \$5.5 million, will help to finance the reconstruction and construction of about 420 miles of national and regional high-ways and the import of equipment for highway construction and maintenance.

Three commercial banks are participating in the loan, without the Bank's guarantee, for a total of \$150,000, part of the first maturity, due 1 May, 1965. The Banks are: Fidelity-Philadelphia Trust Company, Philadelphia; The First Pennsylvania Banking and Trust Company, Philadelphia; and Girard Trust Corn Exchange Bank, Philadelphia.

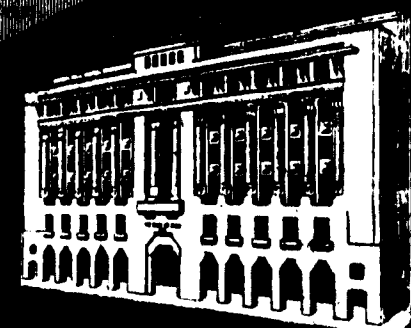
The Bank loan is for a period of 15 years, at 5-3/4 per cent interest, including the 1 per cent commission which is allocated to the Bank's Special Reserve, and is repayable in foreign exchange. The IDA development credit—the first of its kind to Costa Rica—is also repayable in foreign exchange, but has a term of 50 years, and is free of interest. The first repayment of the credit will be due on 1 November, 1971. Thereafter, 1 per cent of the principal

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DALMIA ENTERPRISES IN THE NATION'S SERVICE

pal will be repayable annually for 10 years and 3 per cent will be repayable each year for the remaining 30 years. The only annual charge on the IDA credit will be 3/4 of 1 per cent on the amounts withdrawn and outstanding, to meet IDA's administrative costs.

Costa Rica, with an area of 19,700 square miles and a population of approximately one million, is the second smallest of the Central American Republics, with good land resources and a highly literate and industrious population. A well-developed highway system is vital to

the realization of Costa Rica's considerable potential for economic growth.

The highways now carry 80 per cent of total passenger traffic and 70 per cent of freight. Over the past ten years there has been a threefold increase in the number of road vehicles, causing considerable damage to road surfacing and foundations. The road system also suffered from the insufficiency and poor condition of road maintenance equipment.

The highways to be reconstructed under the project represent about

one-third of Costa Rica's national and regional highway system. The majority of these highways serve the central plateau, populated by about three-fifths of the total population and containing the bulk of the country's agricultural and manufacturing wealth. Improvements in road alignment, width, and surfacing of existing roads will cut present vehicle operating costs by 12 per cent to 25 per cent on most of the project highways. Three new highway sections are to be constructed, two to relieve the severe traffic congestion in the San Jose area and the

third to open up a rich agricultural region. These works, together with the improvement of the maintenance organization, constitute the first and most important stage of a seven-year highway development programme to improve and extend the country's highway network.

Including today's loan the Bank has now lent the equivalent of \$25.3 million in Costa Rica, for the development of agriculture and industry, and for the construction of a hydroelectric plant on the Rio Macho.

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STOCK EXCHANGES

Oath for Stockbrokers

The New Statesman, designed for lively minds, last month announced a literary competition, asking aspirants to prepare an appropriate oath for stockbrokers. There might be few entries from India but the idea has its own appeal. The stockbroker's profession may rise in esteem if there is an oath corresponding to the Hippocratic oath. To put clients' interests first always, and to cut commission charged by banks for orders may be easy, if the House were to decide that an oath pledging brokers to mind their own business and to secure the interests of clients were to be evolved and accepted. The Provincial exchanges will probably follow London eagerly to reassure clients about their bonafides. One thing is plain: brokers will not apply the familiar maxim, Caveat Emptor in passing on share certificates to buyer. For India, equipped with modern elaborate legislation and now a committee of seven to control speculation, an oath may be held superfluous but London may take it that an oath of office related to professional ethics and etiquette is desirable on all counts at present.

The ingenuity of competitors will be taxed but some amusing efforts will be forthcoming. The solicitors' clerks who responded to the Army Sergeant's call 'charge' by promptly answering six and eight may be recalled here. The brokers' problem is one of meeting the challenge of unit trusts, ready and able to adventure at present. The style or form of the oath may be influenced less by tradition than by the fact of competition and a nice balance between bull and bear must be held to impress clients that brokers act for others than themselves and can quote closely enough to get business. Smaller spreads may be a useful slogan for those thinking largely of jam today, not jam tomorrow.

—And Integration

The integration of the European stock exchanges has been approved more or less by Lord Ritchie in London. It may be difficult to maintain exchange controls of a rigid type if international stocks and shares are exchanged between the main centres. The major result may be that the European monetary agreement will acquire reality and purpose.

Indian Finance

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other may be a revival of South African mining shares, with Paris ing regular support to the Rand avies like Johannesburg Consolidated or Anglo-American. The rehabilitation of Congo shares, of use, depends on a political settlement there, but German industrialists bound to be followed extensively by US investors also in future.

German stocks are listed on the London Stock Exchange and a great thaw is bound to set in during the winter. The 1913 dealings may not take account of Eastern Europe is definitely out of bounds for the investor, but US capital held in Europe may soon be diverted from gold to international securities like Royal Dutch and Shell. It is not likely that Overseas Counter securities will find as much favour as the speculative areas that can be held in bearer form with the opportunity or privilege of collecting dividends on tune through Swiss banks.

The recovery of Italy may well be appreciated by British or other investors but the degree of State control now imposed on steel or chemicals may limit the appeal of Montecatini or other shares, though an expansion programme appears a fair point for the investor abroad. The downward drift in equities in London should, however, be checked and some promising concerns may even become the subject of takeover bids, in case price maintenance arrangements are extended to informal agreement among makers of heavy chemicals. The competitive capacity of British industry in the export field may affect the European interest in tobacco, textile or ore shares, but it is a fair guess that the European view of J and P Oats may be more optimistic than respect of a share like Courtaulds.

Free trade in shares may not enlarge company revenue but it should help to reduce fluctuations due to credit restrictions or the forced sale of holdings of deceased owners. The attractions of Indian Iron or Indian copper in London may not appear so great as compared with electric equipment shares which have heaped. Yet the major result will be a preference for equities for which the taste has been developed in an account of postwar inflation and the relaxation of rules relating to trustee investments in the UK. Investment trusts shares and unit trust shares with a European angle may soon come into being. Investors in Zurich are able to follow Canada's economic development by going in for shares in some special trusts. The financing of new issues may become easier if merchant bankers are able to continue and apply the golden touch to more than one centre, especially, if iron and steel is going to be integrated on the basis of lower tariffs in the ECM.

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HINDUSTAN STEEL Production in September

The production of Iron and Steel during September, 1961, at the three Steel Plants of the

Hindustan Steel Ltd, was as follows:—

Bhilai Steel Plant produced 82,607 tonnes of Pig Iron and 66,570 tonnes of Steel Ingots during September, as against 84,101 and 68,631 tonnes respectively during August. Production of Pig Iron for Sale was 31,462 tonnes as against 31,743 tonnes in August. Saleable Steel Production was 41,755 as against 35,011 tonnes in August. This consisted of 28,436 tonnes of finished steel and 13,319 tonnes of Semi-finished products for Sale as against 24,279 and 10,732 tonnes respectively in August.

Durgapur Steel Plant produced 57,481 tonnes of Pig Iron and 42,748 tonnes of Steel Ingots during September, as against 63,526 tonnes and 33,733 tonnes respectively during August. The production of Saleable Pig Iron was 16,812 tonnes. Production of Saleable Steel amounted to 29,612 tonnes which consisted of 5,694 tonnes of finished steel and 23,918 tonnes of semis for Sale.

Rourkela Steel Plant produced 29,886 tonnes of Pig Iron and 23,310 tonnes of Steel Ingots during September, as against 30,408 and 23,649 tonnes respectively during August. Production of Saleable Pig Iron was 6,472 tonnes as against 6,178 tonnes during August. Production of total Saleable Steel rose from 11,804 tonnes to 17,364 in September. This consisted of 16,790 tonnes of finished steel and 574 tonnes of Semis for Sale.

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MADRAS ELEC. BOARD 4½ per cent Bonds for Rs 2 crores

The Madras Electricity Board's issue of 4½ per cent bonds for Rs 2 crores and repayable in 1971 has been notified as a trustee security. The issue price is Rs 98½ per cent and the list opens on October 18. The Board will retain 10% of applications, if there is an excess. Like State loans, the bonds rank for half-yearly interest payments. The Sinking Fund arrangement ensures a regular if narrow market for the bonds and the Board's surplus of assets may induce lenders to go in for bonds. The quotation for older issues will perhaps decline. What is more other Boards will have to offer 4½% for any new issues. This is a clear indication of bank rate being merely nominal and interest rates even for institutional borrowers being settled by the forces of demand and supply. The half per cent or quarter per cent rise may be termed a submission to the new factors like the rise in bank deposit rates, meant to enlarge bank deposits in line with higher rates now charged for advances. The position before the busy season is clarified to a point. And it may be said that a cut in the UK bank rate does not really signify anything at present.

RAILWAYS

World Bank Loan

The World Bank has made a loan equivalent to \$50 million to India, to assist the development programme of the Indian Railways. The loan will help to meet the cost of equipment and materials to be imported over the coming year.

Five commercial banks are participating in the loan, without the Bank's guarantee, for a total of \$1,075,000, covering the entire first maturity, due 15 February, 1965, and part of the second maturity, due 15 August, 1965. The banks are: Bank of America N.T. & S.A., San Francisco; First National City Bank, New York; Manufacturers Hanover Trust Company, New York; Fidelity-Philadelphia Trust Company, Philadelphia; and the First Pennsylvania Banking and Trust Company, Philadelphia.

The development programme of the Indian Railways has a very important place in the Third Indian Five-Year Plan, which began in April this year. One of the largest railway systems in the world, the Railways handle the bulk of long-distance freight and passenger traffic in India. Large investments will be required if the railways are to keep pace with the requirements of the Plan, whose production targets imply a 75 per cent increase in railway freight traffic (mostly in bulk commodities such as coal, iron ore, steel and cement), and a 15 per cent increase in passenger traffic.

Since Independence, continuous and heavy expenditures—first on post-war rehabilitation and then on modernization and expansion—have been undertaken by the Railways to serve the developing economy of India. During 1958-61 (the Second Five-Year Plan period) alone, the Railways invested the equivalent of \$2,300 million. The World Bank has played a large part in providing

The Bank's loan is for a term of 20 years, and bears interest at 5-3/4 per cent including the 1 per cent commission which is allocated to the Bank's Special Reserve. Repayment of the loan will begin in February 1965.

SYRIA

New Status

After the recognition of the new Syrian regime by the USA, the revolution acquires a status. Russia's recognition earlier had cleared doubts about Dr. Kuzbari's power to stay on. Col. Nasser has referred the complaints of Syria to the Arab League which is divided. In any case, Turkey and Jordan have moved towards the Syrian regime already and Israel may be reassured by the breakup. There has been so far no comment on how the removal of Colonel Serraj from Syria affects the position of Israel which might find in Egypt's reverse some consolation for the loss of Gaza. The Syrian republic sports the title Arab and its own nationalism cannot be criticised. As the local Communists headed by Khaled Backdash are behind the capitalists who objected to

State socialism imposed by Nasser, the alliance is rather perplexing. The view of Iraq, said to be facing a crisis again, are in doubt but it is held likely that a merger of Syria with Iraq may be arranged, with Jordan coming in from necessity or choice. That means the end of Hashemite influence but it also means that Syrian independence will survive.

The chief issue, however, is whether Lebanon will move back towards Syria and the foreign influences there will percolate again to Syria. Economic factors may bring about a close union, as during the period of the Mandate, and the Syrian regime will acquire a cosmopolitan tinge easily again. The loss of face for Egypt will perhaps make for the Sudan's unwillingness to follow Egypt and Nasser's influence in Africa will decline. To that extent, Europe will feel pleased, for a domestic crisis will leave Cairo powerless to speak up for



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Ghana or Guinea or to ask for adjustments in the Congo. Whether Syria's cotton will be sold directly, whether the gold reserve will be returned or whether Syria will have to depend on US aid are clearly issues in the background. The grounds for separation exist and parallelly also exist. Sweden and Norway parted company like Austria and Hungary. If Syria becomes both free and neutral the Arab League will be less influential in speaking up for Algerian nationalists and the partition of North Africa may be achieved easily.

GOA Odds Against Freedom

The failure of Portugal to tell the UN about the conditions in the African colonies may be one reason for

a seminar held at Delhi. Condemnation of Portugal, where dictatorship seems durable, may not help greatly, if South Africa and Rhodesia are in favour of the status quo. An Afro-Asian seminar at Delhi with visiting leaders attacking Welensky as well as Salazar may lead to a better opinion about local Asian residents in African territories. But it is not going to crack the despotism in Angola. Criticism of South Africa has made no difference to the voters in South Africa last week, and if the three Protectorates are threatened the Afro-Asians can do little. Liberation in Africa cannot come on request. The voluntary withdrawal of Portuguese authority can come only from a revolution in Lisbon and that appears very remote. The assorted African leaders have condemned the association of NATO with Portugal but the risk that African development may suffer has not been so far recognised. However, Mr Desai poured cold water on the glib

talk of using military force to achieve the freedom of Goa in a short time. The cost must be always calculated. Foreign aid may be stopped if there is overt intervention in Goa and Mr Desai probably realises that Goa is less important than aid for the Third Plan. A more important consideration is that Pakistan may enter into the dispute as an ally of Portugal and the area of disagreement will be widened. The risk is not due to be ignored by India which can approve British missionaries' protest about events in Angola. But the regular imports of cashewnuts for the Quilon factories are essential and the end of trade with Mozambique which may also be helping South Africa to secure certain goods from India. The word sanctions has not been mentioned for Goa can draw supplies from Japan or other countries. None has yet suggested the idea of a purchase. The independence of the USA was

ensured by buying Florida and Louisiana before any trouble developed.

US Upswing in Economic Activity

Projections of economic activity reflect the optimism one might expect during a vigorous business upswing of the kind now under way in the US.

Mr Hodges, the US Commerce Secretary told a business group in Detroit recently that the nation's total output of goods and services—its Gross National Product (GNP)—is now being estimated at about \$520,000 million for the current calendar year of 1961. This indicates that the GNP will be running at an annual rate

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of about \$50,000 million during the fourth quarter, which would represent an eight per cent over the first-quarter rate—a remarkable growth rate for an economy the size of the United States.

Secretary Hodges did not stop there. On the basis of data developed by President Kennedy's council of economic advisers and his own commerce department experts, he forecast the likelihood of a 1962 GNP of more than \$575,000 million. To do that, the US economy would have to be operating at an annual rate of \$600 million by the fourth quarter of next year.

These projections are deemed to be well within the range of the economy's capability by most economists. Even those who may not wish to attach any specific figures to their forecasts at his time generally agree that the US

economic expansion will continue into next year, and beyond.

Only a few days ago, for instance, a group of government and university economists, after a meeting at the treasury department in Washington, expressed agreement with the view that the 1961 business recovery had been "very satisfactory," and that the improvement will continue in 1962. Further gains next year, they said, will stem from increases in business spending on plant and equipment, consumer buying, home building and government outlays.

Of these specified influences all appear to be progressing satisfactorily at this time, with the possible exception of consumer spending for goods and services. There is no denying that this vital sector, which accounts for two-thirds of the US GNP, appears to have lagged beyond the pace of the

general economic recovery, although it has been moving up steadily to new highs. But retail sales, generally reflecting consumer outlays for goods, have yet to regain their 1960 high.

Before one is tempted to take too gloomy a view of this development, however, one might take into account certain factors which place the consumer picture in a much brighter light.

Most telling in this connection seems to be the decisive gain in the past few months in consumer confidence, as uncovered by the latest survey of consumer buying intentions by the University of Michigan's predicting consumer behaviour through its periodic surveys.

While the persistence of some unemployment and the worsening of international tensions appear to be restraining any buying spree, the Centre concludes from

its findings that consumers will be making "a sizeable contribution" to the US economic upswing in the coming months. This is based on the judgement of increasing numbers of Americans that the economic outlook is good and that attractive buys are becoming available in such products as household goods, cars and houses. This latter point can be taken as another indication of the absence of inflationary pressures on the US economic scene.

Also to be taken into account is the fact that a lag in retail sales is not unique to the present situation. It also was evident during the two previous economic recoveries—those from the 1953-54 and the 1957-58 recessions. On those occasions, it was nearly a year before consumer confidence had recovered to the point where retail sales showed the anticipated buoyancy.

On the basis of the latest University of Michigan survey, one can say that such a point is fast approaching during the current economic recovery, if it has not already arrived. Indeed, one is tempted to predict that by the end of this year retail sales will be pushing on to new highs.

There are those experts, in fact, who see in the recent consumer hesitancy a sign of strength rather than weakness. They point out that during the past half dozen years or so, American consumers have shown a healthy attitude toward the use of consumer credit, with borrowing tending to be moderate in relation to after-tax income. And consumer income, they note, has generally kept on rising.

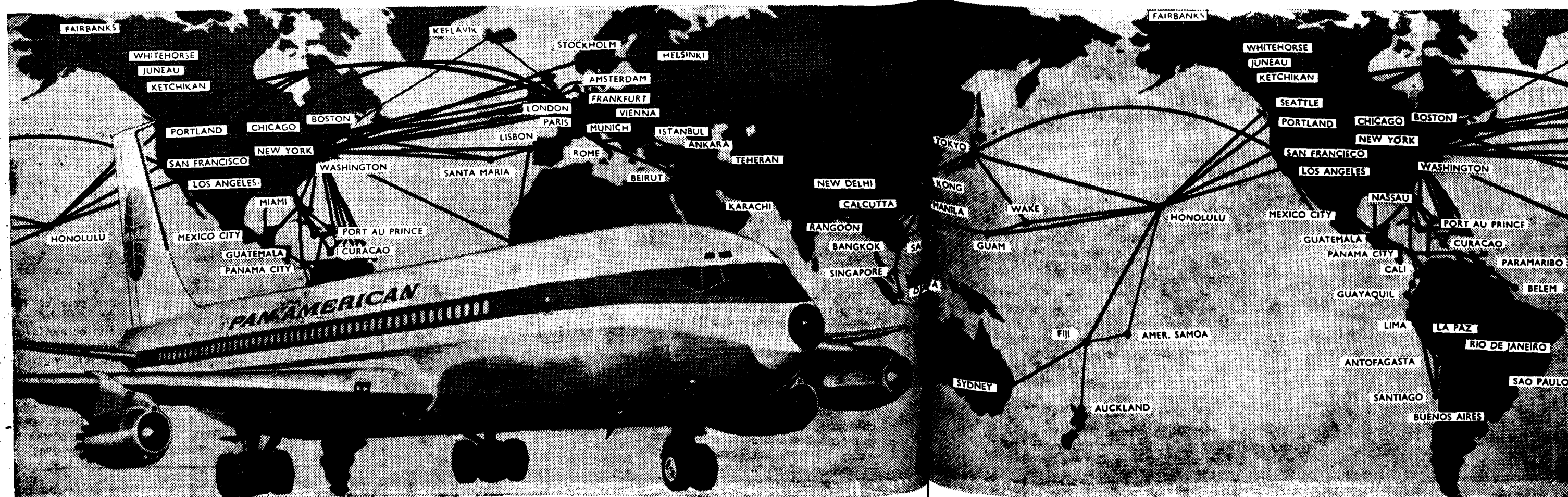
Additionally, consumers appear to have been on the look-out for "attractive" buys in major items, according to the Michigan survey results, with such buys now apparently deemed available.

All this may help explain the reported resurgence in consumer confidence and buying intentions. These consumer attitudes of selectivity, moderation and common sense may well emerge as important contributions to an economy that is trying to foster maximum growth without inflation.

BANKS First Things First

The Finance Minister of Maharashtra has allowed his chagrin at the alleged non-cooperation of banks over government loans recently floated to outrun discretion. He has forgotten that the Union Government alone regulates banking and it is not for him or any other State Minister to hold out a threat of nationalisation. It is elementary that a bank's first duty is to its depositors, and then to its shareholders and staff.

Moreover, a bank's obligation to retain cash or maintain investments is defined already by statute and



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here is a regulatory agency to supplement inspection. Other than the normal increase in bank deposits is expected to increase investments (course the Estimates Committees) on LIC's investment policy may influence Ministers' talk of other methods to force subscription.

A forced loan by banks to oblige the government is not to be contemplated after specific assurances by Mr Desai that the banking industry (as it is called) is to be in the private sector and the limit of nationalisation has been reached. It is, of course, easy for Government to call on the State Bank to open banking business and invest in disposable funds in new loans. It is even open to the State Bank to sell off its valuable premises in the big cities to big business houses and engage firmly and exclusively in Government securities. The State Bank and the associated banks can curtail their advances and cease competing with commercial banks. This is a valid and, perhaps feasible, suggestion to which Mr Wankhede can extend approval.

The Indian Banks Association should, however, seek clarification about the report from Nagpur. The threat of nationalisation may also be brought to the notice of the Union Government as Mr Wankhede has mentioned the inevitability of nationalisation on the context of a limited response to the new loans floated. No reference has been made to the terms of loans floated in the light of money conditions ruling this year with the call loan rate up to 5 per cent at times or to the procedure adopted by the Reserve Bank which takes up loans and sells them when a demand springs up. The talk of nationalisation may not be a means of supplementing credit curbs in force. It may be due to a feeling that extra tax revenue is hard to raise and big borrowing, at the expense of banks whose profits are under pressure, is the only available means. This may be a reasonable point of view, but to speak of the possibility of nationalisation, when no charge can be brought against the banking system is hardly a responsible act. The idea of a monopoly in banking, as in the case

of life insurance, may be attractive but it runs counter to the accepted ideas and foreigners now in Delhi to assess business prospects may register alarm at the casual way in which a threat is held out by Mr Wankhede.

NEWS IN BRIEF

The International Development Association will provide a loan of about Rs 10 crores to the West Bengal Government to meet the expenses for its national highway schemes.

The US Technical Co-operation Mission authorities have agreed to undertake the development of Singrauli Coalfields in Madhya Pradesh.

The total cost of Colombo Plan Technical Co-operation during the ten years since its inception is estimated at 66,800,000 sterling, according to the annual report published by the Council for Technical Co-

operation in South and South-East Asia.

The Oil and Natural Gas Commission has found oil in wells No 37 and 47 in the Ankleshwar area. With these two discoveries the number of successful wells in Ankleshwar oilfield will reach 18 out of 22 wells drilled so far.

Indian exports to the USSR during the last five years have risen nearly 14 times. Tea topped the list followed by hides, jute goods, cashewnut kernel, wool, coffee, spices, leather footwear, castor oil, woollen fabrics, mica and shellac. Indian imports from Russia also registered a sharp rise. Main items on the import list are machines and equipments, ferrous metal, non-ferrous metal, alloys, newsprint, building materials and chemicals.

The Central Government has approved the Madhya Pradesh Government's proposal to establish four polytechnics in the State. Sixty per cent of recurring and non-recurring expenses will be borne by the State Government, local bodies and the public while the rest will be provided by the Centre.

The Government of Madhya Pradesh has decided to establish a small scale industrial corporation with a capital of Rs 10 lakhs for the implementation of the scheme of establishment of industrial estates.

A new trade journal entitled "Rubber News" of Polymer Publications was inaugurated last week by Mr K. M. Philip, the president of Indian Rubber Industries' Association.

According to the Indian Sugar Mills Association production of sugar during 1980-81 season upto 30 September 1981 totalled nearly 2.97 million tons as against 2.4 million tons during the corresponding period of the previous season.

Production from the Singareni Group of collieries in September last amounted to 249,198 tonnes as against 204,813 tonnes for the same period last year.

According to the preliminary figures released by the international rubber study group world consumption of natural rubber in July 1981 fell to 180,000 tons from 177,500 tons in June. Consumption of synthetic rubber also declined to 142,500 tons from 162,500 tons.

The Development Council of Machine Tools has recommended a Rs 5 crore increase in the target of machine tool production during the Third Plan period. The Council also suggested to give up the policy of allowing the export of machine tools as the internal demand will be greater than indigenous production.

The Transport Ministry has formulated a scheme for the construction of 60,000 miles of rural roads during the Third Plan at an estimated cost of Rs 100 crores.

Clive Street Gossip

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

I MUST confess to a sense of puzzlement over what precisely was sought to be achieved by the seminar on Portuguese Colonies that met at Delhi and Bombay this week. A general intention to catch at the flood the tide of genuine disgust with Portuguese barbarism that is running very high is evident enough. But the organisation of this enterprise on a global basis is fraught with many practical difficulties. This was evident from the description of the conference as a seminar, which in the event, turned out to be a rather odd word to use in the context. The participants, many of whom were involved in an existential sense in Portuguese colonialism, could hardly be expected to discuss the subject with dry academic detachment. And yet the particular auspices under which the seminar met could hardly lead to a more direct commitment to the practical consequences of the discussion even by those in a position to commit themselves. It is possible that the real decisions like those relating to tangible aid in the form of money and resources were taken informally. But the formal speeches made on the occasion did not make for clarity of either aims or methods. India was not only noticeably out of step with Africa in the urgency it brought to the question, but what was more unfortunate, it spoke in different voices giving rise to African feeling of India's double-talking hypocrisy. Mr Nehru's affirmation that India did not rule out the use of force in liberating Goa was not new, having been spelt out during the last session of the Indian Parliament. But its reiteration at the seminar was certainly worthwhile, though African delegates were inclined to read into it more than what it could bear. It is true enough that the dislodging of the Portuguese from Goa would be the beginning of the end of the Portuguese colonialism. But a global programme with a deadline for Goa's liberation as a first step is too ambitious in its details. But even the more modest implications of Mr Nehru's statement were rendered equivocal by what Mr Morarji Desai said at the conference. Mr Desai who claimed to speak only for himself preached, rather smugly, I regret to say, the virtues of non-violence. Besides, Mr Desai chose to give a gloss on Mr Nehru's statement that pretty nearly cancelled any substance the idea might have

possessed. The only contingency in which he visualised the "use of force" was when Goa "threatened to be a danger to the existence and freedom of India". This is perhaps as good as saying that there will never be an occasion when India will use force, for despite Portugal's association with the NATO, one cannot conceive of an occasion when Goa will be a threat to India. For Africans thirsting for "action, action, action," as the Tanganyikan delegate phrased it, Mr Desai's exposition of the dilemmas of using force while professing peace in larger international contexts, must have sounded an appalling piece of sophistry. And considering how unrelated to non-violence in the Gandhian sense our own ordering of our lives is, we should in bare honesty drop this cant. I often wonder whether we visualise with sufficient clarity how some of our international stances appear to others, especially Africans. There is already a certain amount of African prejudice, which was brought into sharp focus at Belgrade, against what is considered to be India's "holier than thou" attitude. Moreover, India has also to put up with a certain amount of hostility that always goes with a sense of dependence that an elder brother that has made good invariably invokes in the younger ones. And speeches like those of Mr Desai are hardly helpful in overcoming such hostility.

For whose benefit is Mr Khrushchev rattling his fifty and hundred megaton bombs? Surely it cannot be that he wished to strike new terror in the hearts of the West. For it has been clear for a long time now that an additional megaton or two would not make the slightest difference to the balance of terror. It is true that new bombs have had a big build up given to them. We have been told that a fifty megaton bomb will make a dent 400 feet wide and two miles long and destroy everything within a radius of seven miles. And Mr Khrushchev says that he is refraining from exploding a 100 megaton squib only because it may blow off his own windows. All this sounds pretty grim, but it does not add much to existing fears. For even with the lesser bombs already in the arsenals of the big powers the world can quickly be rendered uninhabitable if it ever came to a showdown. I therefore do not thin-

that the new series of testing super bombs has anything to do with wanting to bargain from strength. Mr Khrushchev has actually eased up on the one issue that could have touched off a nuclear war by saying that the deadline for a peace treaty with East Germany is not rigid. My own guess is that Mr Khrushchev is either trying to appease or frighten the dissidents in the communist camp itself. That the twenty-second Congress was as near a rowdy affair as it is possible for a communist get-together to become has been fairly obvious from the reports. The Albanians have been getting out of hand with tacit and even open encouragement from the Chinese. Disconcertingly to Mr Khrushchev, even the Russian claque seems to have clapped at the wrong places and he had, if reports are to be believed, actually to ask it to desist from such forms of approval. Some efforts to paper out of sight the cracks on the wall were no doubt made: but none was really deceived. In the light of all this, it is possible that the super bombs are either a sop or a warning. It would be a sop if it was meant to demonstrate Mr Khrushchev's belated intentions to the West; in that case it would constitute a gesture of homage to the Chinese thesis of an unregenerate capitalism with which it is impossible to live in peace. On the other hand, it may just be Mr Khrushchev's way of telling his comrades who are getting into his hair all the time that he is still the big brother and they had better behave. Whatever the motives, the cynical disregard of the almost universal appeal to desist from further tests, makes one sick.

For the rest, the twenty-second Congress may turn out to be even more decisive than the twentieth in the personal fortunes of Mr Khrushchev. The twentieth Congress merely pulled down Stalin from the pedestal, but it did not quite break the Stalinist core in the party and the country. The last few years have been seeing the steady ascendancy of Mr Khrushchev and one by one the awesome figures of the communist hierarchy have been denounced as guilty of anti-party and (what in Russia is apparently the same thing) treasonable activities. That Mr Khrushchev was feeling his way about is clear from the fact that he has got round to Voroshilov as another scapegoat only now. The twenty-second Congress saw renewed vigour in the frenetic condemnation of anti-party activities of erstwhile leaders. Mr Mikoyan said his piece. Madame Furzeva spoke in hushed

tones of midnight knocks at the door though, ironically, the recipient of the message was not the person who got it in the neck. And we hear of dark hints from such diverse sources as Michael Sholokhov, the noted novelist and friend of Mr Khrushchev and Dmitri Poliansky that these persons may be made to "pay" in some way for their alleged acts of treason. The rest of the world may be forgiven a measure of cynicism in accepting at its face value the justice of such retrospective retribution. Mr Khrushchev must sometimes be feeling, "There, but for the grace of Marx, Engels and Lenin, go I". But altogether, it looks as if Mr Khrushchev has finally broken the back of the opposition to him.

I think it was the film star Myrna Loy who once said that sleep was a terribly over-rated thing. Cambridge researchers have come to similar conclusions and I for one am inclined to agree. Like the Tamil saint, I am always lamenting the appalling waste involved in sleeping away half one's life. A different kind of problem is bothering the Americans: a recent gallop poll revealed, it seems, that 52 per cent of US citizens has "occasional or frequent difficulty getting to sleep." When all the hallowed aids to put yourself to sleep like counting sheep and watching shadow patterns fail, commerce, ever ready to serve the public, steps in. Surveying this problem, a writer in New York Times recently listed such aids to sleep as "sleep masks, ear stoppers, knee pillows, sinus masks, tranquilizer bath kits, chin straps, headwarmers, and innumerable dulcet recordings, of soporifics." They have even thought up "a Sleepy Head", (looking, the New York Times affirms solemnly, "suspiciously like H. L. Mencken"), contemplating which you drift into the land of the Nod. More expensive aids to sleep are Slumber Tones (\$9.95) which "utter a scientifically developed sonic vibration, which characterises the pre-natal environment, soothes and comforts the fretful infant." How nice! Psychologists keep on telling us that if only we could, we would all get back into our mothers' womb and since that is not possible, here is the next best thing, cheap at ten dollars. And those in a hurry can put themselves to sleep with pills. These have the most soporific brand names: like Dormin, Nytol, Sleep-eze, Somnux—etc. I have only one reservation about the efficacy of all these highly imaginative aids to sleep. I have no doubt they will do all that they claim they will, but what if the money I am to spend on them keeps me awake? Which only goes to prove that there is nothing like the old-fashioned remedy for sleeplessness—a hard day's work and a blameless heart.

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INDUSTRIAL DEVELOPMENT

Probe into Prospects

ALMOST the entire range of the problems of economic development in India, with particular reference to the scope for private foreign investment in this country, is being reviewed in exhaustive detail in the round of talks between the Business International Executive Round Table Group and spokesmen of the Government of India and Indian business leaders. The talks started last Sunday and will continue till 27 October. While the discussions are purely exploratory, they serve as clearing house for ideas and help dispel misapprehensions on either side. In this respect, the spokesman of the Group said last Tuesday, after the meetings with the Ministers of Finance, Planning and Commerce and Industry, that the discussions had been eminently successful.

The general approach of the Government of India with regard to foreign collaboration in Indian industry and the procedures adopted in licensing joint ventures and the terms thereof loomed large in the round of discussions last Tuesday. One of the topics which came up in the course of the talks was the utilisation of "Cooley Funds." The recent visit to this country of Mr Orville Freeman, the US Secretary of Agriculture, it may be mentioned in parenthesis, has focussed attention on the working of the P.L. 480 agreements.

India has been the largest recipient of US agricultural commodities under Title I of P.L. 480. The total value of the five agreements—the last one and the largest was concluded on 4 May 1960 and will continue through 1964—amounts to Rs 1119 crores. Out of this a sum of Rs 77.6 crores (6.9 per cent of the total) is earmarked for Cooley Fund loans to the private sector. These loans are made available through the Export Import Bank to two categories of borrowers:

- (1) American firms or their subsidiaries operating in this country or Indian firms having an affiliation with an American firm; and
- (2) Indian firms with no American affiliation but which are facilitating the disposal of American agricultural products, i.e., local private

warehouses storing grain, or flour mills processing the grain, etc.

As of 31 August 1961 a sum of Rs 72.1 crores out of total accrual of Rs 558.1 crores of counterpart funds had been allotted to the Cooley Fund. But so far only 14 loans aggregating Rs 12.31 crores have been sanctioned out of this fund. Speedier utilisation of these funds, it is understood, was among the topics discussed by the Business International Group in their talks with the ministers and officials of the Government of India.

The questions raised in the course of the general discussions on foreign collaboration, suggest that doubts entertained by US businessmen about the prospects of joint ventures may be one of the reasons for the slow pace of utilisation of the Cooley Funds. Terms of joint ventures in other countries, their terms and working, were understood to have been discussed in this connexion. Government policy in general is to approve joint ventures which provide for majority participation in the equity by Indian nationals, though in special cases where development of a particular industry is considered essential, Government has also sanctioned joint ventures in which majority of the equity is held by foreign investors. The visitors are understood to have suggested that, where there are two groups of shareholders, disputes with adverse effects on business operations are unavoidable. Big US Corporations also apprehend that joint ventures would attract the provisions of anti-trust legislation of their country more readily than ventures abroad which are completely owned by them.

Government's attitude regarding licensing of enterprises which are entirely owned by foreign investors appears to have been one of the major points on which elucidation was sought at the discussions last Tuesday. The flow of private foreign capital, it appears, will be influenced less by the facilities afforded for joint ventures, for which spokesmen of Indian businessmen have been campaigning or the promptitude in processing applications of licences for such undertakings, than by the Government's willingness to encourage the establishment of undertakings wholly owned by foreign nationals. This probably explains the noticeable lack of enthusiasm on the part of Indian businessmen for the visit of their

American counterparts. The tight schedule of meetings with the various Ministers, Planning Commission and the Reserve Bank hardly leaves any time for purposive discussions with representatives of Indian business. They will of course be meeting at the reception arranged by the Federation on the 27th.

While the talks have enabled the visitors to gain an insight into Government thinking on the basic problems of economic growth and the strategy of planned development, Government representatives, too, had the benefit of an independent and expert appraisal of the development programmes. The ideas which have emerged out of the free and frank exchange provide the background to deliberations of the Central Advisory Council of Industries meeting over the week end.

While the Council can look back with satisfaction on the progress achieved on the industrial front during the two Five Year Plans, the prospect ahead for achievement of Third Plan targets is not without overtones of anxiety. The steady decline in foreign exchange

reserves last year which has continued during the first six months of 1961-62 is the main source of anxiety. Borrowing from the IMF has not been able to arrest the trend. As on 8 September 1961, the foreign assets of the Reserve Bank stood at Rs 136 crores, or less than the value of imports for two months.

In these circumstances, the Council has to consider the measures for setting up the manufacturing capacity required to attain the targets of the Third Plan. Licensing of capacity, either for new undertakings or substantial expansion, has been proceeding at a fairly satisfactory pace. In fact, in many sectors the licensed capacity is already in excess of the targets. But in most cases only a part of the additional capacity licensed is covered by foreign exchange. Out of 54 industries and groups of industries, the amount of foreign exchange required for setting up the additional licensed capacity has been fully covered only in the case of 15 industries. The position in respect of certain important industries is shown in the table given below.

Industry	Unit	Additional capacity licensed	Additional capacity not covered by foreign exchange
Nitrogenous fertiliser	000 tons	799	388
Phosphatic fertiliser (p205)	000 "	298	156
Sulphuric acid	000 tons	812	265
Soda Ash	"	259	172
Caustic Soda	"	256	99
Carbon Black	"	34	20
Dye stuffs	Million lbs.	14	3
Paper and Board	000 tons	875	462
Synthetic Rubber	"	50	20
Newsprint	"	90	30
Cement	million tons	7.5	5.6
Refractories	"	1.47	0.97
Industrial Gases	million cu. ft.	1161	393
Rayon	million lbs.	93	30
Chemical pulp Rayon grade	000 tons	279	155
Steel castings	"	132	102
Steel forgings	"	141	121
Ferro-manganese	"	122	60
Aluminium	"	70	25
Lead	"	3	3
Dumpers and scrapers	Nos	180	180
Shovels	Nos	30	30
Road rollers	Nos	400	300

In view of the tight foreign exchange position Government has been obliged to adopt a cautious policy in releasing foreign exchange for imports either for maintenance or development. Import of capital goods for the establishment of new units and for substantial expansion is approved only against suitable methods of financing. Those approved are foreign investments, loans to the Government of India from foreign governments or financial institutions, long term foreign exchange loans secured by private parties from financing institutions abroad and

imports financed by NSIC. Maintenance imports requirements are financed primarily from export earnings. In addition it has been found possible to make some funds available from various tied loans secured by Government for the import of components and raw materials. But this is only in a limited way, the bulk of the foreign credits being used for capital goods. In the circumstances the emphasis is on export promotion. Applications for import of plant and equipment which will help to increase exports are accorded special priority.

Assam Sillimanite Limited

Growing Demand for Sillimanite in India specially for Glass & Ceramic Industry

Shri S. M. Wahi's Statement

The Tenth Annual General Meeting of Assam Sillimanite Ltd. was held on October 14, 1961 at the Registered Office at Gauhati, Assam.

Shri S. M. Wahi, the chairman in the course of his statement said:—

Gentlemen,

This year has been a period of great stress and strain—stress, because, while our production even though increased from the previous years, was not found to be enough to meet the growing demand for Sillimanite the World over as also the increased requirement from within the country; and strain, since our valued clients in Europe—most of the large Refractory Works—got a shock to find the Government of India's policy announced early in 1961 restricting exports to one third of the best year's export. These Works had switched over their production to Sillimanite products on account of the good quality as well as continuity of supplies being maintained by your Company during the last couple of years. Thanks to the efforts of your Managing Agents, export market for Sillimanite had been well established in Europe, Japan and several other countries.

With certain adjustments we had to make for meeting the immediate but reasonable needs of the indigenous industries, the Government of India was good enough to approve of the export of the quantities, for which we had entered into a firm commitment for export during 1961. So, while some of our customers abroad had some difficulties in receiving supplies expected by them, the position of meeting their orders for 1961 has been resolved. To frame the programme for 1962, the Ministry of Commerce & Industry, Government of India, has issued circulars to all indigenous Refractory Works to submit to us their requirements for 1962. We had also asked our overseas buyers to place their firm requirements in our hands at an early date so that we may be able to finalise arrangements for 1962. As in 1961, we expect some sort of satisfactory formula for export would be worked out on the basis of firm commitments after keeping a reasonable quantity for indigenous industries. It would be a pity to lose the World Market and the foreign exchange so earned out of the export of Sillimanite.

To restrict indiscriminate buying we had to ask for one third advance with orders, so that our old and genuine buyers continue to get their genuine needs met.

The gradual increase in production as anticipated is working out despite heavy odds under which the mine has to be operated. Larger sums of money had to be expended in the maintenance and improvement of the Company's 22 miles of hill section road. New approach roads and bridges had to be made to reach new deposits. The transport and excavation machinery has had rough beating, resulting in heavy depreciation.

The production, however, was 7540.01 tons in 1960-61 as against 6957.80 tons in 1959-60. In 1962 we expect to reach a production of 9000 tons. The sales had also increased to Rs. 25,26,344.09 in the year under review. Presently orders in hand are for 9374 tons valued at Rs. 33.75 lakhs. This does not include the 4366 tons already supplied upto August 1961.

Emphasis has been laid on increasing production of sawn blocks and additional capital expenditure was incurred for developing the facilities for Diamond Saw Plant at Paharpur in Calcutta to meet the growing demand of Sillimanite blocks and shapes for the Glass and Ceramic industries. While quite a number of back log orders have been completed during the year, we have received fresh orders valuing Rs. 7.40 lacs which, with the present installed capacity could only be completed by 1964. It has, therefore, been decided to double the capacity of the existing plant so that the orders in hand could be completely executed by the end of 1962 or early 1963 and we may be in a position to satisfy the growing demand of the industry by accepting fresh orders for sawn blocks, cut to size and shape, from the individual clients. It is expected that the import licence, which has been recommended by the Industry Ministry for this additional plant, would be in our hands and additional capacity set up early in 1962.

I am glad to report that the progress of work on the initial Refractory Plant at Ramgarh has been quite satisfactory. The Plant has gone into production and is producing Sillimanite blocks and shapes, fireclay bricks and shapes, crucibles and some quantities of Thermocouple sheaths have also

been successfully experimented. The present Plant has been erected entirely from machinery indigenously procured and has an installed capacity of 5,500 tons. We have in hand firm enquiries awaiting confirmation by us for 3076 tons valuing Rs. 22.00 lakhs. It is proposed to concentrate on the production of Sillimanite shapes and tank blocks to meet the requirement of our existing customers, by adding a couple more of machines. In the meantime the legal and other technical obstacles to International Finance Corporation's investment of Rs. 65.00 lakhs in the Company for the import of the 46,000 tons Main Plant have been resolved. According to the Companies Act, certain resolutions have to be passed by the Shareholders to implement the Investment Agreement. These are being placed before you at the Extraordinary General Meeting for approval.

Last year I had mentioned to you about the developing of the mines of fireclays, both plastic and non-plastic, near Ramgarh. For the manufacture of Refractories, both plastic and non-plastic fireclays, kyanite, chrome and magnesite are essential raw materials. Excellent deposits of fireclays have been located near about our Ramgarh Refractory Plant. Lease and other formalities for some of these deposits have been completed with the Government of Bihar, while for certain others the formalities are still to be completed. Operations on one of these plastic fireclay deposits have commenced. A prospecting licence and the relative lease agreement have also been signed with the Bihar Government for some Kyanite deposits in Chybassa District. Work on these mines would be started soon after the rains are over. With the mines of some of these raw materials gradually developed, the Refractory Plant would have largely its own sources of raw material supplies. It is intended to develop sufficient production of these mines so that some of the existing Plants and other Refractory Works could also get supplies and avail themselves of our services.

It may be of interest to the shareholders to know that it has been your Company's general policy to continually expand and invest in developing the properties and assets of the Company. This continuous process during the past few years has taken away some of your liquid resources

which otherwise could have been general Reserves. This has resulted in greatly increasing the value of your property and asset. Furthermore, this diversification of the activity to cover the Refractory field, from out of the existing resources of the Company, has opened the vast potential for your mining Company to serve the Refractory needs of the country and obtain its fair share of business.

Once again, this year, I would like to thank our workers for their devotion to duty and service rendered especially at the mines in Assam, where working conditions have been extremely difficult and during the rains, even hazardous. Major MacLeod has kept up the team spirit of the personnel and maintained good relations with the people of the area, which is an important aspect of any business operation in the present day. The Company has also to recognise the endeavours of Mr. N. C. Whiter Project Manager, who along with Mr. K. G. R. Nayar, our Refractory Engineer, have been responsible for erecting and putting the present Ramgarh Plant in operation. A good team of technicians and workers at Ramgarh is being built up and trained and their experience would greatly assist in the successful and economical operation of the Main Plant. This promises an excellent future for the Company in its service to the Refractory Industry in India, which is the basis of the Industrial and the relative Economic development of a country.

(The above statement is a report of the proceedings of the Annual General Meeting referred to).

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Markets

JUTE

Steady Conditions

THE jute goods market ruled steady during the past few days with interest mainly centred on heavy goods. The improvement in sentiment does not seem to be due to any fresh foreign business put through as trading continues to be confined to short covering in ready and near delivery goods. However, there has been a large number of foreign enquiries indicating increased demand for jute goods at least in some consuming countries. The present squeeze in ready and near delivery goods is likely to continue for some time yet. For, production continues to run at a low level. Mill output in September has been lower than in August at 76,100 tonnes as against 78,300 tonnes. The decline is due solely to a rather steep fall in the production of other goods from 14,800 tonnes to 9,300 tonnes. The production of the two main categories of goods, however, shows a rise: output of hessian has gone up to 30,500 tonnes from 28,600 tonnes while that of sacking to 36,300 tonnes from 34,900 tonnes. In the current month production should record considerable improvement as mills have reverted to a 48 hour week. But the intervention of the holidays is a factor against the realisation of the full effect of the increased working hours. This explains the continued demand at increasing price levels of ready and near delivery goods.

It would however appear that foreign buyers of Indian jute goods

are still entertaining hopes of getting their requirements at prices much cheaper than ruling at present. Judging from the trend of burlap consumption in US during last month, it is clear that consumers in that country are not keen to use burlap at current prices. US burlap consumption in September 1961 amounted to 63.6 million yards as compared with 67.2 million yards in August and 76.3 million yards in September 1960. US end-September stocks amounted to 203.3 million yards as compared with 216.9 million yards at the end of August and 260.5 million yards at the close of September last year. The low level of stocks indicates diminished reliance on fresh purchases.

Conditions in the raw jute market too are steady but the price gain is not much. Assam Bottoms Ready has almost been stagnant at Rs 34 per maund during the past few days. Although mills have been showing interest in the market from time to time mostly in sympathy with the finished goods market, the quantum of business has not been sufficient to push up price levels. There is plenty of jute on offer and it is not surprising that mills are in no hurry to accumulate too much stock. It may be recalled that the Indian Jute Mills Association has asked member mills to keep current purchases of raw jute approximately at the rate of imports during the pre-Puja period. It is evident that the steady purchase of jute by mills has been responsible for averting a pronounced downturn in the raw jute market. Even

so, jute is expressed in some quarters about the present state of affairs in the raw jute market. It is pointed out that at current price levels, the jute cultivator is not getting his due share. The remedy is seen in the early establishment of the jute buffer stock authority under the active guidance, if not completely under the control of the Government.

PRODUCTION	
Gunny Bags (a) Hessian	5,341*
	1,53,54†
	98.1‡
(b) Sacking	35,108*
	7,50,39†
	3,85.0‡
Gunny Cloth (a) Hessian	25,170*
	8,55,90†
(b) Sacking	1,156*
	22,07†
Other Manufactures	9,336*
Total Production	76,111*
(All kinds)	
*metric tons †1000 metres ‡lakh tons	

SUMMARY			
	Sept. '61	Aug. '61	Sept. '60
Hessian	30.5	28.6	33.0
	(30.0)	(28.1)	(32.5)
Sacking	36.3	34.9	48.7
	(35.7)	(34.3)	(47.9)
Others	9.3	14.8	9.1
	(9.2)	(14.6)	(9.0)
Grand Total	76.1	78.3	90.8
	(74.9)	(77.0)	(89.3)
Hours worked 181.0	187.0*	192.0	

*Based on 42½ hours per week and does not take into account the hours lost by mills which worked lesser number of hours.

TEA Marketing Outlook

THE trend at the Calcutta auctions has become softer during the past few weeks, reflecting the steady increase in offerings. As the North Indian crop is running at about 70 million pounds more than last year, there is a general feeling that there is no point in withholding teas from sale, because an accumulation will force increased sales in the New Year. Considering that foreign customers usually complete their buying before the end of the year, it becomes necessary to sell as much tea as possible during this period.

Total crop, up to the end of September this season, amounts to 430.5 million pounds, showing an increase of 70 million pounds as compared with the same period of last year and an increase of 32.4 million pounds two years ago. The current month is also a heavy cropping month; but the working might have been interrupted by the Puja holidays. Besides, the cold weather is believed to have set in in many producing areas. In the circumstances, the current season may close earlier than in 1960. It is, therefore, thought that the gain in production is unlikely to be improved upon much during the rest of the current year.

Indian Finance

As far as stocks are concerned, bonded warehouses in the UK held 27 million pounds more than last year in the second week of this month. In the Calcutta warehouses, stocks increased by 95,744 chests in September as compared to a rise of 63,700 chests in the corresponding month of last year. At the end of September, stocks totalled as much as 722,605 chests as against only 580,093 chests on the corresponding date of last year.

Stocks in public warehouses rose from 354,561 chests at the end of September 1960 to 415,004 chests at the close of last month as did those in private warehouses from 225,532 chests to 307,599 chests. Teas affoot were also higher at more than 70,000 chests as against about 45,000 chests at the end of September, 1960.

But, a disturbing factor at present is that the present level of Calcutta prices is still higher than that paid for comparable grades in Ceylon. A second factor is, that the price level has been distorted by various foreign trade agreements. In this connection, the September review, issued by Messrs. Carritt Moran, states that "prices of some grades are high due to buying from countries which have trade agreements with India. Advantageous as this may be, these higher prices for certain exports naturally restrict buying by other traditional markets in freely convertible currencies". The review concludes by saying that "an increased crop will react on prices considering that steady world crops over the three years up to 1960 did not produce very high prices. This indicates that world consumption has risen only slowly".

Production of tea in Ceylon fell to 31 million pounds in August last year. In the first eight months of the current year, however, the outturn at 314.1 million pounds was about 10.4 million pounds ahead of the figure for the similar 1960 period. Estimates for the September crop indicate a little change from last year, at a figure of about 26.5 million pounds.

In the meanwhile, Egypt has come into the Colombo tea market in a big way and, as a result of spirited buying at recent auctions, the prices of BOP Fanings and Dusts have moved up between 10 and 15 cents per pound. Hitherto, Egypt had been obtaining her requirements of tea largely from India on the basis of bilateral trade. But, with Ceylon, too, making increased purchases of Egyptian commodities, she is now switching to Colombo for tea.

Production of tea in Pakistan, during the 1961-62 period, is estimated at 590 million pounds as against 420 million pounds in 1960-61. This increase of about

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40.5 per cent is mainly due to favourable weather conditions. The first estimate of the area under tea crop for 1961-62 is 78,000 acres which is the same as the area reported in the final revised estimate for 1960-61.

World black tea production in 1965 is expected to be about 1,800,000,000 pounds. With consumption at this time estimated to run at about 1,700,000,000 pounds, it is feared that there will be an over-supply. The estimates are based on the expectation that, by 1965, Communist China will be exporting to the world market outside Soviet Russia at a rate of about 150,000,000 pounds per annum as compared with her 1957 level of 55,000,000 pounds.

In the Cochin market, offerings during the week were 221,000 kilogrammes of Dusts. Against a good demand, high-grown were somewhat irregular, but generally dearer. An exception were fibrous types, which were sometimes a little easier. Plain and low medium teas met with useful support and were fully firm. Mediums and good mediums were also fully firm to dearer. Residual grades had more support and were fully firm, while unorthodox types were sold at full firm to dearer rates.

Slump in Pepper

PEPPER prices have been showing a downward tendency during the past few weeks. The rate, which was quoted at Rs 394 per quintal in the first week of the month, is now quoted around Rs 344.50. The rate for the December position is declining almost daily and is quoted around Rs 330 as no support is forthcoming from the erstwhile bulls, who are unwilling to take risk in view of the proximity of the new season and good prospect for the new crop.

With the settlement of the October contract in black pepper at the Cochin Exchange, the downward trend in prices has been further extended, both in India and Singapore — the main suppliers of the commodity to the world market. Stockists and investors having lifted their hedge sales against the October contract, have gone "long" in their ready portfolio. To support the ready position, they have gone "long" in the December contract, too. They are now anxious sellers.

In the Singapore market, prices have declined by \$5 per pound, mainly on account of the complete apathy of the US buyers and the increasing pressure of the new crop offerings. Some business in Indian pepper with the East European countries, at bid prices, is even reported. There are also reports that stockists are bidding lower to attract business from Russia; but no business has so far been materialised. The Indonesian Trading Agency is also believed to be negotiating with Russia and other East European countries. If its efforts succeed, there will be

a stiff competition between Indonesia and India in selling to Russia.

According to the latest reports, arrivals of superior quality are expected to start after a month in the primary markets in the South; but the new inferior crop has started moving. The carryover from the last season, which was placed around 6,000 tonnes earlier, is now estimated at 4,000 tonnes despite the exports of about 4,000 tonnes made in this period. A section of the trade places the crop 25 per cent more than that in the previous year.

COFFEE

The coffee industry has been passing through a difficult period and the chairman of many companies have already drawn forceful attention to the need for a change in the methods of marketing by the Coffee Board and for an entirely different system of exporting, particularly the better qualities of Arabica variety.

The stock of coffee with the Board continues to be high despite increas-

ed export and internal sales. Up to the end of September, over 24,000 tons of coffee of all varieties have been exported as against about 9,500 tons in the previous year. Tenders have been invited and are due on 1 November, 1961 for a quantity of 1,599 tonnes, made up of 699 tonnes of Arabica Cherry and 900 tonnes of Robusta.

Up to 15 September, 1961, the receipts into the 1960-61 Pool amounted to 67,276 tonnes (49,081 tonnes), comprising 28,988 tonnes (25,162) of Plantation variety; 10,197 (6,642) of Arabica Cherry and 28,111 (17,277) of Robusta. The figures shown within brackets indicate corresponding receipts for last year.

RUBBER

Production of Rubber is ahead of last year despite the increased number of rainy days. Consumption is, however, rising at a faster pace and imports have to meet most of the additional requirement.

According to preliminary figures issued by the International Rubber

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Group, world consumption of natural rubber was 1,000,000 tons in July 1961, 1,175,000 tons in June. The July figures were still slightly above that for the same month last year. The July production figure is, however, not yet known; but that for June was 155,000 tons against 165,000 tons for May and 160,000 tons in June, 1960. Stocks in the producing areas increased by 65,000 tons in July to a total of 280,000 tons, while those in the consuming areas decreased by 2,500 tons to a total of 215,000 tons.

Consumption of synthetic rubber declined from 162,500 tons in June to 142,500 tons in July, while production rose from 147,500 tons to 152,500 tons. Stocks at the end of July were 15,000 tons higher on the month, at 370,000 tons.

SHELLAC

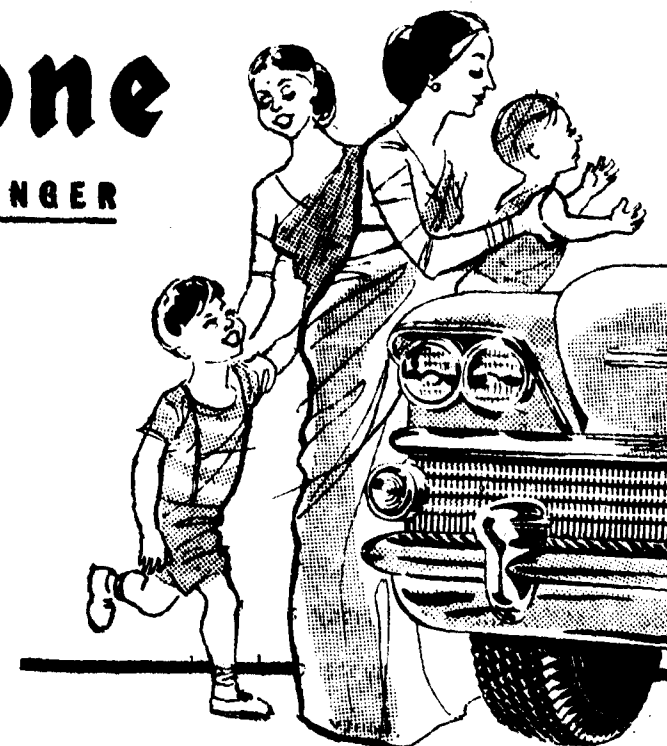
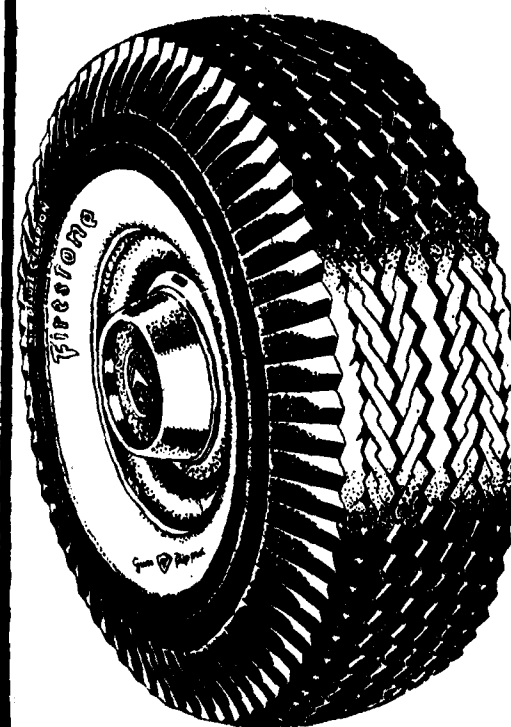
Shipments of Shellac, under the new scheme formulated by the Union Government, have already begun. Under the new scheme, the Government has nominated the State Trading Corporation as the buffer stock

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agency to regulate the purchase and export prices of shellac. The Government has decided to fix the minimum purchase price of different qualities of lac and has reduced their export prices.

The new scheme envisages the stepping up of overseas trading in shellac as also fair price to the growers, who were facing difficulties owing to lower internal prices. There was, however, no change in prices in the Calcutta market after the resumption of export from 11 October.

But the export of shellac has not shown any appreciable improvement

after the introduction of the new export policy. On the contrary, it has shown a fall of nearly 50 per cent. Total exports, till 10 October, were only 8,441 packages, comprising 3,086 packages of shellac; 3,430 packages of seedlac; 40 packages of buttonlac and 1,875 packages of other varieties. During the last month till 8 October, shipments were as much as 14,575 packages comprising 4,093 packages of shellac; 9,900 packages of seedlac; 50 packages of buttonlac and 532 packages of other varieties.

It is generally felt that any appreciable improvement in the ex-

port of shellac is unlikely in the near future. Foreign importers think that, when they can import at the minimum export price (now prevalent), there is no necessity of blocking the money in shellac at present. If this

state of affairs continues for some time more, the local trade circles think that India's shellac trade will suffer considerably, not only due to the lower offtake, but also due to competition from Thailand—the only

HUKUMCHAND JUTE MILLS LTD.

Notice to Share-holders.

Notice is hereby given that the next Annual General Meeting of the Share-holders will be held at the Registered Office of the Company, 9, Brabourne Road, Calcutta, on Friday the 17th November, 1961 at 4.00 P.M. for the following purposes:—

- 1) To receive and pass the Directors' Report and Audited Accounts for the year ended 31st March, 1961.
- 2) To Declare Dividends.
- 3) To elect Directors in place of those retiring.
- 4) To appoint Auditors.
- 5) As special business to consider and if thought fit to pass with or without modifications the following resolutions:—

(i) As Ordinary Resolution:—RESOLVED that Rai Bahadur Moongtural Tapuriah, a Director of the Company, retiring by rotation, who has attained the age of 74 years, be and is hereby re-appointed a Director of the Company and that the age limit prescribed under Section 280 of the Companies Act 1956 shall not apply to him.

(ii) As Ordinary Resolution:—RESOLVED that M/s. The Bhagwati Trading Co. Ltd., associates of the Managing Agents, be and are hereby authorised to retain any commission which they receive or are entitled to receive as Agents of the insurers of the Company.

(iii) As Ordinary Resolution:—RESOLVED that the Board of Directors be and are hereby authorised to contribute to charitable and other funds, not directly relating to the business of the Company or the welfare of the employees, such amounts upto a total of Rupees Three Lacs only in any financial year notwithstanding that such amounts in any financial year will exceed Rs. 25,000/- or 5% of the Company's average net profits as determined in accordance with the provisions of the Companies Act 1956 during the three financial years immediately preceding, whichever is greater.

(iv) As Ordinary Resolution:—RESOLVED that the sanction of this Annual General Meeting be accorded to the expenditure amounting Rs. 2,75,422/-, already incurred by the Board of Directors

under the head of donations and subscriptions, during the financial year ended 31st March, 1961.

(v) As Ordinary Resolution:—RESOLVED that the Company do hereby approve of the Contracts entered into or to be entered into separately with each of the undernoted parties who are or may be deemed to be the associates of the Managing Agents of the Company providing for the purchase, sale and/or supplies of jute goods, machinery, machinery parts, stores, spare parts and materials, which the Company and/or the said associates manufacture, stock and/or can deal in, by or to the said associates provided that—

- (1) for any property supplied or sold by the Company the said Associates shall make payment to the Company within one month from the date of supply or sale of goods.
- (2) The prices or amounts charged to or received by the Company shall be at rates which shall not be less favourable to the Company than the market rates or which shall be otherwise reasonable.

- (i) Octavius Steel & Co., Ltd.,
- (ii) Duncan Brothers & Co., Ltd.,
- (iii) Central Cotton Mills Ltd.,
- (iv) Bhagwati Trading Co., Ltd.

Dividends, if declared, will be paid to Registered Share-holders only.

The Share Transfer Register of the Company will be closed from the 6th November, 1961 to 17th November, 1961, both days inclusive.

By Order of the Board,
RAMDUTT RAMKISSENDASS,
Managing Agents.

9, Brabourne Road,
Calcutta,
the 11th October, 1961.

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

Explanatory Statements in connection with the special business will be sent to the individual Share-holders.

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other lac-producing country besides India.

Thailand is reported to be undercutting India in the international market. Another problem, which is facing the shellac trade in the internal market, is the likely fall in the prices as a result of bumper Katki lac crop. If the buffer stock scheme does not become effective immediately, the producers are expected to suffer seriously.

SUGAR

Hectic buying interest, noticed since the decontrol of sugar, has subsided. At Muzaffarnagar, the main market for the commodity in West Uttar Pradesh, prices have declined owing to lack of support from the upcountry centres. Bold grain sugar, however, continues to be sold at 15 nP to 62 nP per maund higher than the controlled price. The small grain variety for which there is no demand from the Punjab and Himachal Pradesh, is being sold at a discount of 12 nP to 82 nP per maund. Factories, which have not completed sales of even the first quota, are reported to be eager sellers.

Now with the augmentation of sufficient stocks of bold grain variety, the position is expected to be normal in due course. Further, with the commencement of crushing operations immediately after Diwali, the supply position is likely to improve considerably, as sugar factories will be inclined to dispose of their stocks of old sugar to provide godown space for the new crop sugar.

According to the figures released by the Indian Sugar Mills Association, total production for the 1960-61 season up to September stood at 2,969,000 tons as against 2,416,000 tons produced last season. The offtake of sugar from the factories during 1961 was 226,000 tons as against 172,000 tons during the corresponding period of last year. Total despatches, including those for exports up to September 1961, were 2,080,000 tons as against 1,848,000 tons by the same date last season. The closing stock of sugar with the factories, as on 30 September, 1961, was 1,429,000 tons as against 730,000 tons on the corresponding date of last year.

Meanwhile, the price of raw sugar on the world market has been drifting downward again after its earlier abortive attempt at a recovery. Having slipped back to its post-war low of £22 10sh a ton during the late summer, the market struggled up to £24 only for renewed weakness to take it down again to £23. Too much sugar still exists in the world in relation to demand. Judging by early reports, the International Sugar Conference in Geneva has come nothing to rectify the position.

NON-FERROUS METALS

In Bombay, prices of Non-Ferrous Metals have shown a downward trend. Among the factors responsible for an easier tendency in prices were discouraging advices from London and Singapore, the weakness in the ready section, lower advices from Calcutta and Madras, larger arrivals from upcountry centres and

the tight monetary conditions. Reports that the US General Services Administration had sold 300 tons of different grades of tin at lower prices also had an adverse effect on sentiment.

Poor activity, limited turnover, slackened interest and a listless ready section led to increased offerings in Copper. In spite of the fact that the position of demand and supply of zinc in the US pointed up ward, sentiment was nervous in Bombay owing to reports of heavy arrivals and meagre demand. Lead lagged behind since trading was at a low ebb.

OILS & OILSEEDS

Prices on the Bombay Oilseeds Exchange showed a mixed trend. Despite bleak export quota prospects and expectations of a bumper crop, there has been an unusual rise of four points in the Groundnut January contract. The inspiration for the recovery has been the sustained buying by certain influential Punjab and Delhi operators, who are reported to have mopped up stocks in Saurashtra and Bombay. They seem to hold the view that the crop may not be as high as expected earlier.

The Castorseed section has failed to attract any attention and prices are moving idly in a narrow range. The easy tone is mainly attributed to the general weak trend of the market. Stray selling from some operators in Calcutta have also been assisting the downward trend in prices.

The Linseed section continues to remain weak due to lack of any buying enquiry from the industrial units in ready oil. The reports of a bumper crop in Canada is also a contributory factor.

With heavy arrivals of new groundnut crop in most of the southern producing centers, prices of both groundnut oil and groundnut are easier. Good business was done in Madras by the crushers buying almost all the arrivals of nuts. Calcutta too entered into the market for Deepavali season, and the sagging prices of groundnut oil bucked up a little.

Local arrival of groundnut continued to be the same for the past fortnight at the 100 ton level. In North and South Arcot districts there had been receipts of summer crops. With the arrival expected of fresh crops beginning November, the prices of both kernels and groundnut oil are expected to be depressed unless there is greater buying and demand from upcountry dealers.

From Andhra also came the vanaspathi interests, like Calcutta, to meet the festival demand during the early week of next month. Local bazar also absorbed sizeable quantities of groundnut kernels.

More business in groundnut oil was reported for November first week delivery. Also moderate business was done in groundnut oil for November second week delivery. Otherwise in forward positions business was not marked. This year's groundnut crop is reported to be fairly larger than last year's. The export policy of the Government had not yet been announced.

There were substantial arrivals of groundnut in South Arcot markets. But the price receded to 67 to Rs 68 per 80 kgs.

Last week groundnut oil ruled better at Rs 172 per 100 kgs. on some days. But the price declined with arrival of more kernels and slack demand from Calcutta interests. It went down to Rs 169.75 per 100 kgs. The price went to still lower levels towards the end of the week in Groundnut oil. Last Saturday it sold at Rs 166.65, but the report of large kernels arrivals in southern centers depressed the price still further down.

Only new groundnut crop is now available. The price range is also lower in this commodity. It was Rs 70/71 last week, but went down to Rs 68 by the week-end. Today it was further down by another rupee.

In Southern markets the price of groundnut oil ruled moderately. But during the middle of last week they also came down. In Guntur it was at Rs 405 per candy of 500 lbs in Vridhachalam it was at Rs 382 per candy of 500 lbs. In Villipuram it ruled at Rs 382. In Pollachi it was available at Rs 380 per candy and at Salem at Rs 380.

As for groundnut kernels the price of South Arcot came down to Rs 68 per 80 kgs from Rs 73. At Salem it was 75 but came down to Rs 67 per 80 kgs.

HIDES & SKINS

Firm prices ruled in the tanned cowhide market today. Arrivals were also moderate. Only in the premium and semi-premium marks some business was reported in the c.i.f. section. It is a fact there was shortage of raw hides affecting the trend in the tanned commodity prices also. For market quality fifths and inferior fifths there were some demands and isolated deals were put through.

Poor arrivals in tanned cow calf made its prices stiff. Tanned bull calf also had no change in price quotations.

In tanned goat the market remained firm. Continental and Russian demands apparently stiffened the rates.

WHOLESALE PRICES Small Decline

The official wholesale price index (with the year ended March 1953 as 100) declined by 0.7 per cent to 123.5 during the week ended October 7, 1961 as compared with 124.41 for the earlier week. The index was also lower by 0.9 and 1.8 per cent respectively when compared with the corresponding week of the previous month and that of a year ago.

Lower prices of Tea (—18%), Oranges (—14%), Onions (—7%), Fish and Chillies (—6% each), Maize (—5%), Cashewnuts, Groundnut oil and Black Pepper (—4% each), Gur (—3%) and Earley, Gram and Gingelly oil (—1% each) brought down the index for 'Food Articles' by 0.8 per cent to 119.7. The prices of Milk and Turmeric (+10% each), Bajra (+4%), Potatoes and Meat (+3% each), Jowar, Urad, Eggs and Beteinuts (+2% each) and Wheat, Ragi, Arhar, Mung, Masur, Mustard oil Salt (+1% each), however, moved up.

The index for 'Tobacco' remained stationary at the previous week's level of 96.0.

The index for the 'Fuel, Power, Light and Lubricants' group worked out to 121.5 as against 121.4 for the earlier week. The prices of Castor oil (+1%) showed a rise during the week under review.

The index for 'Industrial Raw Materials' receded by 1.3 per cent to 135.8 due to a decline in the prices of Tanning Materials (—6%), Groundnuts (—5%), Raw Jute (—4%) and Linseed and Gingelly seed (—1% each), although the prices of Raw Cotton and Raw Hides (+2% each) and Raw Silk, Castor Seed, Rapeseed and Lac (+1% each) showed advances.

The prices of Rayon yarn (+3%) and Brass and Copper (+2% each) moved up, while those of Tin (—4%) and Linseed oil and Zinc (1% each) showed a decline and the index for 'Intermediate Products' advanced by 0.3 per cent to 140.9 as against 140.5 for the earlier week.

A fall in the prices of Jute Manufactures (—2%) and Cement (—1%) was responsible for a decline in the index for 'Finished Products' by 0.3 per cent to 123.1.

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New Egerton Woollen Mills Branch North West Tannery Branch

London Branch

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For the Investor

INVESTMENT GOSSIP Subdued Tone

THERE has been no notable change in sentiment in Lyons Range when it recommended business after the long Puja holidays. Despite the settlement on the opening day, trading has remained on a steady undertone. The more speculative counters have been moving within a narrow groove these past few days; if bulls have been chary of extending commitments, bears too have been equally hesitant. During the period Lyons Range remained closed, sentiment in other stock markets in the country too was generally subdued partly because there was no fresh incentive and partly because an important stock Exchange, Lyons Range, was not functioning.

It is however not surprising that stock markets are experiencing somewhat stagnant conditions. The fact that there is now the Committee of Presidents of Stock Exchanges with the responsibility of ensuring the proper functioning of stock markets is a powerful restraining influence on the tendency to push up or depress prices to any great extent. Further, it is not as though the investment situation is clear of all hurdles. Corporate news is no doubt very good and the results of the survey recently published by the Reserve Bank of India of the finances of joint stock companies are of a variety that should give encouragement to investors. There is expansion and diversification of production around by established companies and new issues—their number will increase considerably in coming months—are coming on the market in a steady stream to attract the attention of investors. It is to be expected that the very prospect of a large number of new issues to be placed on the market in coming months will go to diminish interest in the existing list. The continuing anxiety regarding the release of adequate foreign exchange for maintenance imports acts as an effective check on bullish fervour while other factors like the coal and power supply position do not favour an unduly optimistic picture of industrial production. A further restraining influence—this may continue for some considerable time—is the coming general election in the country. Even so, indications are that steady conditions will continue to characterise trading in coming months.

NEW ISSUE NOTES Shama Engine

Shama Engine Valves Limited, a public limited company incorporated in September last, will shortly enter the market for raising equity and preference capital to finance its project for the manufacture of valves for all types of heat engines and internal combustion engines. The issued capital will be Rs 15 lakhs comprising Rs 11.25 lakhs of equity capital and Rs 3.75 lakhs of preference capital. Of this, the promoters, directors and friends have agreed to take up Rs 3 lakhs of equity capital. The Madhya Pradesh Government is expected to take up Rs 1 lakh of equity capital and Rs 75,000 of preference capital. The balance of Rs 6 lakhs of equity capital and Rs 3 lakhs of preference capital will be offered for public subscription. The entire public issue is proposed to be underwritten. While the Madhya Pradesh Government will underwrite the entire preference capital of Rs 3 lakhs, a few firms of brokers will underwrite the equity issue. The plant, which will be located in Bhopal, will have a licensed capacity of 6 lakh valves per annum. The company has entered into a technical collaboration agreement with a West German firm.

American Refrigerators

The directors of American Refrigerators Limited have finalised the allotment distribution of the company's recent equity issue. The number of shares applied for and the number of shares allotted against them are:—50—20; 100—40; 150—80; 200 to 250—80; 300 to 350—100; 400 to 600—150; 1,000 to 1,050—300; 1,500 to 2,000—500; 5,000—1,200; 6,000—1,500; 10,000—2,000 and 20,000—2,630.

Jayanti Shipping

The proprietors of India's only oil tanker, Jayanti Shipping Company of New Delhi, will soon enter the market to make a mammoth equity issue of Rs 1.5 crores. The sanction of the Controller of Capital Issues has been obtained. With the proposed equity issue, the private venture will be converted into a full-fledged joint stock company. The equity issue, which will be of Rs 100 each, will be made at par and is intended to finance the acquisition of ships.

Rajasthan Spinning

The equity issue to the public of 1,75,000 ordinary shares of Rs 10 each by the Rajasthan Spinning and Weaving Mills Limited has been over-subscribed. In the first instance, the company proposes to instal 13,200

spindles and put them in production by August, 1962.

Hindustan Electric

The Hindustan Electric Company Limited has proposed to raise the paid-up capital by Rs 80 lakhs by issuing 80,000 equity shares of Rs 100 each, at par. Of this, Rs 20 lakhs will be offered to the existing shareholders in the ratio of one share for every two shares held, while the balance of Rs 60 lakhs will be taken up by the foreign collaborator. Thus, the company's total paid-up capital will be raised to Rs 1.4 crores. Of this, the paid-up equity capital will be Rs 1.2 crores, 50 per cent of which will be subscribed by the Indian company and the balance by the foreign collaborator. This amount of foreign investment in Swiss francs will be utilised for covering the value of plant, equipment, etc., for the implementation of the project.

Camphor Products

Details of allotment to the public of 23,560 equity shares of Rs 100 each by the Camphor & Allied Products Limited are available. The issue was over-subscribed and the company received a total of 17,642 applications for an aggregate of 2,77,842 shares. Further, 1920 equity shares, reserved for allotment to the US collaborator in the project, have also been included for allotment in India. With the result, the equity shares to be allotted to the public will be 24,500 instead of 23,560. Applications for shares up to 95 will get 5 shares each; these between 100 to 135—10 shares; 140 to 195—15 shares; 200 to 295—20 shares; 300 to 395—25 shares; 400 to 450—30 shares; 455 to 495—35 shares; 500 to 550—40 shares; 555 to 600—45 shares; 600—60 shares; 1,000 to 1,005—75 shares and 2,000—155 shares.

India Carbon

The India Carbon Company Limited, a new company registered in Assam, has been granted consent to the issue of capital of Rs 50 lakhs, divided into 10,000 cumulative preference shares of Rs 100 each and 400,000 equity shares of Rs 10 each. The plant will be located at Gauhati. The foreign collaborators are Great Lakes Carbon Corporation of the USA, who will also invest in the equity capital of the company to the extent of Rs 16 lakhs. The Assam Government will subscribe to the preference shares. Out of the equity capital, 49 per cent, to be issued in India, will be offered for public subscription.

Kirloskar-Asea

Kirloskar-Asea Limited, Bangalore has been granted consent to the issue of capital of Rs 25 lakhs in equity shares of Rs 10 each, for cash at par. Out of this, shares worth Rs 7.5 lakhs will be issued to the foreign collaborator—Messrs Asea of Sweden. The proceeds will be utilised for the manufacture of switch-gear and motor starters.

Mandya National Paper

The Mandya National Paper Mills Limited, Bangalore, has been granted consent to the issue of capital of Rs 80 lakhs in equity shares of Rs 10 each for cash, at par. Out of this, shares of the value of Rs 10 lakhs will be issued to the existing non-resident shareholders—Messrs Parsons & Whittemore. The proceeds will be utilised for financing the expansion of the company's existing business of manufacturing paper. The present subscribed capital of the company is Rs 2 crores.

National Buildings

The National Buildings Construction Corporation Limited, a Government undertaking, having a paid-up capital of Rs 13 lakhs, have been accorded consent to issue further capital of Rs 6 lakhs, divided into equity shares of Rs 1,000 each for cash, at par.

Canara Bank

The Canara Bank Limited, Bangalore, has been granted consent to the issue of further capital of Rs 25 lakhs, divided into 50,000 equity shares of Rs 50 each, to be fully paid-up for cash, at a premium of Rs 15 per share. The proceeds will be utilised for strengthening the company's capital base.

Asian Cable

It would be recalled that the Asian Cables Limited decided to offer right

COMPANY NOTICE

“THE INDO-BURMA PETROLEUM COMPANY LTD.

Registered Office
Gillander House, Netaji Subhas Road, Calcutta-1,
In the State of West Bengal.

Notice is hereby given that the Board of Directors have declared an Interim Dividend of Re. 1/- (Rupee one) per share less tax to be deducted in accordance with the provisions of Section 18(3D) of the Indian Income Tax Act, on the Ordinary Share Capital of the Company for the year ending 31st December, 1961, payable on the 27th November, 1961, to those members whose names appear on the Register of Members on the 6th November, 1961.

The Ordinary Register of Members of the Company will be closed from the 6th November, 1961, to the 27th November, 1961, both days inclusive.

By Order of the Board.
STEEL BROTHERS & COMPANY,
LIMITED.
Managing Agents.

Gillander House,
Netaji Subhas Road,
Calcutta.
12th October, 1961.

shares to the existing shareholders in the ratio of two shares for every share held. The Government seems to have insisted that a part of it would be offered to the public also. Thus, the original terms of the offer have been modified and the company has applied to the Controller of Capital Issues afresh to raise an equity capital of Rs 1 crore, to be offered at par. Of this, Rs 50 lakhs will be offered to the existing shareholders, at par, in the ratio of one share for every share held, while the balance of Rs 50 lakhs will be offered to the public, at par.

Asiatic Oxygen

The Asiatic Oxygen Limited, a new company, has been granted a consent to the issue of capital of Rs 160 lakhs, divided into 12,50,000 equity shares of Rs 10 each and 35,000 cumulative redeemable preference shares of Rs 100 each. Out of this, 9,84,000 equity shares and the preference shares shall be issued for cash at par and 2,66,000 equity shares shall be for consideration other than cash to be allotted as fully paid-up to the shareholders of the Asiatic Oxygen and Acetylene Co., Ltd. in the ratio of 38 shares in the new company for every 10 shares in the latter. Messrs Air Products Inc. USA will subscribe to the equity capital of the company to the extent of Rs 25 lakhs. The company has been formed to undertake manufacture of oxygen, acetylene, electrodes, oxy-acetylene welding and cutting machines, arc welding transformers and generators for which six factories will be established at Bombay, Madras, Rourkela, Durgapur, Patna and Gauhati.

West India Chemicals

West India Chemicals (Private), Limited, Bombay, has been granted consent to issue capital of Rs 40 lakhs, after conversion of the company into a public company, divided into 40,000 equity shares of Rs 100 each for cash at par. The proceeds of the issue would be utilised for financing the expansion programme for the manufacture of sulphuric acid and superphosphate. The company's present paid-up capital is Rs 10 lakhs.

Kores Limited

M/s Kores (India), Limited, Bombay, has been granted consent to issue bonus shares of Rs 5,00,000 in ordinary shares of Re 1 each to be made in the ratio of one bonus share for every equity share held. The company is engaged in the manufacture of duplicating stencils, carbon papers, typewriter ribbons, ink tablets, stamp pads, inks, duplicating accessories, etc. The present paid-up capital of the company is Rs 5,00,000.

Sirpur Paper Mills

The Sirpur Paper Mills Limited has been granted consent to the issue of capital of Rs 1,09,27,820 divided into 10,92,782 equity shares of Rs 10 each for cash, at par. Out of this, shares of the value of Rs 54,63,810 will be offered to M/s Kimberly-

Clark Corporation of USA. The proceeds will be utilised for effecting substantial expansion to the company's existing business of manufacturing different varieties of paper. The present paid-up capital of Rs 2,89,47,840 consists of 21,85,524 ordinary shares of Rs 10 each and 70,926 6% (tax-free) preference shares of Rs 100 each.

Bisra Stone Lime

The Bisra Stone Lime Company Limited, Calcutta, has been granted a consent to the issue of 3 lakhs equity shares of Rs 10 each as fully paid-up bonus shares on capitalisation of its reserves to the extent of Rs 30 lakhs. The company which was established in 1910 is engaged in business in the raising of limestone and dolomite. The company's existing paid-up capital is Rs 10 lakhs.

Triveni Engineering

Triveni Engineering Works Limited has proposed to enter the market shortly with a public issue of 87,500-9.3 per cent cumulative redeemable Preference shares of Rs 10 each and 1,04,125 equity shares of Rs 10 each. Of the issued capital of Rs 60 lakhs, 50 per cent has been subscribed by the foreign collaborators, Messrs Bookers Macdonnell Brothers, UK. Of the balance of Rs 30 lakhs, the promoters and the companies with which the promoters are associated have agreed to subscribe for equity shares worth Rs 10,62,500 and equity shares of the value of Rs 21,250 have been reserved for the employees of the company. The company is setting up a plant for the manufacture of sugar machinery, steam turbines and other heavy industrial machinery at Naini, near Allahabad.

*

INVESTMENT NOTES Macneill & Barry

It is understood that negotiations are in progress for a change in the controlling interest of Macneill & Barry Limited, Calcutta. This change may not mean anything to the shareholders of the Indian company; because the change is from a family holding to the joint stock company, Inchcape & Company Limited. Negotiations are in progress with members of the Inchcape family for acquiring the shares which, if successfully concluded and approved by the Government of India, will result in just over 50 per cent of the equity capital of Macneill & Barry Limited being acquired by Inchcape & Company Limited in exchange for an issue of shares.

Permanent Magnets

The shareholders of Permanent Magnets Limited will be happy to note that the foundation stone of the company's Rs 25 lakh factory at Borjili, near Bombay, has been laid. The construction work will start this month. Orders for the machinery have already been placed abroad and the first shipment from Italy is expected in January. The entire machinery will be received by the end of March.

pected in January. The entire machinery will be received by the end of March.

National Rayons

There had been persistent rumours about the possibility of new shares being issued by the National Rayon Corporation Limited. The directors have issued a statement to the effect that there is no intention of considering any new issue of capital till the next annual general meeting.

TRAYONS

Travancore Rayons is expected to produce rayon-grade pulp from cotton linters and cotton waste by the

second quarter of next year. The necessary buildings are under construction and the first shipment of machinery is expected to arrive in India by the middle of November. The initial production of rayon-grade pulp will be 3,600 tons annually. This will be doubled to 7,200 tons.

Tensile Steel

The foundation of the factory buildings of Tensile Steel Limited, at Baroda, has been laid. The company hopes to finish all civil engineering works and erection of plants and machinery within the scheduled programme. It also hopes to commence production by the end of next year as scheduled.

NEW CENTRAL JUTE MILLS COMPANY, LIMITED

Regd. Office: 11, Clive Row, Calcutta-1

NOTICE

Notice is hereby given that the Annual General Meeting of the Shareholders of the Company will be held on Thursday, the 9th November, 1961, at 11-30 A.M. at the Registered Office of the Company at 11, Clive Row, Calcutta, to transact the following business:—

- (1) To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st March, 1961.
- (2) To declare dividends.
- (3) To appoint a Director in place of Shri M. L. Shah who retires by rotation and has attained the age of 65 years on 1-9-1959 and, in this connection, to consider and if thought fit to pass the following resolution of which a special notice as required by Sections 281 and 190 of the Companies Act, 1956, has been received by the Company, and is hereby given by the Company to its members:

“Resolved that pursuant to the provisions of Section 281 and other applicable provisions, if any, of the Companies Act, 1956, Shri M. L. Shah, who has attained the age of 65 years and retires by rotation, be and is hereby reappointed a Director of the Company and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the said Act shall not apply to him.”

- (4) To appoint Auditors for the current year and to fix their remuneration. The retiring Auditors, Messrs. N. C. Jain & Co., Chartered Accountants, being eligible, offer themselves for reappointment.

As special business:—

- (5) To consider and if thought fit, to pass with or without modification the following resolution which will be proposed as a Special Resolution:—

“Resolved that pursuant to sub-sections (4) and (7) of Section 309 of the Companies Act, 1956, and subject to the provisions of Article 100 and other provisions of Articles of Association of the Company, the members of the Company hereby authorise continuance of payment to the Directors of the Company and each of the Directors be and is hereby authorised to continue to receive in respect of each of the five financial years of the Company upto and including the financial year ending on 31st March, 1966 a share of commission of 1% of the net profits of the Company computed in the manner referred to in sub-section 198 of the said Act.”

By Order of the Board,
For NEW CENTRAL JUTE MILLS CO., LTD.,

For SAHU JAIN LIMITED,
A. P. JAIN

Director,
Managing Agents.

Calcutta,
7th October, 1961.

N.B. A member entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

An explanatory statement pursuant to the provisions of Section 173 of the Companies Act, 1956, has been forwarded along with Notice issued to the members of the Company.

STOCK EXCHANGES Selective Support

Watch-Dog Writes:

WITH hardly a week to go for the end of the *Samvat* year, stock markets lack the usual *Diwali* jubilation. In the absence of any driving force one way or the other, activity remains restricted and price movements, except in a few selected counters, are confined to narrow limits.

Reopening after the *Puja* holidays, the Calcutta Stock Exchange displayed a steady trend. Although activity was restricted, enquiry for Jute shares was again noticeable at improving levels.

The Bombay Stock Exchange produced several good features, although operators were inclined to book profits at bulges.

Mild buoyancy prevailed in selected shares on the Madras Stock Exchange.

CALCUTTA

Friday Evening.

THE local stock exchange started the Post-*Puja* week on a quiet note. Except for the renewed support lent to the jute section and a few other selected shares in 'other counters', conditions were not generally bright. Activity was also restricted as the market remained open only for four days during the week due to holidays on Monday and Tuesday. It was, however, satisfactory to note that the underlying sentiment was fairly maintained.

Whatever business done was mostly of a jobbing nature with more

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED

(Incorporated in England)

Notice is hereby given that the Board of Directors of this Company have declared payment of an Interim Dividend on the Company's Preference Stock for the year ending 31st March 1962 at the rate of £2-14-8.16/49d. per cent less Income Tax at 7s. 9d. in the pound equal to £1-13-6d. per cent. Payment will be made on 1st December, 1961 to those stockholders whose names are registered in the Company's Stock Register on 15th November, 1961.

Applications for transfers received in this office before 12 O'clock noon on Wednesday, the 15th November, 1961, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above dividend.

By Order of the Board

D. PUGH

Actg. AGENT.

Victoria House,
Calcutta, 26th October, 1961.

bargain hunters than sellers. Speculative operators, sensing the position, were ready to take quick profits. There was, however, no pressure to sell, thanks to the favourable corporate news.

Gilt-edged securities remained listless throughout the week. The market was bereft of buyers, both in the Central and State Government loan sections. Turnover was absolutely negligible.

Bank shares were a steady feature due to hopes of better earnings for the current year.

A significant feature of the week's trading was the return of Jute shares into the limelight. There was a broadening of buying interest in this section following the recent decision made by the industry to raise the working hours from 45 to 48 per week with effect from the 16 October. There was a belief that the mills would be in a position to wipe out the earlier losses during the second half of the year. Bally were enquired up to Rs 234 from Rs 230; Birlas up to Rs 28 from Rs 26.37; Champdany up to Rs 134 from Rs 129.50; Fort William up to Rs 31.06 from Rs 29.50 and Nuddea up to Rs 54 from Rs 51.25. Howrah, after being taken up to Rs 21.50 from Rs 21, receded at the close to Rs 20.87 due to profit-taking. New Central, however, moved narrowly between Rs 17.12 and Rs 17.19 with Anglo-India having support up to Rs 194 from Rs 192.

Coal shares were sluggish due to reports that the working of many collieries had been hampered by transport shortages. The only two bright spots were Amalgamated and Central India, having changed hands up to Rs 21.62 and Rs 11.94 from Rs 21.50 and Rs 11.75 respectively. Burrakur hovered idly around Rs 18.06.

Tea shares became hesitant and even the little support, which had been forthcoming, was more discriminating in view of the uncertain outlook for the marketing of the commodity. Reports of increased production in North India and the bleak prospects of any improvement in prices seemed to worry investors. Dealings were, therefore, restricted. Hasimara changed hands at Rs 31.12 to Rs 31.25; Jay Shree at Rs 17.87 to Rs 18.31; Rungamattae at Rs 50.75 to Rs 52 and Tezpur at Rs 17 to Rs 17.12.

Sugar shares were practically neglected with more sellers than buyers in evidence. Apart from the decision made for reducing production during the current season, the reports that exports of Indian sugar to the USA might be slashed caused a good deal of concern. The only exceptional feature was Carew, which was done up to Rs 13 from Rs 12.12. SKG were, however, on offer at Rs 10.75 to Rs 10.87 with Dyer Meakin remaining firm at Rs 35.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to settlement adjustments on the opening day of the week. Against the pre-*Puja* closing of Rs 24.42, Indian Irons opened lower

at Rs 24.24 and receded further to Rs 24.18. After improving at one time to Rs 24.40, the scrip finished the week at Rs 24.40. TEXMACO, however, were a firm feature, having forged ahead to Rs 18.65 from Rs 18.30 on speculative buying. Britannia moved narrowly between Rs 13.31 and Rs 13.50; Jay Engineering between Rs 27.31 and Rs 27.75 and Binani Metal between Rs 12.00 and Rs 12.25. Jessop were fairly maintained at Rs 21.12 and so also J. K. Steel at Rs 21.62.

Textile shares came in for good support on the belief that the working of the mills, during the current year, might show a considerable improvement. Dunbar were wanted up to Rs 33.50 from Rs 33; Kesoram up to Rs 31.31 from Rs 30.50 and Bowreah up to Rs 36.50 from Rs 35.87. J. K. Rayon remained, however, very firm at Rs 19.31 with Jay Shree moving narrowly between Rs 17.19 and Rs 17.37.

After ruling initially quiet, Miscellaneous issues displayed a slightly steadier tendency due to the emergence of support at the lower levels. Activity was, however, prominent in three shares, viz. Rohtas, Hindustan Motors and Sirpur Paper. Rohtas, which were neglected at Rs 16.44, improved at one time to Rs 16.81 following the news that the shareholders would bet a large tax-free distribution on account of the concession under Section 150 of the Income-Tax Act. Towards the close of the week, the shares changed hands on the ex-dividend basis at Rs 16 to Rs 16.19. Hindustan Motor, after being offered at as low as Rs 19.19, rallied at the close to Rs 19.81 on reports that the lock-out in the factory might be lifted shortly. Sirpur Paper were keenly sought after up to Rs 16.62 from Rs 16.37 following the decision made by the company to issue right shares, at par. Following were the price trends of a few other selected shares:

	Pre- <i>Puja</i> Closing	Post- <i>Puja</i> High	Post- <i>Puja</i> Closing
Orient Paper	35.55	36.05	36.05
Shree Gopal	26.50	26.50	26.50
Sirpur	16.47	16.69	16.56
Rohtas	16.56	16.31	16.25xd
Dunlop Rubber	54.25	55.00	54.94
H. Motor	19.31	20.19	20.19
J. K. Synthetics	...	13.12	12.84
British Paints	27.00	27.37	27.37
Alkali Chemicals	38.00	38.12	38.06
NICCO	36.69	37.56	37.50
I. Cable	36.25	36.31	36.12
I. Aluminium	35.37	35.50	35.37
I. Steamship	8.00	7.97	7.75
I. Copper	4.92	4.95	4.88
BIC	10.19	9.94	7.94

MADRAS

BUYOANT conditions were noticed in Madras Stock Exchange on 25 October. Star scrip was Tube Investments which on 25 October did business at Rs 285 eighteen rupees higher than last closing. Probably this share had consistently keeping its 10 per cent dividend there were much larger demands for this. Generally industrial shares were well maintaining their values and were

firm. There were good buying of banks. Electrics were steady. Sugars were easy. Plantings proved dull, while textiles proved to be very Bullish.

Government Securities:—The Government of Madras 4½ per cent 1972 loan declined to Rs 98.77. The Andhra State Loan of 4½ per cent 1971 was better at Rs 98.55. Others were at the marked rates.

Banks:—Business was done in Indian Bank fully paid at Rs 183. Indian Overseas Bank improved to Rs 198.00. Punjab National Bank had business at the market rate of Rs 19.90.

Electrics:—Ellore was at Rs 20.50. Salem-Erode was at Rs 13.26, business was done in South Madras at Rs 10.10. Tinnevely Tuticorin was transacted at Rs 11.15. West Coast was at Rs 14.00.

Sugars & Breweries:—Cauvery improved to Rs 117. Deccan continued to be steady at Rs 12.65. Travancore was at Rs 10.22. Mysore was quoted at Rs 57.75. United Breweries was available at Rs 104.

Plantings:—Dull tone prevailed here for the entire period of last week. Blue Mountain was quoted unchanged at Rs 3.11, Cochin Malabar at Rs 7.37. Coffee Lands was at Rs 16.30 and Consolidated Coffee was at the same rate of Rs 20.10. Kalasa was available at Rs 5.53. Kil Kotagiri improved to Rs 4.84. Malankara was available less at Rs 17.22. Mercara declined to Rs 8.63. Nelliampathy was one nP lower at Rs 2.61. Nilgiri was fifteen nP lower at Rs 8.60. Ouchterlony was available at Rs 3.67. Parkside reported business at Rs 29.5. Perikaramalai was at Rs 3.65. Business was done in Sangameswar at Rs 1.85. Thirumbadi was at Rs 1.67 and shares were bought at this lower rate. Valkundam gained 25 nP at Rs 32.50.

Textiles:—Bullish tone prevailed in this counter. Buckingham was available at Rs 252.00, and Bangalore Woollen was quoted at Rs 200.00. Cannanore was at Rs 171.00. Loyal was at Rs 39.25. Lakshmi was at Rs 160.00. Radhakrishna was higher at Rs 41.00. Rajalakshmi was one rupee higher at Rs 102.00. Rayalseema was available at Rs 163.00. South India Viscose was quoted at Rs 181.50. Travancore Rayon was quoted at Rs 40.50. Tirumurthi was quoted at Rs 123.00, two rupees higher. Vijayakumar went upto Rs 140.00.

Miscellaneous:—Aluminium Industries was quoted at Rs 23.50. Asbok Leyland was in demand at Rs 902. Dalmia Cement was higher at Rs 11.75. India Cement was slightly lower at Rs 6.32. Indian Steel Rolling was bought at Rs 11.85. Madras Cement remained at Rs 91.00. Madras Aluminium was quoted at Rs 24.65. Mettur Chemicals was at Rs 14.40. Mysore IITL was available at Rs 7.80 and Mysore Lamp at Rs 28.50. Parrys Confectionery was at Rs 4.70. Premier Fertilizer was marked at Rs 7.50. Radio and Electrics was done at Rs 3.00. REM Co. was done at Rs 25.25. Rallis was marked at rate of Rs 123.00. Seshasayee Paper was at Rs 8.50. Tube Investments was quoted at Rs 285.00.

Facts & Figures

Special Steels

The domestic production of alloy and special steels is insignificant at present and India's requirements are met mainly by imports. The country spent a sum of Rs 6 crores on the import of these varieties last year. The demand is continually rising and is expected to reach 200,000 tons by the end of the Third Plan.

Unlike ordinary steels, produced by conventional processes in large integrated works, alloy steels require specialised equipment and processes. The low-grade alloy steels, however, can be produced with relatively simple equipment the capacity for which exists in the Ordnance factories. A few units in the private sector are also producing such steels. The total production, however, is only about 10,000 tons a year.

The target of 200,000 tons laid down in the Third Five-Year Plan is sought to be achieved by:

	Tons
(1) Production in Ordnance available for non-defence use	35,000
(2) Mysore Iron & Steel Works (about)	15,000
(3) Tata Iron & Steel Company	50,000
(4) New plant in the public sector	50,000

The balance of capacity required is being created in the private sector. A number of new units with a capacity of 130,000 tons have already been licensed by the Government.

The new plant to be located at Durgapur next to the integrated steel works is estimated to produce about 80,000 tons of ingots per year or about 48,000 tons of finished products. It will be so laid out as to be capable of ultimate expansion in stages up to 300,000 tons of ingots per year and rapid expansion in the next stage to 160,000 tons of ingots or 100,000 tons of finished products.

An Indian firm of consulting engineers were entrusted with the work of preparing the project report. They have also been entrusted with the detailed designing and engineering of the plant. The project report has already been examined and accepted by Hindustan Steel and the Government. Preparatory work at site has begun. Most of the engineering services for the setting up of the plant are capable of being provided by Indian firms. Only the major parts of the plant and equipment will have to be obtained from abroad. The consulting engineers' estimate of cost for the plant proper is Rs 384 million.

The manufacture of special steels is a highly specialised process developed only in a few countries. For the rapid development of the production of these steels it is necessary to acquire the know-how and manufac-

turing techniques from firms which have specialised in such processes and have had experience.

Some firms in the UK, France, Japan, Canada and Austria have offered their services for production know-how and training of Indian personnel in the operation of the plant.

PUBLIC SECTOR

Increased Production

Industrial enterprises in the public sector recorded a further rise in production in 1960-61, according to statistics now available. The level of net profits in most cases were also on a higher scale, as compared with the previous year.

The HMT at Bangalore manufactured 1,002 machines worth Rs 3.3 crores in 1960-61, as compared with 702 machines valued at Rs 2.37 crores in the previous year. The Hindustan Cable Factory at Roopnainpur achieved an output of over Rs 1.6 crores in 1960-61 as against Rs 1.1 crore in the previous year. In the case of the National Instruments Factory at Calcutta, the rise in production was from Rs 53.7 lakhs in 1959-60 to Rs 59.3 lakhs in 1960-61.

The Nahan Foundry turned out over 3,172 tons of equipment valued at Rs 25 lakhs in 1960-61, as against 3,087 tons of the value of Rs 22.05 lakhs in the previous year. The Praga Tools Corporation recorded a rise of Rs 8 lakhs to Rs 48.32 lakhs of machine tools' output in 1960-61.

Both the factories under the Hindustan Insecticides improved on their past year's performance and together produced over 2,800 tons of DDT. Comparatively, the rise in the case of Hindustan Antibiotic Factory was much higher and amounted to 42.76 million mega units of finished penicillin, as against 33.15 mmu in the previous year. The National Newsprint and Paper Mills at Nepanagar, the only one of its kind so far in the country, manufactured 23,029 tons of newsprint in 1960-61, showing a small rise over the previous year. In the case of Sindri Fertiliser Factory, the rise in production in 1960-61 was of the order of about 15,000 tons of ammonium sulphate, the output in 1960-61 being 3,00,411 metric tons. The Nangal Fertiliser Factory went into production in February 1961 and from a monthly production of 1,185 tons in that month, production had risen to nearly 19,000 tons by August 1961. The Heavy Electrical Factory at Bhopal also commenced production during 1960-61.

The net profits in 1960-61, after allowing depreciation, taxation, interest on loans, etc., was substantially higher in the case of almost all the public sector enterprises. The HMT at Bangalore, nearly doubled its net profits to Rs 74 lakhs. For the first

time, a dividend of 10 per cent was also declared during this year. The Hindustan Cable Factory also doubled its profits to Rs 16 lakhs during 1960-61.

The net profit in the case of the National Instruments Factory is expected to be about Rs 8 lakhs in 1960-61 as against Rs 6.7 lakhs in the previous year. While the figures relating to net profits of the Nahan Foundry are not available, the gross profits in 1960-61 were higher at Rs 5.23 lakhs than in the previous year (Rs 4.5 lakhs). The Praga Tools Corporation, however, is estimated to have made a net profit of Rs 3.2 lakhs in 1960-61, showing a slight decline, as compared with the previous year, when the profit stood at Rs 3.5 lakhs. The financial result of the Hindustan Insecticides show that the net profits amounted to Rs 17 lakhs were made by the two DDT factories in 1960-61. The Penicillin Factory at Pimpri made a net profit of Rs 79 lakhs, and the Nepa Newsprint Factory Rs 37.8 lakhs, slightly higher than in the previous year. The working of the Fertiliser Factory at Sindri, showed a profit of Rs 1.51 crores for 1959-60. The accounts for 1960-61 have not been finalised so far. In the case of the Nangal Fertiliser Factory and the Heavy Electrical Factory at Bhopal, production being in the early stages, it is not time as yet to compute the profitability of these enterprises.

Nearly all the enterprises have taken up in hand programmes of expansion and diversification of their output. The HMT, for example, has entered into two technical collaboration agreements with M/s Renaults for production of special purpose machines and M/s Linex of East Germany for setting up a new machine tool unit at Panjaur in Punjab. The HMT has also put up in record time a second unit adjacent to the present factory, much ahead of schedule. A unique feature of this venture was that this was built entirely from the internal resources of the HMT.

The expansion programme, of the Hindustan Cable Factory centres round the manufacture of 2,250 miles of dry core cables annually, plastic insulated telecommunication cables valued at Rs 48 lakhs per annum and the installation of a wire drawing plant with a capacity of 1500 tons annually. The total expenditure on these expansion projects will be Rs 3.6 crores. In addition to these expansion schemes, the factory also plans to take up the manufacture of small tube co-axial, paper insulated power cables etc.

The National Instruments Factory at Calcutta proposes to manufacture in collaboration with a Hungarian firm of micro-optic theodolite. It has also entered into arrangements with two Japanese firms for manufacturing clinical thermo-meters and cameras. Recently, the ophthalmic glass project, to be built with Russian collaboration at Durgapur, has also been transferred to this company from the Heavy Engineering Corporation.

The Nahan Foundry, which is mainly engaged in the manufacture of sugar cane crushers, has now taken up manufacture of integral electric motors up to 10 H.P., centrifugal pumps, etc. In order to meet the

demand for metric weights, the factory has completed arrangements for mass production of various denominations of cast iron metric weights. The factory also proposes to take up the manufacture of agricultural implements during the Third Plan period.

The Praga Tools Corporation at Hyderabad has undertaken a big expansion programme for the manufacture of drill chucks, tool and cutter grinders and lathe chucks. The factory also proposes to manufacture Polish type of machine tools of light and medium variety. It is expected that the value of production in the factory, expected to be Rs 80 lakhs in 1961-62, will be doubled by 1964-65.

The production of DDT is to be doubled at both the units of the Hindustan Insecticides. The Hindustan Antibiotics has undertaken a programme for the production of streptomycin and tetracyclines. The streptomycin project, costing about Rs 2 crores, is expected to commence production before the end of the current financial year. Trial production in respect of the latter has already started. The Pimpri Factory also proposes to take up another project for manufacture of 50 tons of vitamin C annually. All these expansion programmes will altogether cost Rs 3.4 crores, which will be entirely found from out of its own resources.

The Newsprint Factory at Nepa propose to double its output during the Third Plan period. In order to overcome the difficulty in the procurement of chlorine, an essential ingredient, the factory has decided to instal its own plant for this purpose. In the case of Sindri Fertiliser Factory, a scheme to expand production by about 60% at a cost of about Rs 15 crores has been completed. The Sindri Factory has now developed into an important training centre for engineers and technicians, a factor of considerable importance in the context of our development programme for fertilizer production, during the Third Plan period.

The proprietors of Indian Patent No. 51131 "Process for the catalytic hydrogenation of carbon monoxide" desire to conduct negotiations for the grant of a manufacturing licence with respect to or for the disposal of the above-mentioned Patent. Anyone interested should apply to:

Edward Evans & Co.
Chancery House
53/64, Chancery Lane,
London W.C. 2

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CALCUTTA 14.

INDEX NUMBERS OF SECURITY PRICES (1952-53=100)

Week ended	8-10-60	30-9-61	7-10-61
Government and semi-Government securities—All-India			
TOTAL	101.1	101.1	101.1
Government of India	100.9	101.1	101.0
State Governments	102.4	102.1	102.1
Municipal, Port Trust, etc.	100.0	99.6	99.5
Debentures of Joint Stock Companies—All-India			
TOTAL	100.7	101.3	101.3
Preference shares—All-India			
TOTAL	86.8	82.9	82.3
Variable dividend industrial securities—All-India			
TOTAL	165.6	179.3	179.7
Agriculture and Allied Activities	162.0	163.5	161.9
Tea Plantation	153.8	157.0	154.7
Coffee Plantation	208.1	170.2	168.3
Rubber Plantations	168.0	173.6	173.3
Mining and Quarrying: Total	145.4	159.3	159.2
Coal	114.8	119.3	119.4
Other Mining	166.3	166.6	166.4
Processing and Manufacturing: Total	178.4	193.5	194.2
Processing & Mfg. (Food stuffs, Textiles Etc. Total)*	178.6	202.4	203.4
Sugar	187.2	159.1	157.8
Cotton Textiles	148.3	178.6	179.5
Jute Textiles	89.5	82.6	82.8
Silk & Woollen	988.7	1142.7	1144.5
Processing & Mfg. (Metals, Chemicals Etc.) Total*	188.4	196.1	196.8
Iron & Steel	153.9	156.7	157.5
Transport Equipment	377.3	389.6	388.5
Electrical Machinery	136.8	164.8	161.4
Machinery Other than Transport and Electrical	202.5	208.7	211.0
Basic Industrial Chemicals	207.9	204.9	202.9
Processing and Mfg. (Others): Total*	159.0	161.5	160.9
Cement	139.9	147.9	147.3
Paper	213.2	207.7	205.5
Other Industries: Total*	107.1	111.0	111.0
Electricity Generation and Supply	81.3	86.0	85.8
Trading	109.0	119.6	117.7
Shipping and other Transport	104.1	95.0	93.6
Construction	295.7	292.1	296.3
Financed Total	170.5	199.9	201.4
Banks	190.3	215.9	227.4
Insurance	131.0	149.5	153.0
Investment Trusts	88.1	88.8	89.6

Variable dividend industrial securities—Regional			
Bombay	170.1	186.3	187.3
Calcutta	153.3	164.9	164.9
Madras	166.3	190.8	197.1
Delli	213.3	224.6	224.0

*Including "Miscellaneous."
*Including "Edible and Vegetable oils."

SHORT-TERM MONEY RATES

(Per cent per annum)

	7-10-60	29-9-61	6-10-61
Call Money—			
From Banks—			
Bombay	3.96	4.17	4.57
Calcutta	4.14	4.49	4.17
Madras	3.32	4.25	4.00
Deposits at notice of 7 days—			
Bombay	2.00	3.00	3.00
Calcutta	2.06	3.00	3.00
Madras	2.00	3.00	3.00
Fixed Deposits—			
3 Months—			
Bombay	3.50	3.50	3.50
Calcutta	3.48	3.50	3.50
Madras	3.49	3.50	3.50
6 Months—			
Bombay	3.47	3.75	3.75
Calcutta	3.47	3.75	3.75
Madras	3.49	3.75	3.75

(No Transaction)

BULLION PRICES

Week Ended	14-10-60	6-10-61	13-10-61
	Ra. nP.	Ra. nP.	Ra. nP.
GOLD—			
Spot—			
Highest	114 93	125 00	125 50
Lowest	113 20	123 90	124 60
Average	114 23	124 63	125 05
1st Settlement—			
Highest	115 00	125 70	125 25
Lowest	114 25	124 80	125 30
Average	115 04	125 44	125 70
SOVEREIGN—			
Average	89 13	96 90	96 83
SILVER—			
Spot—			
Highest	192 00	206 15	206 30
Lowest	190 10	204 90	205 30
Average	191 34	205 75	205 90
1st Settlement—			
Highest	193 45	207 25	207 35
Lowest	192 10	206 15	206 45
Average	193 01	206 92	206 90

GOVERNMENT OF INDIA TREASURY BILLS

Week ended,	7-10-60	29-9-61	6-10-61
Amount offered	4.00	2.00	2.00
Amount tendered	5.15	2.00	2.00
Amount sold by tender	4.00	2.00	2.00
Of which against maturing Treasury Bills	...	...	...
Intermediate Treasury Bills sold	8	70	...
Total sales	4.08	2.70	2.00
Average rate of discount for auction sales	2.546	2.500	2.500
Sold in favour of Reserve Bank of India	9.04	100.16	3.36
Total amount outstanding	1,102.48	1,024.32	1,003.14

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From To	
Belgium	Fcs. to Rs. 100	1042 1043	13-10-61
France	"	103.20 103.30	12-10-61
Switzerland	"	90.70 90.80	7-10-61
W. Germany	Mks. to Rs. 100	83.80 83.90	10-10-61
Italy	Lira to Rs. 100	130.10 130.15	10-10-61
Denmark	Kroner to Rs. 100	144.90 144.70	7-10-61
Norway	"	149.50 149.50	10-10-61
Sweden	"	108.50 108.40	7-10-61
Hongkong	\$ to Rs. 100	108.40 108.50	10-10-61
Japan	Yen to Rs. 100	119.60 119.50	10-10-61
U.S.A.	Ra. to \$ 100	7619 7618	7-10-61
Canada	"	475.00 475.75	7-10-61
"	"	464.00 464.35	10-10-61
"	"	464.00 463.75	10-10-61

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	7-10-60	29-9-61	6-10-61
Forward Contracts—			
Purchases	£ ('000)	360	335
Sales	£ ('000)	48	47
Deliveries—			
Spot Transactions—			
Purchases	£ ('000)	150	...
Sales	£ ('000)	710	2,505
Against forward contracts—			
Purchases	£ ('000)	95	3,35
Sales	£ ('000)	865	275
Other	£ ('000)	1,135	36

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	14-10-60	6-10-61	13-10-61
	Price Ra. nP.	Yield %	Price Ra. nP.
3½% 1961	99 65	3.46	99 90
3½% 1962	99 70	3.57	99 85
3½% N.P.B. 1967	99 45	3.59	99 00
3½% Dev. 1970-75	99 00	4.24	99 96
3½% 1974	99 50	3.80	99 50
3% (Conv.) 1986 or later*	73 75	4.07	72 80
Running yield			

INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS

(Base: 1952-53=100)

Group and Sub-Group	7-10-60	30-9-61	6-10-61
Food Articles			
Cereals	112.9	120.7	121.3
Pulses	89.0	88.5	89.9
Fruits & Vegetables	140.0	144.7	149.3
Milk & Ghee	119.2	113.2	117.5
Edible oils	148.3	150.4	153.1
Fish, Eggs & Meat	135.2	135.2	139.8
Sugar & Gur	119.0	123.6	124.6
Others	170.1	184.3	168.7
Liquor and Tobacco			
Tobacco	99.5	99.5	200.0
Alcohol	96.0	96.0	96.5
Fuel, Power, Light & Lubricants			
Fuel	121.5	121.4	121.5
Power	135.8	137.6	137.8
Industrial Raw Materials			
Fibres	127.0	128.8	127.4
Oilseeds	150.4	153.8	156.0
Minerals	94.8	94.8	94.8
Others	127.7	127.4	126.3
Manufactures			
Intermediate Products	125.6	125.9	125.3
Finished Products	140.9	140.5	141.3
Textiles	123.7	124.3	123.1
Cotton	123.2	123.2	123.9
Jute	114.0	117.5	112.9
Woollen	123.1	123.1	123.1
Silk & Rayon	118.6	118.6	119.4
Metal Products	147.1	147.1	147.1
Chemicals	111.9	111.9	112.0
Oil cakes	144.3	144.3	143.4
Machinery & Transport Equipment	112.0	113.3	118.5
Others	121.1	121.3	120.9
All Commodities	123.5	124.6	125.7

* = Estimated. † = Revised.

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

	20-10-61	6-10-61	21-10-60
LIABILITIES:			
Notes in Banking Dept.	15,52.44	18,09.45	10,45.48
Notes in Circulation	1903,89.83	1891,48.52	1812,01.74
	1919,42.27	1909,57.97	1822,47.22
ASSETS:			
Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Sterling Securities	116,86.07	116,86.07	123,00.89
Total of A	234,62.10	234,62.10	240,76.92
(B) Rupee Coin	125,94.00	125,15.47	129,81.40
Rupee Securities	1558,86.17	1548,80.40	1451,88.90
	1919,42.27	1909,57.97	1822,47.22
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	60,00.00	60,00.00	60,00.00
National Agricultural Credit (Long-term Operations) Fund	50,00.00	50,00.00	40,00.00
National Agricultural Credit (Stabilisation) Fund	6,00.00	6,00.00	5,00.00
(a) Central Govt.	49,92.07	65,14.79	53,21.83
(b) Other Govt.	38,60.29	4,68.21	32,89.99
(c) Banks	84,49.13	72,47.13	103,40.77
(d) Others	146,73.50	149,16.99	90,40.09
Bills Payable	19,89.34	22,65.81	21,41.38
Other Liabilities	10,99.57	16,90.55	21,60.92
	490,67.90	473,03.48	453,01.01
ASSETS:			
Notes	15,52.44	18,09.45	10,45.48
Rupee Coin	1.69	2.29	1.40
Subsidiary Coin	3.11	3.94	5.87
Bills Discounted:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	32,44.73	34,34.49	6,97.61
Balances held abroad*	28,27.20	13,60.23	17,93.49
Loans & adv. to Govt.	59,45.11	57,03.64	35,89.26
Loans & Adv. to	135,92.56	139,13.51	130,91.23
Investments	201,07.79	191,59.07	248,41.63
Other Assets	17,93.27	17,81.86	12,34.98
	490,67.90	473,03.48	453,01.01

(1) The item "Other Loans and Advances" included Rs. 7,19,50,000 advanced to scheduled banks against advance bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees)

	14-10-60	6-10-61	13-10-61
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	19,44.29	20,95.08	21,82.20
(ii) Other demand liabilities	772,93.57	817,11.19	819,60.95
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	16,94.61	18,81.48	18,41.98
(ii) Other time liabilities	1143,31.36	1119,92.25	1117,17.86
Borrowings in India from the R. B. I.			
Cash in India	30,30.64	16,40.40	14,08.95
Balances with the Reserve Bank of India	105,52.59	74,92.00	77,17.39
Balances with other banks in current account in India	16,17.12	15,55.01	15,39.55
Money at call and short notice in India	30,51.74	45,91.25	46,18.00
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Department Receipts			
Advances in India	707,63.48	611,64.86	611,62.77
Island Bills Purchased and Discounted in India	967,25.64	1068,14.96	1068,14.96
Foreign Bills Purchased and Discounted in India	50,65.82	47,30.14	46,90.22

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

†=Including borrowings from R.B.I. also.

STATE BANK OF INDIA

(In 000's of Rupees)

	Week Ended		
	20-10-61	13-10-61	21-10-60
LIABILITIES:			
Capital Paid-up ...	5,62.50	5,62.50	5,62.50
Reserve Funds ...	7,45.00	7,45.00	7,20.00
Deposits and other Accounts ...	579,93.56	531,29.89	578,87.96
Borrowings from other Banks, Agents, etc....	20.00	17.00	30.22
Bills Payable ...	10,85.61	9,42.03	8,98.84
Bills for Collection as per contra ...	2,58.60	2,81.88	2,04.21
Acceptances etc. for constituents as per contra ...	82.46	84.90	1,72.92
Other Liabilities Including Inter-office Adjustments. ...	16,89.78	16,70.49	15,77.15
Total ...	574,87.51	574,33.68	620,53.83
ASSETS:			
Cash in hand and with R. B. I. ...	28,85.32	27,30.67	19,16.46
Balances with other Banks ...	3,75.83	3,79.99	4,15.41
Money at call and short Notice ...	1,93.33	2,40.00	46.67
Government and other Trustee Securities...	257,33.75	249,31.02	340,37.67
Other Authorised Investments ...	9,24.36	9,26.36	9,67.96
Loans Advances cash credits & Over Drafts ...	232,93.77	234,11.83	205,98.80
Bills Discounted and Purchased ...	11,75.84	10,76.13	10,22.36
Bills for collection as per contra ...	2,58.60	2,81.88	2,04.21
Constituents' Liabilities, etc., as per contra...	82.46	84.90	1,72.92
Dead Stock ...	3,32.54	3,32.51	2,57.74
Other Assets ...	21,81.71	30,58.39	24,13.63
Total ...	574,87.51	574,33.68	620,53.83

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Authorised Capital	Rs. 6,30,00,000
Subscribed Capital	Rs. 5,77,50,000
Paid-up Capital	Rs. 3,15,00,000
Reserve Fund & Other Reserves	Rs. 4,15,79,722
Deposits as at 31-12-60	Rs. 2,00,07,37,976

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HIGHLIGHT OF THE ISSUE

The Productivity Movement is getting to grips with its subject. Read the second Leading Article.

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1928

by

C. S. Rangaswami

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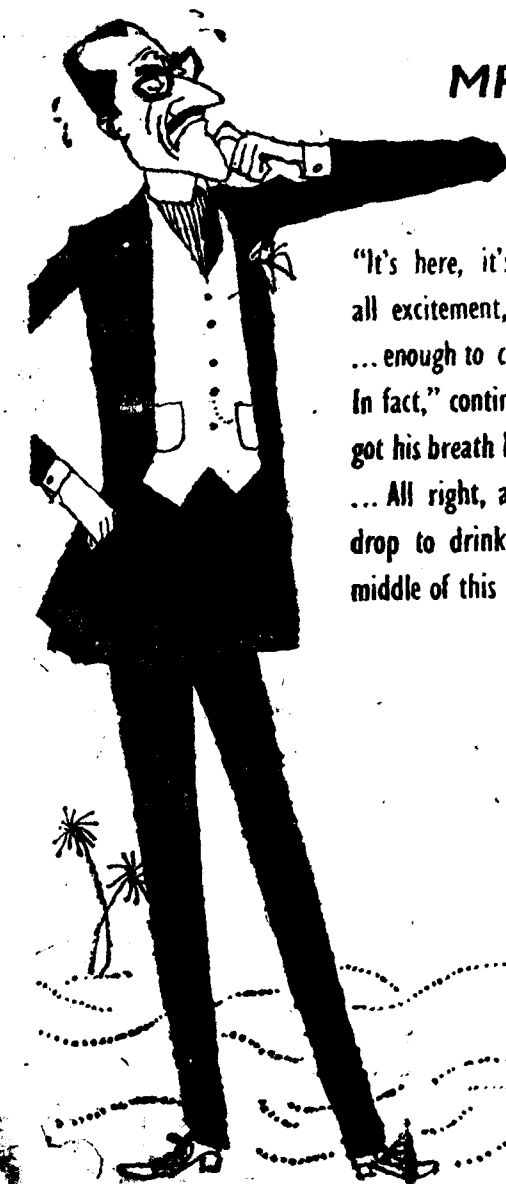
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really irritated. "Look here, chum, I've had enough of your tubeless mumbo jumbo. I ask for running 'hot and cold' and you take me to a dirty water hole! Then I ask for a drink of water and you suggest I burrow underground like a rodent. The truth, Sir, is simple. No tubes, no water! In fact, life without tubes is apt to be life without water and that's no life at all.

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4 November 1961

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Spotlight on Cooperation

THE cooperative movement at the end of a decade of planned effort presents a mosaic of bright and dark patches. The Prime Minister who inaugurated the Conference of State Cooperative Ministers last Monday, as well as Mr S. K. Dey, the Union Minister for Community Development and Cooperation drew pointed attention to disparities in development, sectoral and regional. While some sectors, notably cooperative credit, have registered encouraging progress, other related sectors lag far behind. Reviewing the progress of the last ten years, Mr Dey made the valid point that cooperation as a movement is indivisible. The different sectors—credit, marketing, processing, industrial, transport and miscellaneous cooperatives—are closely interlinked. Substantial progress in one front will not be possible without corresponding progress in the related sectors. The massive support provided by the Reserve Bank, as acknowledged by Mr Dey, has imparted dynamism to the movement, especially in the sector of agricultural credit societies. But a stage has now been reached when it is recognised that primary credit societies cannot make further headway unless cooperative marketing is also able to keep in step. Marketing societies again look to the development of processing societies. The unequal development of the different sectors is one of the major hindrances to the conversion of purely credit societies into effective multipurpose service societies which is one of the aims of Government policy.

While different sectors of the cooperative movement have not been progressing at the same pace, the disparities among the States are even more glaring. The impression of a progressive movement, which is derived from all-India statistics, disappears when the figures for the country as a whole are broken down State-wise. The Prime Minister has divided the States into four categories according to the level of development of cooperation in each. Maharashtra, Gujarat, Madras and Andhra which are in the lead account for over half of the work done in the field. Mysore and Punjab which come next show a fair degree of progress. Rajasthan, UP, Kerala, Madhya Pradesh and Jammu & Kashmir are somewhat behind, "but are still moving in the right direction." In the remaining four States, Orissa, West Bengal, Bihar, and Assam, the movement has been stagnating or declining. The present position, the Prime Minister has said, is "too painful for words."

Enquiring into the reasons for the regional disparities, the Prime Minister has highlighted some important aspects which should serve to guide future policy. The movement has made progress in the States where persons not associated with Government have assumed the leadership for its development. Over the country as a whole it may be said that the movement has stagnated in areas where formerly the Zamindari system prevailed, while it has made striking progress in the ryotwari areas. In the latter the requisite popular response has been forthcoming. Leading public figures in these States have devoted their time and energy to the building up of

cooperatives. The result we see in flourishing institutions like the Maharashtra Cooperative Bank which recently celebrated its Jubilee. By contrast the movement languished in States where development began and ended in Government departments.

While there are differences in the public response to the opportunities of development through cooperation, it is also a fact that throughout the country the movement was started by Government's initiative and under its control. The position in this respect has remained largely unaltered. In fact, Government control has become more pervasive and has been strengthened by the large volume of financial assistance provided by the State. If, in spite of the handicaps of governmental control, and that too by a foreign Government, the movement was able to grow in some of the States, the quality of the administrators who nursed the movement in its early days made no small contribution to its success. In the old Bombay Presidency, it had the guidance of a civil servant of the calibre of Sir Harold Mann. In Madras the movement was started by the fabulous Nicholson and later it came under the stewardship of Mr J. C. Ryan whose vast experience in the field is still available to the cooperative movement in this country. Spade-work of the sort done by these Government officials must also be done by the Government departments or non-official agencies if the movement is to strike roots in the States where now it makes sorry showing.

Emphasising the absolute necessity for Co-operation, which he described as the via media between Capitalism and Socialism and a way of life which could be extended beyond the economic field, the Prime Minister has expressed his amazement at the increasing hostility displayed in certain quarters towards cooperation in general and in particular to cooperative farming. Criticism of cooperative farming does not stem in all cases from ideological prejudices. Even those who concede that genuine and successful cooperatives could transform the rural economy have misgivings about the prospects of cooperative farming at the present stage of development of the cooperative movement in the country. If cooperative farming develops as a voluntary and unforced movement of the farmers, it will be all to the good. But in existing circumstances, it is doubtful if any cooperative will be formed without Government taking a major share in its formation and functioning.

The perils of targetmanship are far more serious in the case of co-operative farming societies. The greatest danger is the deadening of the incentives to maintain production. Calculations of profit or market prices have little to do with the productive effort put in by the vast majority of agriculturists, who have no surplus for the market. Herding them together into co-operatives will not alter this picture. On the other hand, formation of co-operatives under Government auspices can deaden the incentive which impels every cultivator to put in his best even under the most adverse circumstances for the sake of his livelihood.

The Barriers in the Way

MORE than one speaker at the last meeting of the Central Advisory Council for Industries stressed the role of productivity in keeping costs under control, and so helping the export drive. The fact that there is now recognition on all hands of the need for productivity as distinct from increased production is a measure of the useful promotional work done by the National Productivity Council in the period of three and a half years since it was set up. However the impression still persists that all that the productivity movement has so far achieved is to increase the output of words. In fact one of the principal speakers at the annual conference of the National Productivity Council, which was inaugurated last Monday by the Union Minister for Labour and Employment, referred to the prevalence of this feeling among the public. The special jargon employed by productivity experts who, to judge by the propaganda literature put out, seem to live in a rarefied atmosphere of abstractions, may in part be responsible for the impatience at the seminars and their reports on which the Council had necessarily to concentrate its attention in the early stages. But the very theme of this year's conference—"Barriers to Productivity"—shows that the movement is getting to grips with its subject. The expertise gained from the training courses organised with the help of experts provided by TCM, the ILO and Governments of various countries, have created better understanding of the barriers that exist to the implementation or even acceptance of productivity programmes. The discussions at the conference have highlighted these obstacles from different angles.

It is commonly assumed that the main opposition to the adoption of measures necessary to increase productivity come from the side of the workers. The continuing controversy between employers and trade unionists over rationalisation with the Government taking a hand, provide the material for such a conclusion. And productivity was identified in the minds of the workers with rationalisation which they knew from experience was just "retrenchment" masquerading under a respectable label. But the work done by the National Productivity Council has brought about a welcome change in the attitude of Labour, which has no doubt been helped by Government's policy not to sanction schemes of rationalisation if they result in unemployment. If we are to go by what was said by spokesmen of Labour at the conference, there is now no justification for assuming that Labour will invariably oppose introduction of measures to increase productivity. In fact, the unanimity with which speakers of all shades of opinion—ranging from trade unionists to top executives of big undertakings in the public sector like the Railways and the Hindustan Heavy Electricals, as well as of the private sector—agreed on the crucial role of the management is most impressive. The conference has underlined the fact that further progress in productivity will depend on the receptivity of top managements to suggestions to introduce productivity techniques which have been found successful elsewhere.

To cite one instance, Mr S. Anantharamakrishnan, whom Manubhai Shah introduced to the conference as one who had risen from the ranks to be top-executive of one of the biggest engineering firms in the country, observed, in the course of a balanced review of the respective roles of management and workers, that a wide range of operational factors are essentially

management functions and fundamental needs for raising productivity. These he has categorised as follows:

1. Research and development for improvement of basic process.
2. Modernisation and improvement of existing plant and equipment; and provision of new machinery where necessary.
3. Standardisation and simplification of products, cutting out unnecessary variety.
4. Steady improvement of existing methods of machine operation and maintenance.
5. Thorough planning of the work and improvement of the effectiveness of all employees.
6. Opportunity for the development of the full personality of the employee, his skill and talent and for self-expression. Creation of a climate and realisation of the greatest possible cooperation and participation on the part of labour in the efforts for raising productivity.

If there is at present serious resistance on the part of the managements to the introduction of productivity programmes in their establishments, the reasons deserve careful investigation. It will not be realistic to dismiss their resistance as due to psychological causes or fears which may be dispelled by clearer understanding of what productivity means. This might have been true of Labour. But no one would seriously suggest that top management in our country, even if recruited on a hereditary basis, lack understanding of the elements of business management and have to be taught by the missionaries sent out by the National Productivity Council. This suggestion implicit in proposals for increasing productivity is perhaps the reason for what Mr G. Ramanujam described as the "explosive reaction" of some managements to such proposals.

Productivity has many facets as any tyro can say from a perusal of the folders distributed by the NPC. But the net result of the successful application of productivity techniques is increased production for the same inputs of the different constituent elements. And unless the increased production can be readily absorbed, it is bound to lead to redundancy of workers. The question of how this burden of redundant labour is to be borne is of vital importance to the success of the productivity drive. At present the entire burden is on the employers and acts as an effective disincentive to the adoption of productivity techniques except in the case of firms which are able simultaneously to implement schemes of expansion.

On the theoretical plane it is possible to argue with unassailable logic that, in the long run, there can be no question of redundant labour in an expanding economy. The significant phrase in this assessment is, "in the long run" and it offers little help to the worker who is rendered redundant in the short run or to his employer who is obliged to maintain him in idleness or in a superfluous job.

Some of the big industrial firms may be able to absorb redundant labour in other expanding units in their organisation. Some concerns may be able to provide for the surplus labour in their own schemes of expansion. But this course is not open for large number of industrial establishments. The scope for expansion is limited by the availability of materials and equipment which has been severely restricted in many cases by the overall shortage of foreign exchange.

It is also relevant in this context to draw attention to the Government policy which, for the present, is obliged to restrict expansion to export-oriented industries. The Union Minister for Labour and Employment has therefore

been discreet in suggesting that productivity schemes may be applied on a selective basis.

While it may be true that the domestic market which is short of all sorts of goods can absorb. All the products of industrial expansion, the same certainty is not true of export markets. Increased production for export markets will depend for its success on the adoption of improved marketing techniques. In his perceptive address to the conference, Mr P. L. Tandon, Chairman of Hindustan Lever has drawn forcible attention to this neglected area of business activity in which our productivity schemes can get bogged in spite of selective application. And he has emphasised "Improved Marketing" as the essential tool of increased productivity.

Meantime conditions favourable for industrial expansion, and elimination of the obstacles as they arise, are essential for the success of the productivity drive. Apart from an atmosphere of cordial industrial relations whose importance is obvious, the conditions include a regular and reliable supply of the materials and equipment required by expanding industries, adoption by the industries of efficient marketing techniques and provision of unemployment insurance so that units which succeeded in increasing productivity are not penalised for their success by being obliged to carry the burden of redundant labour.

Reaction to FMC Step

Speculation in the commodity markets has reached new levels of fantasy in the recent past. Despite bleak export quota prospects and the expectation of a bumper crop, there has been an unusual rise in the groundnut January contract due to sustained buying by certain influential operators. They seem to hold the view that the crop may not be as high as expected earlier. The bull phase in the oilseeds market has proved infectious so far as cotton prices are concerned. It is hard to understand why cotton prices are pushed up when there is no bullish factor to justify such a trend. The ruling cotton contract has been lifted to a new high in total disregard of likely consequences. Again, in the case of raw jute, prices were quoting at fantastic levels not long ago and it was found necessary for the LJMA to instruct its members not to pay more than the stipulated prices. Thanks to the bright prospects for a large crop during the current season, prices were brought down gradually after August to such low levels when the West Bengal Government had to get worried about securing a satisfactory return to the growers. In the case of mustard, despite a comfortable supply position, the November contract spurted from Rs 32 (per 40 kgs) in the beginning of October to Rs 35 by the end of the month.

The Forward Markets Commission has, therefore, had to be alert all the time in order to check undue speculative fluctuations in prices, particularly in raw cotton, raw jute and oilseeds. The first step was taken early last week when the Commission, perturbed by an excessive increase in the prices of the mustard November contract in Delhi, Agra, Kanpur and Bhatinda, decided to enhance the margins. The details of the new margins are:—(1) a special margin deposit of Rs 2,500 per unit of 4,000 kgs will be levied on members holding long open positions up to 100 units when the price of the November 1961 mustard futures in Delhi is above Rs 33 per 40 kgs. In respect of members holding open

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position above 100 units, the rate of special margin will be Rs 3,300 when the price is above Rs 33. In other words, the special margin will be 100 per cent of the value; and (2) the concession regarding free limit will be abolished forthwith in respect of the November 1961 delivery.

Although the prices in Delhi eased itself as a result, the Commission's warning went unheeded in other oilseeds markets, particularly Bombay. Developments at this centre have not been conducive to orderly trading. The bull operators, who were evidently tired of protracted listless conditions in the oilseeds market, threw caution to the winds and started swimming against the current. Presumably prompted by the firm trend in mustard, Delhi operators set the ball rolling by carrying purchases on a large scale in Saurashtra markets. Saurashtra operators, in their turn, lifted Bombay futures. Calcutta operators also went "long", while "shorts" were forced to cover their open positions.

Considering the weak beginning of the January contract following the Government announcement that export quotas of HPS groundnut, groundnut oil and expeller would not be released until the end of November and the reports of higher crop of groundnut this season, the swift rise in value is inexplicable, except in terms of speculative manipulation and price-rigging. Naturally, the upturn in Bombay and in other markets dried up arrivals in the primary markets, as the growers withheld selling in anticipation of a further rise in prices. Again, the vegetable oil-manufacturers sustained their buying at the ruling prices, as they were short of their stocks.

The sharp upswing in groundnut futures brought forth a spurt in other sections and also invited early official action. The FMC directed the oilseeds exchange authorities to devise ways to keep under check excessive bull manipulation. The Commission decided that the daily outstanding position in the January contract in groundnut should be submitted by the members to the Bombay Oilseeds Exchange authorities. The Commission also suggested that, above the level of Rs 210, the daily fluctuations in the forward contract should be confined to Rs 2. But, the decision of the Commission, instead of checking the rise in prices, only gave a further fillip to the market. Some of the powerful operators, who were not inclined to cover the outstanding in anticipation of a fall in prices, were alarmed by the Commission's decision and they consequently rushed to cover.

For a brief period on Friday last week, there was no trading, obviously to facilitate the oilseeds exchange authorities to devise ways for keeping the prices in check. But from the range of fluctuations in groundnut futures, it appeared as if the bull operators were in no mood to listen to reason, knowing only too well that, by imposing heavy margins on long positions, the FMC would be throwing out many a financially-weak operator out of the market, leaving the few fortunate strong to dictate the market to their advantage. The Commission, therefore, thought it necessary to direct recognised associations to keep the oils and oilseeds futures markets closed for a period of five days till 2 November to enable it to take such steps as may be necessary in the public interest.

The Commission's present move is welcome, since it is clear that, it is not any basic imbalance in the demand-supply position, but unhealthy speculation that led to the rigging of prices. It is significant that the FMC's suspension order has had a salutary effect on the oilseeds price trends in Bombay. In un-

official deals, the groundnut January contract has sought a low level of Rs 206.25 against the official closing rate of Rs 210.12 on Friday last. Moreover, the FMC's move is a timely warning to speculators that it will not hesitate to resort, once again, to special margins in other oilseeds as was done in the case of mustard. However, a special margin may temporarily check the rising trend and that, too, at the cost of weak operators. For, the strong bull operators can always afford to pay margins and still keep the prices at high level. The real remedy, therefore, is for the trade itself to regulate its conduct with a sense of responsibility. If this is not feasible, official interference can hardly be cavilled at.

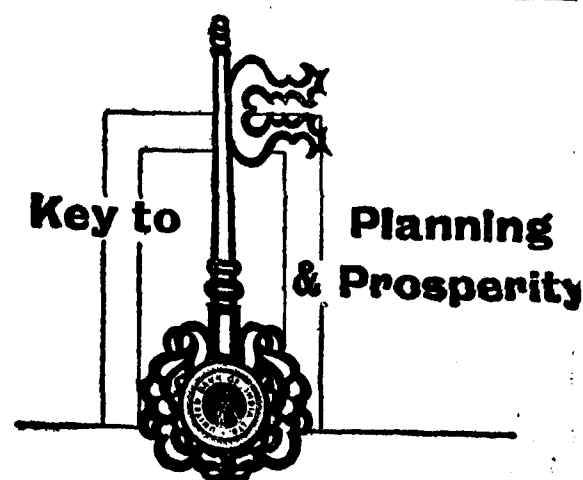
World Economic Survey for 1960

THE World Economic Survey for 1960, the thirteenth in a series of comprehensive world economic conditions published by the United Nations, addresses itself to the question of savings with reference to growth and economic development. The subject is of importance not only to under-developed countries, where the problem of economic development boils down to one of raising the current depressed ratio of savings, but also to the industrially advanced countries, which, in spite of the higher technological achievement and per capita income have not found a way of escape from the recurring recessions that disturb the steady progress of their economies to full employment and full utilisation of resources. The recession through which the US economy passed during 1960 was a grim reminder of the risks to which free economies remain exposed in the absence of policies specifically directed to the achievement of a sustained rate of economic growth. The mildness of the 1960 recession in the US also provides no room for complacency in respect of their recurrence. The UN survey in this connection points out that the periodicity of post-war recessions has been no greater than in the pre-war years. The Survey also explodes the illusion which tends to an underestimate of the cost of recession on the ground that the loss incurred during the recession could be more than made good over the cycle as a whole. In this connection, it is stated that what is relevant in assessing the real cost is not the absolute level of production but whether the full production potential is realised over the cycle. Such an achievement is considered unlikely if the recovery is only adequate to carry production and employment to normal levels of full utilisation without any special enlargement of the capacity to produce.

The Survey defines the economic remedy to recessions in categorical terms as being one of promoting steady growth at full potential rates. As it points out "what is required is not only to maintain a high level of output and employment but to sustain a steady rate of growth that is adequate to absorb each year's new entrants into the labour force as well as the manpower released by advancing technology and rising productivity". Objections arising from possibilities of inflation from the pursuit of economic policies aimed at growth, are irrelevant for the reason that price stability is not necessarily inconsistent with a growth-oriented policy. Such objections are based on the wrong equation of inflation with excess of aggregate demand over supply. It is quite conceivable that situations might arise in which prices may go up despite considerable slackness in produc-

tion and employment. In the same way, excess demand does not in all cases lead to inflation. It is quite possible, for example, that a rise in wages with its bearing on demand may provide the stimulus to higher output per man hour so that far from leading to inflation it may tend to a reversal of the rising price trend that was originally initiated by the wage increase.

While a sustained rate of growth should be the desideratum of economic policies for all countries, the measure in which growth can be accelerated will obviously depend on the extent to which the rate of savings can be stepped up. Considerable concern has been expressed in the Western countries in respect of the adequacy of savings to finance a higher rate of growth without inflation. But on the basis of its own study of the rates of savings and investment, the UN Survey comes to the conclusion that the financing of relatively high rates of investment will not be a formidable task. In respect of the under-developed countries, however, it sees less ground for optimism. The record of these countries in stepping up savings has also been not very encouraging. It is shown that despite some rise in per capita incomes and households and government revenues, neither private nor public saving has shown any wide-spread tendency to increase. Further the increases that have taken place in the rate of investment have been financed by increases in foreign saving in the form of balances of imports over exports of goods and services and of foreign aid. The problem of encouraging savings of all kinds has assumed considerable urgency in these countries. The UN study of the problem throws interesting light on various aspects of it and particularly on the role of savings in investment and the various sources of saving



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REVENUE RECEIPTS

Buoyancy in 1960-61 (Actuals)

ACTUALS in respect of main heads of revenue for the year to March 1961 are now available; and these give an indication as to buoyancy in receipts, so much so that the overall deficit of the Government, as measured by an increase in outstandings of Treasury Bills, has been converted into a surplus and duly reflected in a fall in outstandings of Treasury Bills.

The Budget estimate (all figures relate to the year 1960-61) of receipts under customs was Rs 162.50 crores. In February this year, Mr Morarji Desai, while presenting the Budget for 1961-62, revised the relevant figures to Rs 183 crores. In the event, the actuals are higher yet at Rs 188.70 crores.

In the case of union excise duties the upward trend in the three estimates is even more pronounced. The Budget figure was Rs 379.62 crores, including States' share of additional excise duties amounting to Rs 41.20 crores; the revised estimate was placed at Rs 394.98 crores, the amount ascribable to the States being Rs 40.69 crores; and the actuals are substantially higher at Rs 415.13 crores, with some doubt as to whether the last figure is not net of States' share. For, Table No 29 in the Reserve Bank of India Bulletin for September 1961, from which these figures are abstracted, makes clear that income-tax receipts are net after "allowance being made for payment to States"; but does not contain similar clarification in regard to union excise duties.

Surprisingly, receipts from corporation tax have been over-estimated, though the shortfall is more than made up by improved collections from income-tax. The Budget estimate under the former head was Rs 135 crores, which in the revised estimates was raised slightly to Rs 137.50 crores. The actuals, in the event, are substantially lower at Rs 99.52 crores.

The experience in respect of income-tax (net of payment to States) has been better. The revised estimates were lower at Rs 40.52 crores against the Budget figures of Rs 52.94 crores; but the actuals are sharply higher at Rs 85.94 crores. It is, incidentally, intriguing to find that in the normally "heavy" month for tax receipts, March, there was in fact an outgo of Rs 19.94 crores under income-tax.

	Budget	Revised	Actuals
Customs	162.50	163.00	168.70
Union Excise Duties	379.62*	394.98†	415.13‡
Corporation Tax	135.00	137.50	99.52
Income-tax	52.94	40.52	85.94

*Inclusive of additional excise duties payable to the States.

†May or may not be net of additional excise duties payable to the States.

‡Allowance being made for payment to the States.

We are disposed to think that in fact the actuals of receipts under union excise duties are net of payment of additional excise duties to the States. Otherwise it is difficult to

explain the startling conversion of overall deficit to a good-sized surplus.

According to the Budget estimates for 1960-61, the overall deficit to be met by expansion in Treasury Bills was Rs 153 crores. With the changed procedure for deposit of US counterpart funds under Public Law 480, and also with the transfer of Rs 144 crores from the State Bank during the year, the revised estimate reduced the expansion in Treasury Bills to Rs 15 crores. In actual fact, outstandings of Treasury Bills, far from showing any increase, have dropped by the considerable amount of Rs 191 crores to Rs 1,106.30 crores as at 31 March 1961.

Only part of the explanation may lie in an improvement in revenues vis-a-vis the revised estimates; it is almost certain that expenditures also tended to fall short of the Budget or revised estimates. It is interesting to note that, in the 1960-61 Budget Supplement, we had asserted that "Indian Finance Ministers have got into the habit of regularly under-estimating receipts" and that "there has also been a tendency to overestimate expenditure."

There is already evidence to suggest that the experience is not likely to be different in 1961-62. The Budget estimate for the year places expansion in Treasury Bills at Rs 64 crores, against the overall deficit of Rs 64.33 crores. But, as at the end of August 1961, outstandings of Treasury Bills have declined by Rs 32 crores. It is true, in March each year the special disbursements of Government call for heavy dosages of deficit financing; but then, it is equally true that in the same month the tax receipts of Government tend to be enormous. The total revenue receipts of the Centre, in March of both 1960 and 1961, exceeded Rs 100 crores.

It should surely be possible for Government more accurately to gauge revenue or estimate expenditure. As it presently stands, the monotonous regularity with which, on the revenue side, the Budget is exceeded by revised estimates, and the last by the actuals; and with which, on the expenditure side, the Budget figure is higher than the revised estimates, which in turn are found to be an exaggeration as compared with the actuals, are responsible for the gnawing doubt that both under-estimation of revenue and exaggeration of expenditure are deliberately under-

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taken in order that new tax imposts may be justified.

The justification for new tax levies lies in the need for resources for the Plan, and not in whether or no there is an overall deficit.

BANK RETURNS

Fair Rise in Deposit Resources

The bank statements for 27 October are the last, notionally, in respect of the 1961 slack season. Two of the three are available for analysis this week, with the return of Scheduled Banks being made public only next week. The latest returns show that the slack season is ending on very slack note indeed.

The statement for the Issue Department of the Reserve Bank, as at 27 October, discloses that Active Note Circulation has contracted by Rs 21.64 crores and is now placed at Rs 1,882.25 crores. Return of Rupee Coin from circulation is also satisfactory at Rs 1.31 crores. Foreign Securities are unchanged at Rs 116.86 crores, and, similarly, Rupee Securities are unaltered at Rs 1,558.86 crores. As a result, the Reserve Bank's cash in the till has improved by Rs 22.96 crores to Rs 38.48 crores.

Inter-governmental transactions are suggested in the return for the Banking Department. The Centre's Deposits are higher by Rs 14.86 crores at Rs 64.78 crores, but those of State Governments have fallen by Rs 8.27 crores to Rs 20.33 crores, and besides the States have increased their ways and means borrowings from the Reserve Bank by Rs 2.92 crores to Rs 62.37 crores.

Some element of slack season easing of pressure upon the banking system is reflected in the rise of Rs 1.88 crores to Rs 86.37 crores in Reserve Balances of member banks; and with the State Bank, in the same week, showing a fall of over Rs 2 crores in cash in hand and with Reserve Bank, the improvement in the case of other Scheduled Banks may have amounted to Rs 4 crores. At the same time banks have clearly been able to reduce indebtedness to the Reserve Bank, whose Other Loans and Advances have fallen by Rs 6.40 crores to Rs 129.53 crores; that the fall in this figure is mainly or wholly on account of Scheduled Banks' borrowings is indicated in the decline of Rs 4.69 crores to Rs 2.51 crores in the Reserve Bank's advances against usance bills.

The Reserve Bank's holdings of Government of India Treasury Bills purchased and discounted have fallen by Rs 9.30 crores to Rs 23.15 crores; this was a maturing liability which Government has apparently met by

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instituting counter-vailing deficit financing. However, Investments in the Banking Department are practically unchanged, the reason being that the State Bank has figured as a purchaser of gilt-edged for Rs 9 crores, and such sale by the Reserve Bank has concealed a rise in its own holdings of Government of India securities.

Lastly, in regard to the Reserve Bank returns, for the second week in a row, Balances Held Abroad show a rise, though in the latest period the improvement is only a nominal one of Rs 0.06 crore to Rs 28.33 crores; foreign assets held by the Reserve Bank now just exceed the Rs 145 crore mark.

A satisfactory slack season contraction of Rs 5.86 crores to Rs 238.84 crores in the total of Advances is revealed in the return of the State Bank for 27 October. On the other side, Deposits, too, show an improvement of Rs 1.16 crores to Rs 531.10 crores. The "affluence" has enabled the State Bank to purchase securities for Rs 9 crores, raising the portfolio to Rs 266.35 crores. Consequently, cash balances, including money at call, have had to be run down by Rs 1.60 crores to Rs 32.94 crores.

A fair rise in Deposits has been reported by the Scheduled Banks in the week ended 20 October as disclosed in the latest statutory return. Net Demand Deposits have risen by Rs 5.02 crores to Rs 824.63 crores, while net Time Deposits are also higher by Rs 1.39 crores at Rs 1,118.57 crores. With the State Bank, in the same week, figuring as having suffered a drain on Deposits to the extent of Rs 1.36 crores, it is clear that other Scheduled Banks experienced a rise of nearly Rs 5 crores in Deposits. At the same time, the total of Advances has shrunk somewhat by Rs 2.83 crores to Rs 1,243.19 crores. The gilt-edged portfolio is higher by Rs 1.17 crores at Rs 612.89 crores, but the implication of the State Bank having, in the relevant week, bought securities for Rs 8 crores is that other Scheduled Banks have disinvested for around Rs 7 crores. Borrowings from the State Bank have been marked up by Rs 2.28 crores to Rs 20.29 crores, though indebtedness to the Reserve Bank has been reduced by Rs 1.15 crores to Rs 12.84 crores. The end result is that cash balances, including money at call and short notice, have increased by Rs 7.46 crores to Rs 191.59 crores.

Evidence in the returns of the Reserve Bank for 27 October suggests strongly that the statutory statement of Scheduled Banks for the same week will disclose a halving of the indebtedness to the Reserve Bank. If the experience of the State Bank has been general to all Scheduled Banks, this liquidation of debt may have been enabled largely by a fall in Advances. It is, however, also possible that Scheduled Banks should have had a fair-sized accretion to Deposit resources.

NATIONAL INCOME 6.5 Per Cent Increase in 1960-61

An advance estimate of the national income in 1960-61 made by the Central Statistical Organisation places it at Rs 12,530 crores at 1948-49 prices. This represents an increase of about 6.5 per cent over the previous year. The net output at 1948-49 prices shows a rate of growth lower than that at current prices since a part of the rise in the national income at current prices is accounted for by rise in the price level. The rate of

growth at constant prices works out to 3.45 per cent during the First Plan and 3.63 per cent during the Second Plan. For the entire decade of planning the rate of growth works out to 3.53 per cent.

As compared with total output, the per capita output shows a slower rate of increase. This is to be explained by the explosive increase in population that has taken place during the last decade. The per capita income increased from Rs 246 in 1950-51 to Rs 289 in 1960-61 which represents an increase of only 1.62 per cent per annum. The rate of growth during the Second Plan period was lower at 1.53 per cent.

One noteworthy feature disclosed by the trend in national income for the last decade is the yearly variations which have been marked and which can be attributed to fluctuations in agricultural output. The decline in national income as well as in the per capita income during 1957-58 is particularly noteworthy, the relevant figures in respect of these two being only Rs 10,890 crores and Rs 267.4 respectively as compared with Rs 11,000 crores and Rs 275.6 respectively in 1956.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 31 October 1961. Total amount offered was Rs 2,00,00,000. Tenders at Rs 99.375 per cent were allotted in full. Total amount accepted was Rs 2,00,00,000, the average rate of accepted tenders being Rs 2.500 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, 6 November 1961. Successful tenderers should make payment on Friday, 10 November 1961. Other conditions are as usual.

During the week ended 27 October 1961 Government of India Treasury Bills for Rs 25,75,00,000 were sold in favour of Reserve Bank of India.

IMF Credit Repayment

By Paul Einzig

THE demand for sterling resulting from the return of foreign balances to London during September and October enabled the Treasury to repay £100 million of the large IMF credit concluded in August. This decision is to be welcomed because it prevents a further spectacular increase of the gold and Foreign Exchange reserve. Such an increase is bound to create unwarranted optimism even though

it is entirely due to borrowing abroad, whether in the form of IMF credits or foreign-owned sterling balances. The Treasury was right in emphasising in the statement accompanying the announcement of the repayment decision that the improvement has only affected the short-term position and that the long-term problem has remained unsolved. That being so, it is a pity to publish reserve figures which, taken at their face value, convey an unduly optimistic picture, thereby increasing the difficulty of solving the long-term problem.

The fact that, instead of cancelling the amount repaid, it was added to the \$500 million of standby credit arranged in August, so that it remains available if needed again, shows that the Treasury is far from satisfied about the lasting nature of the improvement and prefers to be on the safe side. That seems to be a reasonable precaution. It may well be asked, however, why the whole large credit was not arranged in the form of a standby credit. Its amount would not then have been added to the reserve and, while its existence would have reassured the Foreign Exchange market, it would not have created the same degree of optimism in the wrong quarters as the spectacular increase of the gold reserve. It is to be hoped that any official purchases of Foreign Exchange resulting from a further flow of foreign funds to London will be used for converting further amounts of the IMF credit into standby credits instead of allowing it to increase the gold reserve further.

A banker would take a poor view of a business firm which, having acquired certain assets with the aid of borrowed money, would show the assets on his balance sheet without showing the bank loan among its liabilities. Yet this is exactly what is happening with IMF credits. They should be granted on the conditions that any official reserve figures should clearly indicate the net reserve arrived at after deducting the IMF credit. As it is, even though people are vaguely aware that part of the gold and Foreign Exchange reserve constitute borrowed gold and Foreign Exchange, they are liable to be hypnotised by the impressive gross reserve figure. It is not to the interests of the International Monetary Fund to encourage "fool's paradise economics" by allowing its credits to be used in a way as to convey unwarranted optimism.

During the 'twenties when the Finance Committee of the League of Nations was in charge of international action to assist in currency stabilisation, the rules applied to ensure that the League's financial assistance should be used to the best advantage of the nations concerned were much stricter than those applied in our days by the International Monetary Fund. This consideration deserves attention.

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PROGRESS OF 1961 SLACK SEASON				
	28-4-61	Latest Week*	(In Rs Crores)	
Reserve Bank				Change
Active Note Circulation	1,982.43	1,882.25		- 99.18
Banks' Deposits	78.16	86.37		+ 8.21
Other Loans & Advances	125.47	129.53		+ 4.06
Adv. Against Usance Bills	21.09	2.50		- 18.59
State Bank				
Deposits (see note)	549.70	531.09		- 18.61
Cash inc. Money at Call	27.87	32.94		+ 5.07
Gilt-edged Investments	237.47	266.35		+ 28.88
Total of Advances	287.33	238.84		- 48.49
Other Scheduled Banks				
Net Deposits	1,367.04	1413.26		+ 46.22
Cash inc. Money at Call	153.18	157.12		+ 3.94
Gilt-edged Investments	324.89	355.55		+ 30.66
Total of Advances	1,024.78	987.86		- 36.92

*Week ended 27 October for Reserve Bank and State Bank.

Week ended 20 October for Other Scheduled Banks.

Note: State Bank figures are distorted by Rs 24 crores loss in Deposits owing to repayment of counterpart funds.

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Notes

SUGAR

Unkindest Cut of All

The sudden cut by US of the ad hoc sugar quota allotted to India by 50,000 short tons has come as an unexpected blow and has raised serious misgivings about the way the US fulfils obligations of this sort. It may be recalled that an export quota of 2,25,000 short tons was obtained by this country after months of negotiations. A significant development is that the response from US buyers has been extremely encouraging in that the entire quota was sold out within a short time. What is more the bulk of this quantity has been already shipped and arrangements are well in hand to despatch the balance well before the end of the current year. It is at this juncture that the announcement of a cut in the quota has come.

Subsequent to the quota agreement hopes of an increase in the allotment as well as allocation of a permanent quota to India came to be entertained following hints of favourable reaction to India's plea. But it is now doubted in this country whether the US is really serious when entering

into such agreements. It is not explained why the US Government should have been so unmindful of the adverse impact of its sudden cut in the quota which was by no means granted in a hurry. It was in October last year that India applied for the grant of import quota for sugar. It had taken the US nearly 8 months to come to a decision. As a new applicant for quota, India's case had perforce had to be studied closely. In acceding to India's request, the US should evidently have been influenced by the extremely difficult position in which India is finding itself with regard to its sugar production. There is surplus of more than 12 lakh tons after meeting domestic and export demand. This huge accumulation is posing almost an intractable problem. The grant of an import quota of 2,25,000 short tons although it fell short of the quantity requested was nevertheless welcomed more as an earnest of US concern for India and its sugar industry than as a big help.

It will not be for us to find fault with US if it has not given us a quota at all on the same plea as it is now putting forth, namely, the need for safeguarding the interests of the domestic producers of raw sugar. The US may be legally within its rights to revise the quota. Again it is certainly open to it to want not to burden its refineries with high cost raw sugar when prices are falling in world markets. But we can justifiably object to the unreasonableness of cutting the quota after giving the impression that for all practical purposes the quota is a settled matter. Having granted a quota, which is by no means big, after long deliberation the US should have paused to consider the repercussions of a sudden cut. It cannot be believed that the US does not know that far from expecting a cut, India was looking forward to a bigger quota or that it has been making arrangements for the quick disposal of the allotted quantity. The commitments of traders and businessmen in both the countries who have entered into contracts on the basis of the full quota being allowed have also been grossly ignored. It is poor consolation to us to be told that the US may be adding the 50,000 short tons to next year's quota or that the quotas of other erstwhile non-quota countries who have been given quotas this year have also been cut along with that of India.

ALUMINIUM A Case for Going Slow

The Government's decision to increase aluminium production under the Third Plan to 1,42,500 tons may be regarded as ambitious and perhaps unpractical. The power shortage to which the Advisory Council of Industries drew attention must be kept in mind. The Koyna and Sharavati projects are still to be got ready. Bauxite is less important than cheap power for aluminium production. Foreign collaboration is not the only factor to be thought of in setting up a public enterprise when resources are limited. The Third Plan envisages an increase in aluminium production mainly from the older enterprises functioning with tariff advantages. The advent of new high-cost enterprises will perpetuate the difference in the price of aluminium as between imports and domestic output. The cheapening of the substitute for non-ferrous metals will be put off indefinitely then. But far more serious is the 'tight' power position to which Mr Trivedi alluded in reply to complaints about inadequate and irregular supply. The competing demand will be unsatisfied, if new aluminium plants are set up, as proposed by those who assume that non-ferrous metals must now be replaced by aluminium.

Caution about expansion has been sounded by Mr K. C. Mahindra who has argued that grandiose schemes for extending capacity are attended with risks. The progress under the Second Plan has been considerable and a target of 82,500 tons a year appeared sufficiently high. To raise the sights suddenly in order to satisfy one or more States is to miss the point that the transport of bauxite would cause difficulty. It would also interfere with the export of bauxite ore from Saurashtra. The Development authorities have not been unmindful of the difficulties and risks involved. Unless industry voices a demand there is no real case for expansion of aluminium when the older plants are being improved and extended by stages. As is known already the Madras aluminium plant can be made to produce 20,000 tons and that means it would be better to invest in the plant at Mettur than in Mysore. The sudden, swinging increase may hit the exports shipped in return for aluminium imported from Europe where the price of the metal has been falling in the wake of higher output. Here is a case for going slow, as many will agree. The aluminium industry may be vital for many industrial purposes from utensils to cables, but the original target must be reached before the installation of any further capacity can be contemplated.

Indian Finance

ed. The major Hirakud plant is being expanded and it is far more desirable to raise output where natural advantages are available, than to think of new ventures.

★

CEMENT

Japanese Example

The biggest exporter of cement mainly to Asian countries, is Japan and it is important to note that India, even if her output were to reach the Japanese output of 16 million tons a year quick delivery by ship is guaranteed by Japan. India cannot hope to export at the same rate as Japan which has displaced Britain as the major shipper to Singapore, Hongkong and other places. The Japanese export trade rests on quality rather than price. Having the advantage of abundant limestone and coal in suitable location, the steady and substantial expansion of the industry after the war is due to American interest in supplies to Korea and Taiwan. The 42 factories vary in capacity and output but many rely on branches of heavy industrial countries. The manufacture of cement from basic slag—developed for immediate needs—is being given up.

The earthquake problem is one reason for the extensive use of cement concrete. A trade publication narrates that Pakistan is a regular buyer of cement from Japan just like the Persian Gulf States. The fact that Indian factories are not able to produce up to installed capacity and are hampered by price control will doubtless be remembered by the observer who sees that Ceylon is trying to set up a new plant in

4 November 1961

spite of proximity to India which can ship cement. The Indian industry has a fuel problem in addition to transport difficulties. India has as many cement companies or factories as Japan, but the industry here cannot be said to have become rationalised like that in Japan or the UK except for the consolidation of interest carried out in 1936 in order to make certain of the benefits derived from tariff protection. It is not likely that the Government would allow a major grouping of industrial interests, though efficiency may demand it. One point to note here is that in Japan many cement factories have a capacity below 300,000 tons per annum and big steel companies have their own cement combines. The Japanese industry relies on silos for storing cement. The major industrial exports are possible through the development of shipping and the distribution of cement factories in the main islands helps Japan. Germany or Russia may produce more cement but they export much less than Japan which has regained her trade with the Philippines and Malaya. The emphasis laid on heavy industries in Japan has helped not only shipbuilding but cement manufacturers. This may hold a lesson for India at present.

★

COMMON MARKET

An Asian Version

An Asian common market, to which discreet references are made will put an end to some ambitions in underdeveloped countries that want to start new industries. The industrial base must be Japan and India but the latter is a high-cost producer whose industries are raised and maintained on protection. A Common Market means a cut, though gradual, in tariffs by stages and the problem of development even with collaboration will assume a new shape. The import of food and the export of manufactures rather than materials will appear logical but the creation of equality in a region with unequal distribution of population and resources will appear difficult. If Malaya were to rely on Japan and Australia, the chances for Indian exports, would be slender. And the fact that India cannot provide shipping for countries like Burma or Ceylon will be taken as a major handicap. Political relations must be cordial and India must be hence on good terms in future with Pakistan, if an Asian common market is accepted as the goal of policy. The Middle East that relies on export of oil can certainly turn from Europe to Asian countries for selling oil to new refineries. This might be easy, if Asian countries can provide both aid and commodities for Aden or Iraq. The scope for foreign capital will be greater but the flow may be governed by the

chances of better results in the field of investment in Malaya or Burma. The standards of living in Ceylon or Malaya are already higher, so that consumer goods industries may appear more suited to trading centres like Hongkong or Singapore than to Bombay.

The first condition, as stated earlier, is a change in tariffs. That means an increase in excise duties on local consumption, and the taxpayer here must be induced to submit for the sake of export opportunities. The situation has arisen already in the case of cloth and sugar. And now people talk of an excise on sacking in order to subsidise exports from India, since Pakistan is able to compete strongly at present. The Common Market will reduce consumption but will raise exports so that planners should be pleased and the appeals for austerity will perhaps increase. The export of capital will however present a problem. The rigid prohibitions might go and Indian business

must be free to move out to seek better opportunities available abroad. This is a concomitant of a common market like freedom of migration, but the latter will not be welcomed by India's neighbour.

★

FOREIGN TRADE

Straws in the Wind

Recent trade statistics of Pakistan and Japan show the way the wind is blowing. Pakistan's trade in jute with Europe is supplemented by rising export of manufacturers. The mill industry is being improved and expanded by the bonus voucher scheme. Of course India is a considerable buyer of jute but Pakistan means to develop export of sacking as a rival of India. This is not unnatural but India must, as Mr Pilkington noted, soon take

steps to lower the price of sacking for export. The last official report from Dacca on trade trends refers to the import of Egyptian cotton. There is now a trade treaty with Japan to encourage trade in cotton and cotton manufactures. The 14 jute mills equipped with 8072 looms are to increase loomage to 12000 and that means bigger exports of hessian and sacking. The plan to set up four more sugar mills in East Pakistan will probably reduce imports of sugar for consumption and India cannot hope to get a market for surplus sugar from Bihar in future. The import of trucks and buses on the OGL will not help India though Bedford and Leyland trucks can be purchased abroad under the OGL by Pakistan. The Pakistan Government follows India in excluding horror comics, and obscene writings. There is also a ban on anti-Islamic writings, so that Indian books can be screened for effect on readers. The

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manufacture of autorickshaw with anese aid in Pakistan will bably improve urban transport. If more interest to India is the eat of Japan reducing her iron purchases as South Africa is wed as a promising source. The usal of Asian or African couns to trade with South Africa s not evidently impress Japan. provements to Port Elizabeth under way and Japan has pping to ensure the transport. ady increase in pig iron imrts is one reason for increasing ports. It may be added that iron imports from India are below those drawn by Japan m Australia which is now shipg coking coal. Trade ties between Japan and Australia are und to be closer since Britain's cision to join the European mmon market has forced Auslia to think of Japan as the st market for her wool and eat. Japan may find an outfor her textile and other manu- turers in Australia and Newaland as she may buy meat and eat in quantity. She may also nish capital goods for indus- al development in New-Zea- id, though her ability to invest road may be doubted by many. present.

*

WAREHOUSES Disappointing Progress

Though setting up of ware- uses was one of the major eps recommended by the Rural edit Enquiry Committee for nproving the marketing struc- ure for agricultural produce, the rogress in this field has been r from satisfactory. It is the ate Warehousing Corporations at have been rather inactive in e matter of opening up of ware- ouses. The Second Plan fixed a rget of 80 warehouses to be ened by the State Warehousing orporations, but not even one arehouse has been opened under heir auspices during the Second lan period. However, the Cen- ral Warehousing Corporation has uilt nearly 40 warehouses in the ountry and by the end of the urrent financial year, the Cor- oration is expected to have nother 7 warehouses. The Esti- nates Committee of Parliament as also highly critical of the rogress made in the direction f setting up warehouses and ad called for more concrete eps whereby progress could be teppped up. Such criticism has evidently gone home and it is ow learnt that the programme or the building of storage and warehousing facilities for food grains and commercial crops will be accelerated to achieve the bulk of the Third Plan target even by the middle of the Plan period.

The Third Plan envisages the construction of 35 central ware-

houses and as many as 600 ware- houses of smaller capacity at the State level. It has made a provi- sion of Rs 8 crores for ware- housing programme including Central assistance to the State. There is also a scheme for open- ing up of 20 warehouses for pro- viding facilities of a specialised nature for such commodities as fish, gur, ginger, coriander and tumeric which require special measures for preservation.

Several administrative measures are also being envisaged to achieve the revised targets for opening up of warehouses. First and foremost, the execution of the building works of the Central Ware- housing Corporation has been taken away from the general wing of the Central Public Works Department and entrusted to the food wing. Greater co-ordina- tion of the work of the 14 State Warehousing Corporations and the Centre is also aimed to be achieved through several adminis- trative measures. A sum of Rs 2.31 crores has already been sanctioned for construction of buildings at 34 centres in various big mandies in the country. By the end of the Third Plan it is ex- pected that the storage capacity of the warehouses of the Central and State Warehousing Corpora- tions will be increased to over 1.6 million tons from 350,000 tons at the end of the Second Plan.

*

ELECTRICAL MOTORS Further Protection

Thanks to the fiscal protection granted by the Government, the electric motors industry has come into its own. Further protection has been recommended by the Tariff Commission for another two years ending 31 December 1963 and has been accepted by the Government. The estimates of ex-works costs and landed costs made by the Tariff Commission in its recent inquiry of the indus- try do not disclose serious dis- advantages for the Indian indus- try. All the same continuance of protection has been recommended on the ground of difficulties lately suffered by the industry and the interests of further expansion and diversification on which the industry is now embarked. The protection to which the Govern- ment has now agreed, covers squirrel cage and slip ring motors of one to 500 h.p. (excluding variable speed motors) single phase motors of 1 to 3 h.p. and fractional h.p. motors of not less than 1/4 h.p. with the existing level of duty of 15 per cent "ad valorem." The component parts of the electric motors have also been brought under protection, the duties on imports of them being fixed at 20 per cent ad valorem. Moreover, fractional h.p. motors of less than one-fourth h.p. and competent parts which are mainly produced in the small-

scale sector will be protected at the prevailing duty of 35 per cent ad valorem.

In its report recommending con- tinuance of protection to the elec- tric motors industry, the Tariff Commission has also underlined the need for the Government to give encouragement to the indus- try to expand on the right lines. With a view to stepping up inter- nal production, the Commission particularly stresses that the in- dustry should be enabled to work double shift and that the Govern- ment should assure the requisite raw material supplies. The Tariff Commission has further pointed to the possibility of the presently envisaged installed capacity fall- ing short of requirements in spite of the industry working double shift and has stressed the need for the Government to license addi- tional capacity to meet all inter- nal requirements. At present, the demand for electric motors is assessed at about one million h.p. This is estimated to go up to 2.6 million h.p. in 1964. Should the target for installed capacity for power generation during the Third Plan be further raised, the demand for electric motors should also register a corresponding increase.



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It is in the ranges of higher h.p. that the indigenous capacity is presently short. The Tariff Com- mission has urged the need for steps to be taken for the planned production of higher h.p. motors and has further emphasised that as far as possible, the possibility of utilising indigenous motors even with imported plant and machi- nery should be explored.

*

COASTAL SHIPPING The Demise of a Line

The Scindia Steam Navigation Co's shareholders are in the dark as to the dividend for 1960-61 but they know that the old Konkan coastal services are going to end because the costs are up and the fares cannot be raised as desired and approved by a committee that went into the question of enlarg- ing the fleet and raising fees. Pro- tection for coastal traffic does not promise any great advantage and unberthed passengers expect a subsidy not a tax—on fares paid. The Bombay Steam Navigation became a subsidiary of Scindia in

December 1939 when Killick Nixon gave up the managing agency of the firm registered in 1906. It has performed poorly and it is rather strange that when Mangalore port development is proposed the service on the coast should end. The war led to the requisitioning of the ships for naval purposes. Perhaps Scindia got the BSN shares (face value Rs 250) below par and could ignore the wartime losses like the losses made on the smaller Indian Cooperative Navigation Company.

The oldest of the coastal com- panies submerged since 1952 in Scindia has fared as badly as the inland navigation companies. It is known from the analysis of profits of public companies that the record of shipping is very in- different and the proposal to close the services only confirms the guess that a rise in traffic or income does not spell any prosperity to shipping concerns. The BSN according to its balance sheet as on June 30, 1939 had a capital of Rs 60 lakhs and a net block of Rs 74.64 lakhs. The profit was barely Rs 2.4 lakhs and the dividend on ordinary shares was just stepped up from 2 to 3%. The pre-war figures are cited here to confirm that BSN when acquired by Scin- dia 22 years ago had an undis- tinguished record of profits and the subsequent record only con- firms the view that prestige was the reason for one of the few take-over bids of the pre-war period. The end of commerce with Goa may be a major reason for the closure. The division of the small craft for port purposes may be easy and the opening of services to Kandla may be con- templated by Scindia, if permis- sion is accorded. However the point is that replacement of Killick Nixon did not produce any big profits for Scindia Steam and the long argument over the increase in fares shows that Government control of fares and freight rates is calculated to prevent the devel- opment of shipping, an industry embarrassed by debt for securing additional tonnage to fulfil not business purposes, but national ambitions.

*

HINDUSTAN SHIPYARD Lack of Orders No Problem

The progress of the Hindustan Shipyards in the last few years as can be gleaned from the annual report of the Company indicates expansion in output and also the achievement of a profitable level of working by the Company. The total output of the shipyard in- cluding that of ship construction, ship repair and capital and other works executed departmentally registered an increase of over 16 per cent and amounted in value to Rs 4,65.8 lakhs. The Company also earned a net profit of Rs 68,873 during 1959-60.

It is also encouraging that lack of adequate orders for the con- struction of ships has ceased to be a problem worrying the shipyard and it is rather threatened to be. The shipyard has presently orders for the construction of 9 ships—three for a shipping company in the private sector and 6 for the public sector—which will keep the com- pany occupied till the middle of October 1964. Further orders are also expected so that the shipyard will be provided with work for the entire period of the Third Plan. However, absence of dock- ing facilities is a serious handicap to the expansion of shipbuilding activities at the yard and though the Third Plan contains provision for the construction of dry dock- ing the project has been included in the list of schemes waiting foreign credit. Mr G. L. Mehta, Chairman of the Hindustan Ship- yard has drawn attention to this lapse on the part of the Planning Commission in not recognising the importance of docking facilities

for expansion of shipbuilding and has urged upon the Government the need for including without further delay the project for a dry dock at Vishakhapatnam in the list of priority programme for the Third Plan.

Difficulty in obtaining the re- quired odd and standard size materials is recognised to be another handicap to the smooth progress of shipbuilding at the yard. Referring to these, the annual report states that it may be necessary to modify the struc- tural plans of the first two vessels which in turn will delay the whole programme of construction. These difficulties have underlined the need for developing within the country itself sources for all the materials required for ship build- ing.

In his address, Mr Mehta ex- pressed grave concern at the flight of technical staff from one project to another. To prevent such flights from dislocating the work- ing of various projects, Mr Mehta

has suggested that the manage- ment in the public sector enter- prises should evolve a common code of conduct for the recruit- ment of technical staff.

*

NON-FERROUS MINERALS Rise in Output

The statistics of productions computed by the Indian Bureau of Mines show an increase in the output of the non-ferrous mine- rals during July 1961. The pro- duction of copper ore amounted to 40,175 metric tons—an increase of 3,058 metric tons over that of the preceding month. Similarly, production of lead and zinc con- centrates recorded an appreciable increase, from 1,236 metric tons in June to 1,403 metric tons in July 1961. The progressive total of output of lead concentrates during January-July 1961 was higher by 7.3 per cent while that of zinc concentrates registered a

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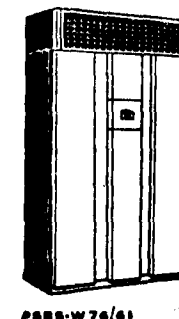


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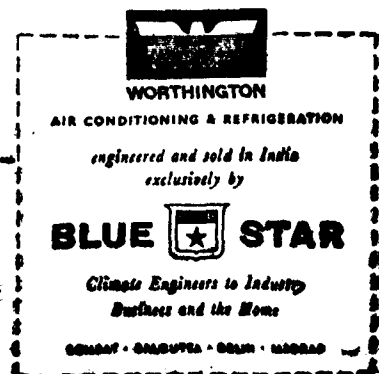
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marginal decline of 0.6 per cent compared to the corresponding period of 1960.

There was also an increase in the output of ilmenite, from 5,850 metric tons in June 1961 to 8,244 metric tons in July 1961 and rutile, from 18 million tons in June to 39 million tons in July 1961.

The production of silver at 548 kilograms recorded an increase of 59 kilograms over the previous month. There was an increase of 50 per cent in the cumulative total of output of silver in January-July 1961 compared with the corresponding period last year.

Among the non-metallic minerals, the production of crude mica was slightly higher at 2,269 metric tons as against 2,265 metric tons in the preceding month.

Among the metallic minerals, iron ore recorded a production of 863,000 metric tons during the month. The cumulative total of iron ore output during January-July 1961 registered an increase of 5.6 per cent compared to the output in the corresponding period of the preceding year.

In July 1961 a total of 657,000 metric tons of iron ore was despatched for consumption in the iron and steel plants while the despatches for export totalled 141,000 metric tons.

The production of manganese ore during the month was 84,000 metric tons and that of chromite 2,222 metric tons.

COAL MOVEMENT No Improvement

The supply of coal to industries has shown no signs of improvement in spite of the measures claimed to have been taken by the Government and the Railway Ministry. At the recent meeting of the Central Advisory Council on Industry at New Delhi, it was brought to the notice of the Government spokesmen that even the industries lying within the coal belt in the Bengal-Bihar area were having to slow down or suspend production for want of coal. This evidently is a measure of the transport difficulties that continue in the field of coal movement. The main bottleneck has been with respect to availability of railway wagons. This has been aggravated by failure to achieve the target fixed for other modes of coal transport particularly by sea. It is also a matter for recognition that resort to other means of transport has raised the price of coal unduly not only for the areas drawing their supplies by the sea route but also for industries situated near the coal areas on account of the additional levies imposed on coal used in this area for subsidising coal movement by sea.

The failure of the railways to discharge their obligation for

releasing additional wagons for movement of coal is borne out by statistics of wagon-loading for this year. Particularly during April-July there has been a steep fall in wagon loading as compared to Jan-March. The floods cannot be a reason for the prolonged shortage of wagons to which industrialists allude more in sorrow than in anger. Evidently, coal does not seem to have been accorded the high priority for movement by rail as compared with some other items. Shortage of railways wagons for coal movement is also confirmed by the accumulation of stocks at the pithead of collieries consequent on which collieries have had to curtail production. It has been disclosed by Mr T. N. Singh, Planning Commission member, at the meeting of the Central Advisory Council on Industry that the railways had been authorised to exceed their annual allocation by as much as 40 per cent to create additional haulage. While this is gratifying, on the basis of the present allocation of wagons for coal movement, the need for further raising the annual output of railway wagons cannot be doubted. The Railway spokesman has suggested that the industries should take advantage of the railway capacity throughout the year so that peak seasonal demand may be reduced. It may be granted that seasonal fluctuations in wagon loading in the case of coal are not on the same par as fluctuations in respect of jute or cotton grown locally. A more evenly spread demand may in the circumstances mitigate difficulties of wagon allotment and may be conducive to smooth movement. However this leads to the question of coal dumps to which there is vehement opposition from the industry for reasons widely canvassed for some time now and partially conceded by authority.

WORLD BANK A New Service

Active participation of the World Bank in the economic advancement of the developing member countries is now a well established fact. The newly established Development Advisory Service, with a view to providing a corps of expert talents to furnish financial and economic advice to the Governments of developing countries with particular emphasis on the preparation and execution of development programmes, is yet another extension of its activities. It also forms part of the general policy of the Bank to enlarge its technical assistance and training activities to the member countries.

Mr Eugene R. Black, the President of the Bank declared that the Bank's experience has confirmed beyond doubt the fact that

non-availability of adequate technical talents at every level is one of the major obstacles that hinder the rapid progress of the underdeveloped countries. The mounting demands for more and more technical assistance from the Bank during these years bears eloquent testimony to this fact. The Bank has so far organised over twenty general survey missions with the sole purpose of conducting probes into the economies of member countries and territories and to recommend future lines of development. Smaller groups were also deputed off and on for examining sector or regional problems and to undertake feasibility studies.

During these years, on the request of the member countries the Bank has deputed resident advisers to assist them on major policy problems like the allocation of scarce resources by effective development programming and the integration of Government policies to facilitate the best possible environment conducive for economic advancement. Requests for such help have been flowing at a pace that made ad hoc attempts at coping with them progressively more and more difficult. The new Development Advisory Service will eliminate at least part of these difficulties and will make available the services of highly qualified technicians to the members. Messrs Richard H. Demuth and Michael L. Hoffman will officiate as Directors of the Service.

US Budget as an Economic Indicator

There federal budget, through its accounting of federal receipts and expenditures, emerges as a major instrument for measuring the economic effects of government policies. As such it has tended to become something of a symbol, with surplus somehow linked to fiscal prudence and deficits to fiscal irresponsibility.

This is a vastly oversimplified view. As Mr Walter W. Heller, Chairman of Presidents' Council of Economic Advisers pointed out in an address last week before a business group in Chicago, the budget can be a highly flexible instrument, with constructive as well as destructive deficits.

During periods of economic slackness, Government looks to increased expenditures to help fill the gap and make money flow into the economy. This is hardly spending for spending's sake. If a budget deficit results, it is constructive in the sense that it expresses itself in the form of higher consumption and higher output at a time when they are needed and

when inflation can be effectively discounted as a significant threat to stability.

In the opposite situation, when the economy is tight and demands press against capacity, good management requires that expenditures be held in check. In this case, a budget surplus rather than a deficit would be constructive in that it would tend to draw money from the economy and thus reduce inflationary pressure.

Today, the US economy is recovering vigorously from the brief and mild recession of 1960-61. But the gap between the economy's actual and potential performance has still not been made up completely, and price inflation is notable by its absence. Under such circumstances, the moderate budget deficit of something over \$6,000 million that is now being projected for the current 1962 fiscal year beginning 1 July falls quite naturally into the constructive category.

As the economy continues its advance, the time may well come when inflation could become a factor to be reckoned with in government policy making. At present, Mr Heller sees the possibility that the second half of the calendar year 1962 may become "the critical period" for price stability.

According to present thinking, however, the federal budget should be in balance by that time. Hence, in keeping with the requirements of fiscal discipline, it should be performing its proper role as a restraining rather than a stimulating force in the economy.

Even this appraisal of federal fiscal policy, however, does not come to terms completely with the intricacies of that complex document known as the United States budget. What has been discussed so far is the conventional, or administrative, budget—the budget containing the figures that are most widely publicized. But this budget, with its emphasis on programmed spending, is subject to some limitation as an indication of the government's fiscal impact on the economy.

In point of fact, there are federal expenditures and receipts that are not fully reflected in this administrative budget. Not included, for instance, are the operations of US Government trust funds, such as the Social Security and Highway Funds, which involved some \$23,000 million in payments in the 1961 fiscal year that ended this past 30 June. Also not fully reflected in the administrative budget are some types of net government loans, such as those for housing and for export-import financing.

Thus, there is another method of government accounting, sometimes referred to as the cash budget to distinguish it from the administrative budget. This method shows an actual running tally of receipts receivable versus

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federal spending rates, and hence tends to be more reliable and more useful measure of how much money the government is taking out of the economy as against how much it is putting in at any given time.

It follows, then, that the figures in this budget, which Mr Heller has characterized as the income-and-product account budget, are economically the more significant in showing the effect of government fiscal policy on production and income.

Tending to make the distinction between the two types of budgets particularly important right now is this: according to Mr Heller, preliminary projections by the Council of Economic Advisors suggest strongly that the income-and-product budget will be moving into balance, or even into surplus, in the first half of the calendar year 1962. This would be at a time when the conventional budget, covering the fiscal year from mid-1961 to mid-1962, would in all likelihood still be showing a deficit.

CEYLON A Trade Agreement with India

The exchange of views at Delhi has resulted in a trade agreement with Ceylon whose import restrictions occasioned anxiety in India. The assurance that copra, Jaffna tobacco and rubber would be imported in return for textiles and cured fish may satisfy traders in South India who now recognise that India sells more than she buys, and Ceylon is entitled to restrict her imports, just like Burma. The arrangement will help Indian buyers of coconut oil needed for soap-making. The import will help to push down internal prices so that Ceylon will soon be giving indirect help to restrain the surging prices of vegetable oils in India. The export of jaggery will help to cure the depression in India and the rubber manufacturing industry can now count on extra supplies though it is China that will long be the chief buyer of Ceylon rubber. One other point is that State Trading in Ceylon is now regarded as inevitable and Ceylon may use the CWE for purchases of tamarind or onions from India. The desire of Ceylon to reduce the trade gap may lead to larger shipments of spices also. This would be welcome owing to the very high prices ruling in India. The foreign trade of Ceylon is bound up with tea and the UK is the chief customer. It is a fact that Ceylon is a rival in Australia and the Middle East where India is trying to push the sale of tea. However, it is now recognised that trade rivalry need not pre-

vent a pact for restoring the traditional trade pattern. India cannot sell either plywood or bicycles but she can find a market for light engineering goods in Ceylon though tariff regulations will limit the volume of sales. The old agitation by Indian coconut-growers should not revive, because vanaspati and other interests in India require coconut oil. India's present inability to export edible oils is a good reason for letting in imports from Ceylon.

ELECTRICALS MACHINERY Expansion in Mysore

The inauguration of the Rs 3 crore expansion scheme of the Mysore Government's Electrical Factory at Bangalore by Mr B. D. Jatti is yet another step in the growth of the electrical machinery industry in the country. The factory which was started as early as 1937 has now become one of the biggest manufacturers of high voltage transformers. Greater strides will be taken with the completion of the present expansion programme for which technical collaboration of Messrs AEG of West Germany will be available. The present scheme envisages the production of transformers with power ranging from 60,000 kw to 200,000 kw per year by the end of the second year and 600,000 kw by the end of the fourth year. The factory will also undertake the manufacture of motors possessing an aggregate of 60,000 h.p. with the completion of the sixth year. According to the present calculation the annual production of the factory, with the completion of the newly launched programme, will be tantamount to Rs 6.5 crores. The consummation of the expansion scheme during the Third Plan and the manufacture of transformers, electric motors, switchgears and switch boards has assumed a measure of urgency in view of the fact that the Sharavathi hydro-electric construction project will be able to provide approximately one million kilowatts of power by the end of 1967.

The rapid growth of industrialisation in the country particularly during the past decade of planned growth has enlarged the scope of the electric goods industry. Some of the indigenous products such as fans and lamps have already earned a name for themselves in many of the international markets. The greatest hindrance to the further growth is the absence of designing facilities and the like. We are still to a large measure dependent on foreign countries for our requirements of electric machines and appliances. Viewed in this background, the efforts of the Bangalore factory, though modest are to be welcomed.

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ASSAM SILLIMANITE Expansion Programme

The growing demand for sillimanite, particularly blocks and shapes extensively utilised by ceramic and glass industry, has acted as an impetus for the Assam Sillimanite Limited to expand its operations to cater to the needs of the industries. With robust optimism Mr S. M. Wahi, the Chairman of the company, outlined briefly the expansion programme undertaken by the company, in his address to the tenth annual general meeting held at Gauhati. The refractory plant situated in Bamgarh has started production of sillimanite blocks and shapes, fireclay bricks and

shapes and the plant at present possesses an installed capacity of 5,500 tons. Further expansion programme will be launched when the proposed loan of Rs 65 lakhs from the International Finance Corporation is obtained. To meet the increased demand for fireclay bricks and shapes the company has resorted to steps with a view to developing the mines around the factory. When fully developed, the plant will be in a position to supply the surplus production even to other factories.

Production of sillimanite during 1960-61 showed a slight increase to 7,540.01 tons as against 6,957.80 tons in the previous year. And the production is expected to reach 9,000 tons by the end of 1962. Total sales have also looked up to Rs 25.76 lakhs from Rs 22.71 lakhs. The profit of the company

registered a modest increase and is placed at Rs 2.94 lakhs from Rs 2.35 lakhs. The diamond saw plant at Paharpur near Calcutta has also produced satisfactory results during the year under review. The company proposes to double its capacity of production of sillimanite blocks and shapes and the scheme is likely to be completed in the immediate future.

COMPANY PRACTICE Two Suggestions

An esteemed Correspondent
Writes:

Section 84 of the Companies Act, 1956, originally required that "a certificate, under the common seal of the company, specifying any shares held by a member, shall be prima facie evidence of title of the member to such shares". Seriously perturbed by the frauds that came to light after the celebrated Mundra affair, the Government promulgated a Rule in 1959 requiring "that every share certificate shall be issued under the seal of the company, which shall be affixed in the presence of two directors and of the secretary or some other person appointed by the Board for the purpose and the two directors and the secretary or other person shall sign such certificates". "Provided that not more than one of the aforesaid two directors shall be a managing or whole time director

or, when the company has a managing agent, a director appointed by the managing agent under Section 377 of the Act or a director to whom Section 261 applies."

This amendment made the issue of share certificates more onerous and tended to create delays. Obviously moved by complaints received on this score, Government modified the Rule in 1960 thereby authorising persons acting on behalf of the directors under a duly registered power of attorney to sign the share certificates. The Rule further authorised a director to sign a certificate by affixing his signature thereon by means of a machine, equipment or other mechanical means such as engraving in metal or lithography, but not by means of a rubber stamp provided that the director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

The revised Rule, it will be noticed, has almost nullified the security ensured by the earlier Rule and has gone to what may be described as the other extreme.

The corresponding provision in the English Act lays down that "the certificate of title to shares shall be issued under the seal of the company, and shall bear the autographic signature of one director and the secretary or some other person appointed by the directors" and is thus unequivocal. The US procedure varies from

State to State but in the main the requirement is "that every stock holder shall be entitled to have a certificate signed by the president or a vice-president, and the secretary or an assistant secretary... and sealed with the seal of the corporation certifying the number of shares owned by him in the capital stock. When any such certificate is signed by a transfer agent or transfer clerk and a registrar and the registrar is not the same person, partnership, association, trust or corporation as the transfer agent or transfer clerk, the signature of any such president, vice-president... upon such certificates may be facsimiles engraved or printed."

In the light of the practice in UK, and USA, our current procedure appears to be unsatisfactory. The personal signature of the directors must be insisted upon. If necessary the directors may be given a special honorarium with competent sanction in connection with any issue of capital which may require the signing of a large number of shares.

Section 193 of the Companies Act, 1960, lays down that every company shall cause minutes of all proceedings to be kept... by making... entries thereof in books kept for the purpose with their pages consecutively numbered and in no case the minutes of the proceedings of a meeting shall be attached or pasted to any book as aforesaid. The above procedure is very simple but commentators, as is their way, have made matters complex by suggesting alternatives e.g. the loose leaf ledger.

The English Act (vide Section 436) lays down that any register... minute book... required by this Act to be kept by a company may be kept by making entries in bound books or by recording the matter in question in any other manner. (2) where any such register... minute book... is not kept by making entries in a bound book but by other means, adequate precautions shall be taken for guarding against falsification and facilitating its discovery.

As regards the alternative procedure mentioned above, Mr W. F. Talbot writes "some companies keep their minutes on the loose leaf principle and if proper safeguards are provided, there is nothing against this practice. The modern loose leaf minute book is provided with a locking device which keeps the leaves fastened in the binder and can be opened only by means of a key. The key should be kept by the secretary... Other precautions which should be taken are to number each page and each minute consecutively throughout the book and each page should be signed by the chairman" (a procedure required under the Indian Act also).

When all is said and done, it will be recognised by all save

those enamoured with new fangled ideas merely by reason of their novelty that recording in bound book, with its pages machine-numbered is the safest and best method.

NEWS IN BRIEF

MONTECATINI, one of the large companies in Italy specialising in dyestuffs, aluminium, petrochemicals and synthetic fibres, has made an offer to the Government of India to participate in a "bi-way" in the development of base industries in the country. The company has expressed its readiness to offer financial participation up to about Rs 30 crores in the form of supplying equipment and technical know-how in the erection and operation of plant. Mr P. Giustiniani, Managing Director of the company, has been asked by the Government to prepare a concrete programme of industries in which his company was prepared to build.

The All-India first estimate of area under jute and mesta cultivation for 1961-62 puts the acreage at 2,536,000 as against the corresponding estimate of 2,140,000 in the previous year according to the fortnightly bulletin of the Jute Balers' Association, Calcutta. Of this the acreage under jute will be 1,836,000 and mesta 700,000 which indicates an increase of 231,000 acres under jute and 165,000 acres under mesta.

An agricultural implement manufacturing unit at an estimated cost of Rs 1.95 crores will be established in Bhubaneswar. Another such plant is likely to be established in Sambalpur in the near future.

An agreement providing a loan of \$20 million (Rs 9.5 crores) to India for the import of non-ferrous metals was signed by M. L. K. Jha, Secretary for Economic Affairs and Prof Galbraith, the US ambassador. The loan will be channelled through the DLF and is repayable in rupees. The loan will help in making full use of additional industrial capacities created in India in recent years and will be utilised in the US for the procurement of aluminium, copper and zinc.

The Government of India has reduced the stamp duty charged for the transfer of shares to the banks or their nominees as security against advances guaranteed by these institutions to Rs 7.50. The concession will also apply in case of instruments of re-transfers of shares executed by banking institutions or their nominees in favour of the person by whom or by whose predecessors the interest in such shares were transferred.

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The Government of Madras has entered into a contract with Russia for the purchase of 21 Russian tractors with bulldozers. Five tractors with bulldozers have already arrived at the Madras port.

The Northern Zone of the Geological Survey of India has estimated the reserves of gypsum in Nagpur at 800 million tons. According to the latest findings of the Survey the deposit of gypsum in Nagpur is the largest in the country.

The Government of India has decided to allow the export of 350,000 tons of bauxite annually for the next two years from now. Exports will be allowed irrespective of the origin of the bauxite. The exporters are advised not to enter into any commitments beyond this period of two years.

Thirty tons of finished steel products have been exported to Pakistan from Bhilai. This is the first export of finished steel made from Bhilai as so far only billets and pig iron were being exported from Bhilai.

The Mineral Development Corporation has prepared two project reports for the exploitation of diamond deposits of Ramkhera and Majhgawan areas in Panna District of MP. The Department proposes to undertake large-scale mapping with pitting, trenching, drilling, sampling, and washing for diamonds in the diamondiferous belts in Kurnool, Mahaboobnagar, Nalgonda, Guntur, Krishna and Anantapur districts during the Third Plan period.

The Union Government has sanctioned a loan of Rs 22.22 lakhs to the Maharashtra Government for financing expenditure on the Koyna Hydroelectric project for the second quarter of 1961-62. The total loan sanctioned since 1954-55 to the State amounts to Rs 28.71 crores.

The State owned Indian Oil Company has entered into an agreement with the USSR for the import of 50,000 tonnes of furnace oil from Russia. The first consignment of 10,000 tonnes is expected to arrive in India by the end of November or early December.

Following the recommendations of the Tariff Commission the Government of India has allowed an increase of Rs 13 per ton in the selling price of cement. The revised price of cement will be Rs 135.60 per ton of packed cement thus resulting in an increase of 85 nP per bag. The Commission had, however, recommended an increase of Rs 16 per

ton. The Government has also decided to continue the present arrangements for internal distribution of cement by the State Trading Corporation. The new price policy will be in force until 31 March 1966.

Twelve hundred tons of coal tar pitch have been despatched from Bhilai for export to South Korea. Another 1,800 tons of pitch are also expected to be despatched to South Korea next month. Two hundred tons of pressed naphthalene have also been despatched from Bhilai for export. The coal tar pitch and naphthalene are bye-products recovered from the coke-oven gases in the Steel Works and these products are being exported from Bhilai for the first time.

The annual general meeting of the Associated Chambers of Commerce of India will be held on the morning of Saturday, 2 December 1961 in the Royal Exchange, Calcutta. The Prime Minister, Mr Jawaharlal Nehru, will be the Chief Guest and will address the meeting.

PERSONAL

Sir Matthew Slattery, the Chairman of the BOAC, arrived in Calcutta on Tuesday on a two-day visit to India. During his short stay in the country Sir Slattery will also visit Madras, Bombay and Delhi and will hold discussions with the senior officials of the Civil Aviation Department.

Mr Sadath Ali Khan, Parliamentary Secretary to the Prime Minister, has been appointed ambassador of India to Iraq.

Mr K. N. Modi, has been re-elected President of the Western UP Chamber of Commerce for the third time at the Chamber's annual general meeting held at Meerut on 20 October.

Mrs Tarakeshwari Sinha, Union Deputy Finance Minister, will lead the Indian delegation to Colombo Plan Consultative Committee, which will meet at Kuala Lumpur in November.

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Reserve Bank Study

[A Short Editorial Comment on this study appeared in last week's issue].

An article published in the September 1961 issue of the Reserve Bank of India Bulletin reviews the finances of 1001 large and medium-sized non-Government public limited companies for the year ended 30 June 1960 (referred to throughout the study as 1959) with comparable data for the preceding four years. This study, like the earlier ones published in this Bulletin, does not cover banking, insurance and investment companies, government companies (as defined in Section 617 of the Companies Act, 1956), companies and associations functioning not for profit and companies limited by guarantee. The 1001 companies included in this study account for 77 per cent of the paid-up capital of all companies in the sectors covered. The broad inferences drawn by the study are that there have been (i) a further slackening of the pace of industrial growth in 1959, as reflected in a smaller assets formation relatively to previous years, and (ii) a substantial increase in corporate sales and profits. The predominant position of internal sources in the financing of assets formation has also been inferred from the facts assembled.

INCOME AND EXPENDITURE

In 1959, sales of the 1001 companies registered a substantial rise of Rs 170.5 crores or by 9.3 per cent to Rs 2002.2 crores as compared to a rise of Rs 94.4 crores or 5.4 per cent in 1958. More than half of the rise in sales was accounted for by the iron and steel, cotton textiles and engineering industries.

On the expenditure side, all the main items showed increases. Manufacturing expenses were higher by Rs 65.9 crores or 6.5 per cent; during 1958, these had declined by Rs 16.1 crores, or 1.6 per cent. Salaries and wages rose by Rs 24.2 crores or 8.4 per cent, excise duty by Rs 9.9 crores or 6.7 per cent and managing agents' remuneration by Rs 2.1 crores or 23.5 per cent.

PROFITS AND THEIR ALLOCATION

The larger sales in 1959 were reflected in a substantial rise in corporate profits. Profits before tax of the 1001 companies which had dropped from Rs 130.9 crores in 1956 to Rs 107.8 crores in 1957, and had recovered to Rs 120.9 crores in 1958, showed a marked rise in 1959 to Rs 161.5 crores—a rise of Rs 40.6 crores or 33.5 per cent. Most of the important industries registered a rise in profits, the largest increase being in cotton textiles, its profits in-

creasing from Rs 7.0 crores in 1958 to Rs 19.3 crores in 1959. In contrast to the general trend, profits of the shipping industry fell sharply from Rs 2.8 crores in 1958 to a mere Rs 43 lakhs in 1959.

In view of the changes in corporate taxation introduced by the Finance Act, 1959, figures in respect of tax provision, profits after tax, dividends and the rates of dividend for 1959 or 1958 are not comparable with those for the earlier years. In 1959, provision for taxation increased by Rs 3.2 crores to Rs 59.1 crores. Profits after tax were higher at Rs 102.4 crores; in 1958, these had amounted to Rs 65.0 crores. The amount set aside for dividends in 1959 was Rs 64.1 crores; it had amounted to Rs 46.9 crores in 1958. The large increase in profits enabled companies to record a substantial increase in retained profits which more than doubled from Rs 18.1 crores to Rs 38.3 crores.

The profitability of equity capital as measured by the ratio of profits after tax to net worth worked out to 10.5 per cent in 1959. The average rate of dividend on ordinary shares in 1959 was 11.8 per cent, while the ratio of dividends to net worth worked out to 6.6 per cent.

SOURCES AND USES OF FUNDS

Total gross assets formation in 1959 was smaller at Rs 157.4

crores, as compared to Rs 166.6 crores in 1958. In 1956, it was Rs 263.8 crores. Gross fixed assets showed a smaller rise of Rs 107 crores or 7.5 per cent in 1959, as against Rs 148 crores or 11.8 per cent in 1958, and Rs 177 crores or 16.5 per cent in 1957. The smaller rise reflected partly the impact of the drastic import curbs and partly the virtual completion of the investment programmes in some industries under the Second Five-Year Plan. Inventory accumulation, on the other hand, showed an improvement from Rs 5 crores in 1958 to Rs 15 crores in 1959; the rate of increase worked out to 2.7 per cent, as compared to 9.9 per cent in 1958 and 10.2 per cent in 1957.

Gross capital formation, comprising fixed assets and inventories, amounted to Rs 123 crores in 1959, as compared to Rs 153 crores in 1958 and Rs 229 crores in 1957. The study estimates gross capital formation for the entire public limited companies sector at Rs 159 crores in 1959, of which gross fixed assets would amount to Rs 139 crores and inventories to Rs 20 crores. For the four years 1956-59, which would broadly correspond to the first four years of the Second Five-Year Plan, gross capital formation in the entire public limited companies sector may be put at Rs 952 crores, of which gross fixed assets would account for Rs 739 crores.

A significant feature of the pattern of finances in 1959 was the predominant position of internal sources, which accounted for Rs 98.7 crores or 63 per cent of total funds, as against 48 per

cent in 1958 and 28 per cent in 1957. Depreciation reserves continued to be the most important internal source, forming 35.3 per cent of total funds. External sources provided Rs 58.7 crores or 37 per cent of total funds as compared to 52 per cent in 1958 and 72 per cent in 1957. Among external sources, borrowings showed a substantial decline from Rs 104.4 crores in 1957 to Rs 43.5 crores in 1958 and only Rs 5.7 crores in 1959. Borrowings from banks actually showed a net repayment of Rs 3.6 crores in 1959, as against a net borrowing of Rs 10.6 crores in 1958. During the four years 1956-59 together, total financing amounted to Rs 830 crores, of which external sources accounted for Rs 485 crores or 58.5 per cent.

New issues of shares and debentures in 1959 amounted to Rs 32.4 crores, as against Rs 27.8 crores in 1958.

ASSETS AND LIABILITIES

Total gross assets of the 1001 companies in 1959 amounted to Rs 2666 crores and net assets to Rs 2072 crores, as compared to Rs 2511 crores and Rs 1973 crores, respectively, in 1958.

The liquidity position of companies recorded some improvement in 1959, the ratio of current assets to current liabilities was slightly higher at 1.27 as against 1.26 in 1958, although lower than 1.48 in 1955. The percentage of current assets to net total assets, however, declined slightly from 53.9 in 1958 to 53.5; it stood at 59.7 in 1955.

The principal indicators of the growth of 1001 companies are shown in the Table below:

GROWTH OF THE COMPANY SECTOR
(1001 Public Limited Companies)
(Amounts in Crores of Rupees)

	1955	1956	1957	1958	1959	Percentage Increase (+) or Decrease (—) of				
						1956 over 1955	1957 over 1956	1958 over 1957	1959 over 1958	1959 over 1955
Paid-up capital plus free reserves (net worth) at the end of the year	747	818	868	912	976	9.5	8.1	5.0	7.0	30.6
Gross fixed assets at the end of the year	939	1076	1253	1401	1505	14.6	16.5	11.8	7.5	60.3
Net fixed assets at the end of the year	535	635	766	862	912	18.7	20.7	12.6	5.7	70.5
Inventory at the end of the year	421	512	565	570	585	21.7	10.2	0.9	2.7	39.0
Total assets (net) at the end of the year	1434	1661	1857	1973	2072	15.8	11.8	6.2	5.0	44.5
Total income during the year	1624	1859	2040	2126	2293	14.4	9.7	4.3	7.8	41.2
Sales (main income) during the year	1407	1586	1737	1832	2002	12.7	9.5	5.4	9.3	42.3
Profits before tax during the year	118	131	108	121	161	11.2	—17.7	12.2	33.5	37.3
Profits after tax during the year	68	72	56	65	102	7.0	—22.0	15.1	57.6	51.4
Dividends during the year	39	43	43	47	64	9.6	—	10.2	36.7	65.0
Retained profits during the year	29	30	14	18	38	3.5	—53.4	30.3	111.4	33.0
Gross profits as percentage of total capital employed	10.1	9.6	7.5	8.0	9.8					
Gross profits as percentage of sales/main income	10.3	10.0	8.0	8.6	10.1					
Profits after tax as percentage of net worth	9.1	8.8	6.5	7.1	10.5					
Dividends as percentage of paid-up capital (ordinary shares)	8.9	9.4	8.7	9.0	11.8					

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"

—As You Like It.

I AM not particularly squeamish nor am I a great admirer of Stalin. But I find this grisly business of removing his coffin from the mausoleum in the Red Square more than ordinarily sick-making. The dead, even those we consider best dead, are entitled to certain elementary decencies and one of them is the privacy of the grave. This kind of post-mortem-getting-even is both cowardly and ghoulish. I suspect that some principle of tribal desecration is involved in this final indignity. You must not only pull down the idol but foul it in order to destroy the God-head. I cannot help feeling that Khrushchev and his followers are secretly embarrassed by their own acquiescence, during Stalin's lifetime, in the tyranny they so violently denigrate now. They are therefore feeling that arguments, persuasive as far as they go, will not be enough: Stalin must be formally and ceremonially disgraced. He should be dislodged from what the Ukrainian delegate described as the "sanctuary of the Soviet people and of all the workers of the world." With this gesture of ultimate exorcism the spell will be broken. And if as reported, the remains may be cremated and the ashes scattered, the catharsis will probably be complete. Alas, poor Yorrick: "Where be your jibes—"Nikita, do 'the Gopak'—now?"

Of course, Khrushchev may have had another reason for making Stalin's grave suddenly unquiet: it may be his way of telling Mao and Chou where they get off. The wreath that Chou ostentatiously laid to "Stalin, the great Marxist-Leninist" has, according to reports, been removed as a prelude to the removal of the coffin itself. Chou can now draw his own conclusions. And yet, it seems to me that Khrushchev is carrying to needless lengths his feud with Stalin and Mao. Death cancels all debts and it should not be too difficult to live in peaceful co-existence with Stalin's embalmed remains.

What further developments does this removal portend? In a country where history has a quick obsolescence we may probably see the very memory of Stalin erased pretty completely. Generations to come may conceivably not know from Russian sources that a man named Stalin ever walked on this earth, unless, of course, they deliberately decide to keep him

alive as a bogey-man. I can see Stalin passing quite easily into the demonology of Soviet tiny tots. I remember reading some years ago in a book on Soviet children that the ultimate in their execration of parental unreasonableness was: "You are a Wall Street father." Stalin—who is after all a father-figure gone sour—will in all probability take the place of the Wall Street parent in the mythopoeisis of the children of the Soviet millennium scheduled to start circa 1980.

It is a pity that Britain should be thinking in terms of restricting immigration from Commonwealth countries. Particularly unfortunate are the discriminatory overtones to the proposals. Apart from the violence they do to Britain's great traditions of hospitality, this making aliens of Commonwealth citizens would pull down one of the basic psychological props to the idea of the Commonwealth. Of course, Britain can quote Commonwealth examples of the sort of means tests and educational criteria it is now seeking to impose, but then it would be a case of following a bad example instead of setting a good one as it has so far been doing. Reciprocal inhospitality would be easy but I would urge strongly against it. It is possible, for example, for us to insist on assurance of employment from Indian nationals as a pre-condition of admission of British nationals in the country and create awkwardnesses of various sorts. Maybe in many cases it may hurt us more than it will to hurt them, but a desire to retaliate does not reckon too nicely these consequences. But it is not on this ground that I urge moderation. I would first ask for a little exercise in sympathy. Apart from the lunatic fringe in the Conservative Party and the more xenophobic among the working classes, no Englishman is really happy about these proposals. In the last few years West Indian immigration on a large scale has posed problems of adjustments and there has been trouble in industrial towns. Secondly, since the objection is mainly to unskilled and cheap labour, our own self-esteem should make us welcome the restrictions. Incidents like the passport racket that proved a major scandal last year really do little credit to us. Our own attitude has been consistently one of reluctance to let our people go

elsewhere because they find the country too indifferent to their needs. Therefore while it does great credit to Englishmen that many consider the restrictions very un-British, I would urge that it would be un-Indian to be either too bitter about these restrictions or to think of retaliatory restrictions. After all, many like the late Hilton Brown paid us the compliment of thinking of India as the best place in the world to live in. I should hate to think that we would ever make such men feel that they are unwelcome here.

Governors who met in New Delhi recently did not seem, according to reports, overly happy with their Constitutional ineffectualness. Opportunities for a personal sense of political fulfilment are somewhat meagre for a Governor under the Indian Constitution and in this he notably differs from his American opposite number, to whom the office of a Governor is often a political jumping board and not a dead-end. The Governor of New York or California has many a political prize dangling in front of him whereas in India the tendency has been to frown upon any ex-Governor seeking a fresh lease of political life. With the real power vested in the Chief Minister, who often is a key-man in the party, opportunities for a Governor are not very many. Ambitious men thus clear steer of the office of the Governor and the rather unfortunate habit of accommodating in Raj Bhavans those whom the voters have rejected has not added lustre to the office. During the discussion in the Constituent Assembly, the idea of making the Governor's an elected office was canvassed but was wisely rejected. Governors have some responsibilities under the Constitution for the safeguarding of minorities and so forth, but in practice these don't add up to much, especially when political expediency interferes with right action. Even in an emergency, a Governor has to act under Presidential directions and has to be guided by the advice of officials sent to replace the ministry. For the rest, a Governor's influence is in proportion to his own greatness, provided he has no overtly political ambitions. A person with independent claims to greatness like the Maharaja of Mysore—incidentally the only Maharaja, apart from the Sagar-i-Riyasat of Jammu and Kashmir, who stands in a class apart, who has continued in his earlier vocation—commands universal respect. It has always seemed to be somewhat odd that we should have not made more extensive use of

the ex-rulers for the office of the Governor. They have the right background for a largely ceremonial office like that of a Governor. Indeed in the years after independence many of them acquitted themselves very well as Rajpramukhs and even as Governors of the former British Indian provinces. Some princes went into the diplomatic service, where, as in the eighteenth and nineteenth century England, a private income came in handy. Since then, there has been a great change. One suspects a certain deliberateness in the policy that has put all but one of the former rulers out of their wonted duties. Perhaps some lingering prejudice of pre-independence days is responsible for this state of affairs. This is a great pity. Moreover, the policy has boomeranged with princes contesting the elections. Others have gone into business. But there must be quite a few who have no vocation for either politics or business. It would be a sensible idea to make extensive use of this source of talent for gubernatorial duties after the general elections.

Singam Iyengar, as he was familiarly known, came to Calcutta, if I remember right, in the late nineteen twenties. But he and father had known each other long before that. It was around 1921 or so, when Singam Iyengar, hearing of the great influence that a South Indian broker was wielding in Bombay, hid himself to the Gateway City, and made his way to father's flat; who was not in, but returned home shortly thereafter. Singam Iyengar greeted father as the old friend he was, exchanged pleasantries and then wondered whether Rangaswami—the South Indian junior partner in Batlivala and Karani—could find a job for both of them. And Singam Iyengar was properly flabbergasted to learn that father it was who was the Rangaswami in question. Years later, Singam Iyengar joined Indian Finance and soon afterwards betook himself to Capital. He had a flair for writing, his output was voluminous and perhaps this was assisted by his voracious reading. Hardly an evening passed without his visiting Oxford Book's lending library, and though his tastes were catholic it was the detective story that fascinated him. Early in the last decade, after about a quarter century of work in Calcutta, Singam Iyengar retired, continuing to be an occasional Madras correspondent of Capital. He typified the working journalist, not, it is true, the reporting type, but one who had the capacity to write tersely and effectively on almost any Indian topic. Ours was a long and enduring friendship, and so it is with sorrow that I report herein that Singam Iyengar last week shed his mortal coils.

EAVESDROPPER.

Olympus

ADVISORY COUNCIL Useful Discussions

The tiresome controversy of public sector versus private sector was at last laid to rest at the recent meeting of the Advisory Council for Industries. The Council listened with approval to Sir A. Ramaswami Mudaliar's remarks on the essential role of the public sector, but everyone did not agree with his suggestion that the working results of the public enterprises should not be judged by the same standards as those in the private sector; and for the very good reason that, by and large, the public sector operates in areas in which private enterprise was not interested, because costs of development were too high, gestation periods too long and prospects of profit uncertain. Mr Singhania, for instance, pointed out that there was no reason why public undertakings which directly compete with private enterprises in the same industry should be judged by a less severe standard.

But no sooner was the old controversy buried than a new one sprang up in its place. The debate continued about the allocation of scarce resources of foreign exchange over the respective needs of 'maintenance' and 'development'. Dr Lokanathan, who made out a well-reasoned case or according priority to maintenance imports, returned to the charge, this time with the powerful support of Mr G. L. Mehta. Mr Mehta felt that here was substantial unutilised

capacity and suggested that a working party should be set up to make an inventory of potential capacity which remains unutilised. The Minister for Industry, however, maintained that every thing possible was being done to ensure maximum utilisation of capacity and he did not agree that there was any substantial capacity remaining unutilised, at least in the sector of organised industries. No spokesmen of industry had so far complained of unutilised capacity and all industries borne on the books of the Development Wing had reported increased production as compared to the previous year.

There are reasons to think that the problem of unutilised capacity relates not so much to the organised sector as to the field of small industries. Government has a special responsibility for the small scale sector which has been developed as a matter of deliberate policy. The least they could do is to call a halt to new expansion of capacity in the case of products for which there is unutilised capacity in the small scale sector. In this context, Dr Lokanathan's observation that foreign exchange will be available to pay for maintenance imports required by small industries is of considerable interest and the possibilities in that direction should be examined without delay.

The inadequate utilisation of existing capacity in the Transport Industry was highlighted by an interesting speech by Mr T. S. Krishna. In this field there is no problem of foreign exchange, but a solution does not appear to be easier for that reason. The under-utilisation arises mainly from the numerous, vexatious restrictions imposed by State Governments in regard to payload, routes, mileage etc. Apart from the burden of taxation, which is the heaviest in the world, road transport industry is hampered by unreasonable restrictions of the payload that road vehicles are permitted to carry. Vehicles which can easily carry 7.5 tons, are allowed to carry only 4 tons, with the result that fuel is burnt to no purpose. Mr Krishna has also pointed out that the transport capacity of existing vehicles could be doubled without significant extra cost if truck-trailer combinations are permitted. There will be hardly any additional running cost if a truck hauls a trailer carrying an extra 6 tons. (But State Government regulations stand in the way. If truck-trailer combinations are allowed, road transport could carry more of low-rated traffic and at no greater cost than if goods were hauled by rail.

Another difficulty hampering road transport operators is the comparative lack of credit facilities. Unlike operators are not in a position to get credit from commercial banks, or

other industries, road transport from credit institutions set up by the State, against the security of their productive equipment. The only credit available to road hauliers is that extended by suppliers of vehicles under hire purchase schemes. Even this source of credit will be closed if the proposed legislation for regulating hire purchase is enacted into law. The Bill seeks to restrict the right of the supplier to regain possession of the goods supplied under hire purchase to a customer who has defaulted in payment of the instalments. The Bill is no doubt intended to deal with sharp practices indulged in by some unscrupulous dealers in consumer durables. But it is bound to make it almost impossible for transport operators to purchase vehicles on the instalment basis. The repercussions are bound to be extensive. In this context Mr Krishna has also pointed out that an investment of over Rs 90 crores will be required for lifting the targetted production of 60,000 commercial vehicles under the Third Plan. Where is the money to come from if the transport industry is shut out of all sources of credit? It appears that Government at the Centre as well as in the States are yet to realise the seriousness of the handicaps under which the road transport industry has to operate and which raise doubts whether the target of 20 per cent of the total goods traffic assigned to roads will be achieved in practice until they are mitigated.

The discussions of the Council achieved signal success in focussing attention on the serious shortages of transport, of power and of special grades of steel which threaten the achievement of Plan targets. The urgency of the problem in regard to both power and transport, particularly of coal, was highlighted both by Mr Thapar, President of the Federation, and by Mr Stenhouse of the Associated Chambers. In a speech packed with facts and figures, Mr K. K. Birla estimated that the shortage of power that is likely to develop would be of the order of three million kilowatts. Dr Vikram Sarabhai, Mr Charat Ram, Mr D. C. Kothari, Mr Kiroloskar, Mr N. D. Sahukar and Mr Vasavada of INTUC made useful contributions to the discussion.

It may not be quite correct to say that Government are unaware of the difficult situation in respect of both power and transport, but their estimates which are necessarily related to the overall requirements of the Plan will not satisfy those who are directly hit by these shortages. In a hard-hitting speech, Mr Karnail Singh, Chairman of the Railway Board, gave emphatic expression to his conviction that, with proper co-ordination and co-operation, it should be possible to provide adequate capacity to carry the additional traffic likely to develop during the Plan. He was also equally emphatic that the coal dumps scheme, which Mr Stenhouse said was impractical, has to be pushed through if the Railways were to carry the 100 million tons which they were expected to do in 1966.

As regards Power, the view of the Planning Commission, as explained

by its spokesman Mr T. N. Singh, appears to be that the revised target of 13.4 million kilowatts would be adequate. The continuing shortage which came to a head towards the end of the Second Plan, he pointed out, was the result, not of any failure in planning as had been suggested, but of shortfall in implementation caused by foreign exchange shortage. The position would not have been so bad if power projects had not been relegated to the category of non-core projects when the Plan was reappraised in 1957. He was confident that such a debacle would not be repeated, but he was not prepared to accept the suggestion made by Sir A. Ramaswami Mudaliar, and endorsed by several other speakers, that industries in the private sector should be allowed to establish power plants for their own use either individually or on a cooperative basis. This certainly would relieve the strain on the public sector projects. It is difficult to see what objection there could be to the proposal especially if the requisite resources could be provided through foreign collaboration without affecting the quantum of aid earmarked for the Plan.

Close on the heels of its annual conference the National Productivity Council has organised a Seminar on the Utilisation of Human Resources in Industry, which was inaugurated last Wednesday by Dr C. D. Deshmukh. It is easy to be sarcastic about the utility of seminars. And, as Dr Deshmukh pointed out, the NPC has already organised 169 seminars and symposia spread all over the country. But seminars, the Chairman of the Governing body of the NPC, Dr Lokanathan said, have their own place in the productivity movement. The fact that 100 representatives of industry have set aside other business to participate in the seminar, is ample confirmation that they serve some useful purpose.

The current series of seminars, said Dr Lokanathan, was the second that the NPC was organising with the participation of US experts. The seminar which began on November 1, in Delhi will be continued in Bombay, Calcutta and Madras. To lead the discussions the NPC has secured the services of American Experts through the courtesy of the Technical Co-operation Mission of the US Government. These include Mr Saul M. Silverstein, President, Rogers Corporation, Mr John D. Foster, Director of Personnel, The Port of New York Authority, Mr Water J. Burke, District Director of the United Steel Workers of America and Mr Richard Humphreys, Education and Research Director of the Allied Industrial Workers Union.

Mr Silverstein who addressed the inaugural session emphasised that productivity was 'number one function of management' and that adequate attention to marketing was necessary for maintaining high level of productivity. His companion Mr Burke traced the evolution of the American Labour movement to show how attention to human relations could soften the rigors of industrial disputes and clear the way for a co-operative approach of management and labour to problems of productivity.

Indian Finance

4 November 1961

Markets

JUTE

2½ per cent Looms to be Unsealed

The decision of the Indian Jute Mills Association announced on Wednesday to unseal 2½ out of the 12½ per cent looms now remaining sealed with effect from 13 November comes as no surprise as it had been generally expected that early steps would be taken progressively to raise mill output. In the course of the last one or two months the voluntary restrictions on the production of the industry have been lifted, mainly because of the considerable improvement in the raw jute supply position this season. From 42½ hours a week, mills working hours have been progressively increased to the present level of 48 hours. Similarly, the percentage of sealed looms with mills which at one time had reached a level of 17½ has now been brought down to 12½ and from the 13th of this month such percentage will further be reduced to 10.

The news of an increase in the percentage of looms in commission from the middle of this month will go to lessen the pressure that is now encountered in ready and near delivery goods. Overseas consumers had been hesitant so far to extend commitments because they expected they would be able to get their requirements at a lower price in view of the bumper jute crop. Their expect-

ation that with the decline in raw jute prices, goods prices would be marked down has been fulfilled to a large extent. Even so, it would appear that foreign buyers are still influenced by the fact that raw jute supply this year will be quite adequate if not considerably in surplus. The general tendency appears to be to take only immediate requirements in the hope of a further decline in prices.

It is idle to expect any further sizable fall in raw jute prices. It is true that the market trend is rather quiet and raw jute prices have declined somewhat during the past week. One has, however, to consider the persistent demand on behalf of the jute cultivators for the immediate inauguration of the buffer stock authority. The IJMA has noted this week that the constitution of the Jute Buffer Stock Association is virtually finalised and application will shortly be made for its registration. But it also notes that it is not expected that jute buffer stock purchases on any significant scale, if at all, will be required in the current season. This reasoning is evidently based on the calculation that with the progressive increase in mill production, demand for raw jute will so increase as to absorb this season's crop.

The jute market opened the week on a firm note, but with the higher levels bringing out mills as sellers in the ready and near delivery posi-

PRICE TRENDS

	As on Oct. 26 Rs.	High- est Rs.	As on 1 Nov. Rs.
Hessian:			
45" x 11 ozs.	60.50	61.00	59.00
40" x 10 ozs.	53.75	55.25	53.50
Ready	48.65	49.00	47.75
December	47.00	47.25	46.00
January-March	42.75	43.15	42.25
40" x 8 ozs.	40.00	40.75	39.25
40" x 7½ ozs.			
Sackings:			
B Twills—			
Ready	142.00	145.50	144.50
December	133.40	133.50	131.25
January-March	127.25	128.50	126.00
Heavy Ceers (Green)	143.00	148.00	139.50
Corn sacks	145.00	145.00	141.50
Cubans	177.00	177.50	176.00
A Twills	169.00	169.00	166.50
L Twills	161.50	162.75	158.00
D. W. Flours	170.00	170.00	165.00
Sugar Twills	161.00	162.00	160.00
Ready Raw Jute:			
Assam Bottoms	33.00	33.50	32.00
Northern Bottoms	33.00	33.50	32.00
Dalsee	35.50	35.50	34.50
Futures:			
Hessian—November	49.70	50.12	48.52
Sacking—November	137.85	138.25	132.58
Raw Jute—December	33.52	33.70	31.96

tions, rates for these declined. A significant feature of mill selling was that it was mainly confined to the ready and near delivery positions evidently because of the big price differential between forward and near deliveries. At close last Thursday B Twills Ready was quoted at Rs 143.50 with the November position at Rs 140.50. At the same time the December and January-March deliveries were quoted at Rs 133.40 and Rs 128.40 respectively. A steady trend, however, soon returned to the market mainly because of the continued interest in the ready and near delivery positions partly because of due date considerations. The firm trend continued on Monday and Tuesday, but that applied only to the ready and near delivery positions. The forward positions were easier in sympathy with the futures market. Although there was covering business throughout the week under review in the near positions, closing prices on Thursday were below the best levels of the week, as follows: B Twills Ready Rs 143.25, November Rs 138.25; Hessian 40" x 10 oz Ready Rs 53.00 and November Rs 50.00.

The raw jute market maintained a steady trend in earlier dealings, but developed an easier trend in later dealings. Even the news of the unsealing of 2½ per cent looms failed to arrest the downtrend. Assam Bottoms closed on Thursday at Rs 31.50 per maund as against Rs 33 per maund a week ago.

TEA

Fair Demand, But Easier Trend

IN the Export Sale held in Calcutta this week, offerings were 73,019 packages. There was a good general demand; but plain broken and fannings were up to 10 nP per kilo easier. Although medium and best orthodox descriptions were well supported, prices were irregular. Best CTC descriptions were up to 30 nP easier, while there was an improved enquiry for the poorer and fibrous kinds, which were generally firm to dearer. Legg-cut descriptions were up to 20 nP easier.

Darjeelings were irregular and cheaper. Whole Leaf varieties were sold well; but the more stylish kinds were easier. There was less demand for Tippy teas and there were some withdrawals. Following rates were quoted:—Clean Plain BP Rs 4.40 to Rs 4.60; Plain BP Rs 4.10 to Rs 4.30; Plain Fannings Rs 3.90 to Rs 4.15; Medium Assam CTC BP Rs 4.70 to Rs 5.20; Medium Assam CTC Fannings Rs 4.60 to Rs 5.00; Best Assam CTC BP Rs 5.30 to Rs 5.60 and Best Assam CTC Fannings Rs 5.20 to Rs 5.60.

According to tea sources, arrivals of tea in the Port of Calcutta were higher at 786,661 chests in September as compared to 554,902 chests in the corresponding month

of last year. This put the total arrivals, in the six months ended September 1961, higher at 2,293,798 chests as compared to 1,789,208 chests in the corresponding period of last year.

Movement of tea by all routes, during the April/September 1961 period, showed an increase with arrivals by river amounting to 1,382,938 chests; by rail to 640,291 chests; by road to 197,545 chests and by air to 73,024 chests against 1,121,710 chests; 501,468 chests; 99,721 chests and 66,309 chests respectively in the six months ended September last year.

With 48.64 million pounds in September, total exports of tea from North-East India in the first nine months of the current year have increased sharply to 223.5 million pounds from 152.8 million pounds in the corresponding period of last year. Exports to the UK—the biggest buyer of North-East Indian tea—rose from 88.01 million pounds in January/September 1960 to Rs 133.22 million pounds in the period under review. Shipments to the UAR also increased from 18.12 million to 19.72 million pounds as did those to the USSR and the USA from 5.93 million and 8.01 million to 11.08 million and 10.55 million pounds respectively.

In the Cochin market, a quantity of 248,000 kilogrammes of Dusts was offered for internal consumption. There was less demand at easier rates. All mediums showed a decline of 20 nP to 30 nP a kilo and there were a number of withdrawals. High-grown noted fair demand; but were irregular and often easier. Residuals were sold well at slightly easier rates. CTC types were up to 15 nP a kilo easier.

In the Colombo market, offerings totalled 7,355,299 pounds. These met with good general demand. Better liquoring Dimbula/Dickoya BOPs declined by about 5 to 10 cents per pound and poorer sorts by 10 to 20 cents. Corresponding BOP Fannings were, however, firm. Medium broken were in slightly less demand at a decline of 3 to 8 cents. Uva teas were irregular; but generally lower following quality. Black leaf low-grown teas declined by 5 to 10 cents; but "teas for price" were fully firm.

In London auction, offerings were 20,819 packages including 19,445 packages from Northern India. A good demand was again in evidence for all Assam and coloury legg-cut Doors. For thin liquoring orthodox teas, the market showed some irregularity and prices in most cases showed a fall of about 1d per pound. Rates remained unchanged.

Production of tea in Pakistan has increased to 9.0 million pounds in September from 7.3 million pounds in the corresponding month of 1960. This puts the total tea output, in the first nine months of the current year, higher at 41

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million pounds as compared to 24.9 million pounds in the similar 1960 period.

In the last week's issue, it was mentioned in these columns that "production of tea in Pakistan, during the 1961-62 period is estimated at 590 million as against 420 million pounds in 1960-61". This should read as "59 million pounds as against 42 million pounds in 1960-61".

COTTON Futures Firm

The cotton futures market during the past week emerged buoyant and firm thanks to the combination of various factors. The post mid-week trading resulted in a sudden turn in sentiment and Jarilla contract spurted to Rs 637.27 and indicated gains of about Rs 12.50 over the previous level. The irregular and narrow fluctuations during the commencement of the week cast a depressing spell on the market and it was at one time feared that the mild setback that occurred during the previous week might be extended further. Naturally enough the traders resorted to cautious short selling. But gradually the hesitant tone slipped away due to factors like the delay in crop movement, firm spot advices from local and terminal centres and the sudden spurt in groundnut futures. Fresh speculative support from some of the upcountry centres also fanned the enthusiasm. The market appeared to have taken no note of the discouraging advices from the piecegoods market and the possible intervention of the Forward Markets Commission. On Tuesday last the contract was quoted at Rs 636.25.

The authorities are perturbed at the rising trend in the prices of cotton particularly at a time when the supply position is considered quite comfortable. The total production of cotton during the current season is estimated at about 4.8 million bales. The carryover will be around 2.0 million bales. Moreover, the Government of India has already announced the import programme for approximately 1.2 million tons. Viewed against this background the present spurt in prices is thoroughly unwarranted.

The report of 1.9 per cent reduction in the cotton acreage in the USA for 1962 cast a gloomy spell on the mills. Crop reports that emanated from other cotton growing countries were also equally distressing.

A broadening of mill interest was noticeable in the spot market at Sewri for a new crops like Digvijay, Khandesh, 320F and 197/3. Spinners' interest in these varieties were pronounced presumably due to the satisfactory quality of the first arrivals particularly from Pachora and Dhulia stations. The prices of these growths tended to ride around the ceiling levels. Old crops like Kalyan, Laxmi, and L147 also met with regular mill interest. An upward trend in prices of Bengal Deshi was visible, deriving inspiration from the increased demand from overseas purchasers. In the import section

African cotton and Sudan grades attracted good spinner demand.

Total consumption of cotton by the mills in India from 1 September, 1960 to 31 July, 1961 amounted to 4,890,578 bales of 180 kilograms as against 4,671,721 bales in the corresponding period in 1959-60. Full description is provided below:

Description	1959-60	1960-61
Indian	4,086,407	3,852,725
Pakistan	19,028	16,770
American	165,677	613,396
Egyptian	128,171	108,140
Sudan	116,477	109,960
East African	139,814	156,553
Others	16,147	32,034
Total	4,671,721	4,890,578

Imports of cotton from foreign countries into India from 1 September to 14 October aggregated 290,438 bales in contrast to 231,079 bales in the same period in the previous year:

Description	1960	1961
American	154,586	226,017
Sudan	22,290	20,772
Egyptian	9,805	7,601
East African	38,257	31,900
Pakistan	853	...
Others	5,288	4,148
Total	231,079	290,438

Exports of cotton from India to foreign countries during the same period totalled 21,295 bales as against 4,235 bales in the corresponding period in 1960:

UK	...	455
Continent	109	884
Hongkong	942	2,105
Japan	3,116	13,971
USA	...	3,730
Other Countries	68	150
Total	4,235	21,295

Piecegoods

The cotton piecegoods market during the week under review depicted sluggish conditions. The heavy accumulation of stock with the mills precipitated a subdued outlook in the domestic sector. The export section did not produce any worthwhile developments.

Stocks of cloth with the mills at the end of September reached a new level of 441,700 bales against 367,300 bales in August. The mills attempt to dispose of their stocks even at lower prices failed to attract buyers.

Moderate demand for seasonal goods like flannelettes, gadlapat, prints, coloured drills and certain varieties of coatings was reported. On the contrary, dhoties, sarees and voiles were completely deserted. In the export section brisk business with UK was done. Stray business with Sudan in grey goods were transacted. Singapore was satisfied with a small quantum of bleached longcloth. It is expected that the destination is likely to account more quants of printed and dyed voiles. Enquiries from Australia for sheet-

ings flowed on an encouraging level. Italy's fancy was directed toward poplin, heavy drill and canvass.

Break in Non-Ferrous Metal Prices

The prices of Non-Ferrous Metals in the country, especially of copper, zinc and lead, have suffered a sharp break over the last two months. The main reason for the fall in prices is the restricted demand due to the widespread floods in the country. Secondly, the October/March import policy has discounted the fears of a likely cut in the imports of non-ferrous metals. The third factor is the downward tendency in prices on the London, New York and Singapore markets. Above all, the decline in prices has been aided by imports through the State Trading Corporation.

Prices of Tin have, however, been showing a steadier tendency, being influenced by advices from abroad, especially from Singapore where prices are stated to be improving. Although reports that the General Services Administration of the US Government had announced its intention to sell 1,000 long tons of pig-tin to the highest bidder next month and to keep the offer open for bids until 8 November 1961 were certainly of a bearish import, sentiment on the Bombay market has not been affected adversely to a any measurable degree.

Price movements in Copper are confined to narrow limits. Long liquidation induced by easier advices from the ready section due to more arrivals from upcountry centres and a lack of consumer interest have caused a lowering of the values.

The announcement by the International Study Group on Lead and Zinc, which concluded its meetings last week that there would be no restrictions on the production of lead and that the cuts in the output of zinc would continue, has little effect on the market.

Meanwhile, the announcement of the Indo-US agreement, whereby the US has agreed to give a DLF loan of Rs 9.5 crores for the import of non-ferrous metals from that country, has not enthused the traders in Bombay. It is felt that the new arrangements will make the import of aluminium, copper and zinc costly, as the American prices are substantially higher than those prevailing in other exporting countries. Traders are, therefore, reluctant to welcome the new agreement even though it ensures their import quotas.

SUGAR

Despite good festival demand, Sugar markets have continued to rule quiet. Apart from the fact that the demand is generally slack, the release of 200,000 tons for internal sale and the news of the decision by the USA to cut the import quota of Indian sugar have contributed to the easier tendency in prices.

The Agriculture Department, Washington, has announced a reduction of 50,000 short tons in sugar that will be purchased from India in 1961. In all, there will be a cut of 100,000 short tons in sugar purchases by the USA from all foreign countries. Besides the cut of 50,000 tons from India, those from Brazil will be cut by 30,000 tons and those from China (Formosa) by 20,000 tons. The cut has come when all the 225,000 short tons (188,000 long tons) of sugar allotted to India for export to the USA for 1961 have already been sold to American buyers and the bulk of it has already been shipped.

As a matter of fact, the export division of the Indian Sugar Mills' Association has been compelled to suspend all sugar shipments from the four ports of Calcutta, Bombay, Kandla and Vishakapatnam. Since no further communication has so far reached the ISMA regarding any interim arrangement enabling despatch of the consignments awaiting shipments in ports, great anxiety prevails regarding the disposal of stocks. In the absence of warehouse facilities, the Association may eventually be forced to sell the stocks at the respective local markets incurring heavy loss, unless assurance of adjustment for the 1962 US quota permits resumption of shipments.

There are, however, expectations that the USA may allot a supplementary export quota to India this year. The Government of India has already taken up the cut in Indian sugar quota with the US Government through the US Embassy in New Delhi and also through the mission in Washington. It is, therefore, hoped that the cut will be restored soon and permission will be given to export sugar in anticipation of and against the next year's quota.

Under the recent Ordinance to regulate the production of sugar in view of the current heavy surplus, the Government of India has framed rules, which take effect from 1 November 1961. While the objective generally is to limit production during the 1961-62 season to 90 per cent of the level of production attained in 1960-61, the rules contain certain safeguards particularly in respect of some types of factories. These include new factories and factories with rather low production as well as factories which have licences for effecting substantial production in their working capacity.

As regards factories already established but which have no programme of expansion in 1961-62, the target is fixed at 90 per cent of their production in 1959-60 or 1960-61, whichever is higher. However, in the case of factory which during each of these two years produced less than 11,000 metric tons of sugar, the rules lay down that the quota shall not be less than the highest production from that unit either in 1959-60 or 1960-61. No quota shall be fixed in respect of a factory which produced less than even two-thirds of 11,000 metric tons in 1959-60 or 1960-61. In the case of factory with an output that exceeded 11,000 metric tons in either of these two years, the rules lay down that

the quota shall not be less than 11,000 tons.

Meanwhile, sugar prices in London have returned to their lowest post-war level following the news of the failure of the world sugar talks in Geneva. At the talks, Cuba seemed to have demanded a sharp increase in her export quota under the International Sugar Agreement at the expense of some other producers, because of the ban on imports of Cuban sugar by the US Government. The Soviet block support Cuba's claim; but other countries were only prepared to agree to part of the increase that Cuba was asking and the Conference ended in a deadlock.

Supplies of sugar hanging over the world market, therefore, remain in heavy surplus. Since the US ban on Cuban sugar was imposed, Russia and China have both bought large quantities from Cuba; but this has not solved the problem, particularly as some of the Soviet purchases have found their way back into the world market.

FOODGRAINS

Divergent trends were witnessed in the Hapur Foodgrains market. Wheat prices were steady at Rs 15 to Rs 15.25 a maund for the average quality and up to Rs 16.50 a maund for the superior quality. Rice prices, however, sought lower levels, as the new produce was reaching the market. Gram reared small gains due to firmer Punjab advices and better demand. The markets for Barley and Bejher ruled quiet in the absence of active demand. In the Pulses section, Peas were steady. Urad prices drifted lower owing to new crop arrivals.

RUBBER

According to the latest report, the progress so far made in the field of replanting rubber is far from satisfactory. With a view to making it more attractive to the growers, the Rubber Board has recently enhanced its replanting subsidy to Rs 1,000 per acre. The Board will also extend other concessions to those who are interested in replanting their uneconomic holdings, such as the supply of planting materials and manure at subsidized rates.

Ceylon and Malaya are making tremendous progress in replanting and the rubber-growing industry in these countries has now reached a stage in which it is in a position to compete with the synthetic rubber industry in the matter of price.

The suspension of the free market for Ceylon's sheet rubber has been extended by the Commissioner of Commodity Purchase until the end of next year. This follows the conclusion of two contracts with Poland and China for the supply of sheet rubber. This means, that all shippers will have to sell their sheet rubber to the Commissioner of Commodity Purchase to help him fulfil the contracts.

Ceylon has concluded a contract with Poland to supply 6,500 metric tons of sheet rubber next year at a price of 5 cents above and over the average Singapore price per pound of sheet rubber calculated on a

weekly basis. Earlier, a contract was concluded with China to ship 31,000 metric tons of sheet rubber next year in exchange for 200,000 tons of Chinese rice.

PEPPER

Pepper prices have touched the season's worst levels owing to persistent liquidation induced by an absence of encouraging development. In the Cochin market, the rate is quoted at as low as Rs 337 per quintal for garbled ready and Rs 331 for the December position.

The main factor responsible for the shake-out is the protracted absence of export enquiries in the face of a comfortable supply position. While the Communist countries are virtually indifferent, the US has continued to quote lower prices in view of the lower offers received from Brazil. Sentiment in the market is also affected by the crisis in the Singapore market. The increasing inability to sell abroad due to stiff competition from Malabar and Brazil markets is responsible for the break in Singapore prices.

The all-India output of black pepper is expected to show an improvement of about 1,500 tonnes to 27,500 tonnes in the 1961-62 season. Moreover, the carryover stocks from the previous season are believed to be much more than the earlier estimates of 5,000 bags. Despite the end of the season, stocks of the old crop are reported to be freely available in the terminal markets.

BANGALORE SILK

The Bangalore Silk market was firm in respect of prices of flature and cottage basin raw silk. Whereas, flature raw silk of 20/22 Dr. was quoted between Rs 84.89 and Rs 87.64 per kgm. and cottage basin silk between Rs 74.75 and Rs 77.16 per kgm. there was downward movement in the prices of charka silk. The rates ranged between Rs 48.50 and Rs 57.32 per kgm. Mixed trend was noticed in the rates of reeling cocoons. While the rates of reeling cocoons from Mugur area declined to Rs 2.70 and Rs 3.25 per kgm, Channapatna dropped to Rs 2.00 and Rs 3.00 per kgm. Reeling cocoons from Sidlaghatta however remained firm, between Rs 4.50 and Rs 5.50 per kgm.

While Mysore race seed cocoons declined to a level between Rs 3.50 and Rs 4.50 per thousand, rates of foreign race seed cocoons ruled between Rs 4.00 and Rs 10.00 per thousand.

Prices of tasar raw silk in the Bhagalpur Silk market ruled between Rs 61.73 and Rs 83.77 per kgm. as in the last week. Tasar silk waste fluctuated between Rs 22.04 and Rs 24.25 per kgm. Tasar hand spun yarn, evoked interest between Rs 30.86 and Rs 46.30 per kgm. Reeling cocoons were quoted between Rs 105 and Rs 110 per kahan.

Prices of tasar reeling cocoons in Chalbasa ranged between Rs 145 and Rs 150 per kahan. Tasar silk waste was quoted between Rs 35.27 and Rs 41.89 per kgm. whereas hand spun yarn ruled between Rs 48.50 and Rs 60.62 per kgm.

GOLD & SILVER

Trading on the Bombay Bullion Exchange has been marked by divergent trends. While Silver has been ruling comparatively steady, Gold has lost much ground recording substantial losses on balance. Judged by the spot positions, the trend should have been downward for both the metals. Upcountry speculators, however, have preferred to rig up silver in total disregard of the continued excess of arrivals over the offtake.

The new account in silver was started at Rs 206.15, showing a rise of Rs 1.35 over that of the previous account. The bullish fervour in the white metal is attributed to keen speculative support extended by Rajasthan interests during the last few days. Rajasthan buying is probably induced by expectations of a good demand for silver in the coming weeks. It is stated that Rajasthan has had a good harvest this year and, as such, the demand for the metal is expected to be substantially larger. Arrivals amounted to 50 bars as against an offtake of 10 bars. Silver ready (below .996) changed hands at Rs 206.95 to Rs 207.15.

In contrast, Gold has remained easy in the absence of any important speculative prop. Moreover, heavy arrivals and the poor offtake have contributed to the weakness in the metal. However, it is expected that prices may be pulled up in sympathy with silver. Ready Gold changed hands at Rs 122.35 to Rs 122.80, while sovereign remained firm at Rs 97.25.

OILS & OILSEEDS

Only after the firm action by the Forward Markets Commission did the soaring prices of groundnut oil and groundnut came down in the Madras market. The bullish activity was on the increase and the market was actually in the doldrums until the Government took action. What they propose to do about the futures trading will be known by November 2, according to the local Oils and Seeds Exchange sources.

Groundnut oil went up to as high as Rs 413 per catty of 500 lbs during the latter part of last week and the order of closure of markets for five days from last Saturday in forward trading had some salutary effect. There is no forward transaction.

Also in the case of groundnut kernels, the price which went upto Rs 71/72 per 80 kgs came down after the Government action.

While the Andhra buyers kept aloof from the buying ring, the Calcutta interests did not so keep aloof and there was price shooting up.

The receipt of groundnut kernels locally was good at the rate of a hundred tons daily. In South Arcot, this was at 200 tons daily. Groundnut prices began to spurt up from the beginning of last Thursday. Indications of them were available earlier when the rate for groundnut oil per quintal was quoted at Rs 171.00. The next day, there was further increase to Rs 174.00 per quintal. On further bullish influence, the price once again shot up to Rs 179.40 per quintal and, last Saturday, it went as high as Rs 180 per quintal.

tal. Then came the Government action to arrest the further rise in prices. Though oil prices had become established, the further spin up of the rates had been kept in check.

Also groundnut new crop went on increasing step by step from Rs 6 per 80 kgs from Wednesday onward last week. It was quoted at Rs 68.69 last Friday and on Saturday. Before the market closure was known, the price was at Rs 70 per 80 kgs.

The following are the closing price of the oils and seeds in the market: Groundnut oil per quintal ex-Madras godown expeller Read 3 per cent FFA Rs 176.80. There is no trading in forward rates; Groundnut kernels per 80 kgs new crop Rs 67; Castor oil per quintal Tirupattur Rs 158.70; Coconut oil per lb Rs 40; Gingelly oil per quintal Rs 202.29; Gingelly seed per bag Rs 74/75 and Groundnut cake per bag of 160 lbs Rs 25.80.

In the upcountry markets, the summer crop arrivals still continue to be substantial in Villipuram and other towns nearby. The price was lower early last week, but went up later on. Almost all the important centres quoted Rs 70-71 per bag.

As stated earlier in this report last week groundnut kernels price closed higher in the Southern principal centres. Similarly, oils too ruled high in these centres. At Guntur or Bezwada, groundnut oil was quoted at Rs 410 per catty of 500 lbs. At Vridhachalam, the price was Rs 405 per catty. At Nandyal it was not less than Rs 400 per catty. Villipuram price was at Rs 406 and Cuddappah sold oil at Rs 400. Only in Pollachi, Tanjore and Salem, the price of groundnut oil was lower at Rs 395 per catty.

Groundnut kernels was at Rs 70 in Guntur, at Rs 72 in Vridhachalam, at Rs 71 at Villipuram, Rs 72 in Cuddappah and Rs 74 in Pollachi Salem was quoting at Rs 72. All quotations are per kgs.

HIDES & SKINS

Tanned cow hides prices remained firm due to moderate arrivals only. Only premium marks of this commodity had good demand and continues to have the same this week. In the c.i.f. section, business was confirmed at around the rates of 77½, 87½ and 52½. Fifths had good inquiries all through. There were rise in the rates of the inferior fifths for all weights. There was no appreciable change in tanned buffalo hides. In tanned cow calf overseas inquiry proved good.

As for tanned goat skin prices, they were still high due high price paid for raw skins. Similar was the case with tanned sheepskins.

The following are the prices of tanned skins and hides per lb: Cow Prime 5½ lb Rs 2.87 to Rs 3.00; 6½ lb to Rs 2.69; 8½ lb Rs 2.13 to Rs 2.25; 10½ lb Rs 1.94 to Rs 1.97; Inferior Fifths 4½ lb Rs 2.44 to Rs 2.56; 5½ lb Rs 2.37 to Rs 2.44; Buffalo 12/13 lbs Rs 2.46 to Rs 2.06; Buff calf 1½ lb Rs 2.75 to Rs 2.87; Cow Calf 1½ lb Rs 3.50 to Rs 3.62.

Company Reports

Diversification Activities by Fort Gloster

ACCORDING to the report issued by the directors of Fort Gloster Industries Limited, the modernisation of the sacking web spinning section will be completed with the arrival of further four spinning frames out of which two spinning frames with back process have already been shipped.

In the Cable division, further improvement in production has been recorded. Although competition has been experienced, an increase in demand is expected as a result of expansion in the power generation capacity of the country.

Schemes for expansion and diversification in new items of cables are being considered. The company has secured an industrial licence for the manufacture of VIR cables of larger sections, Trailing Cables for mines, Inter-vehicular railway coupler cables, railway signalling cable and special types of cables and flexible cords required for special purposes. Another industrial licence for the manufacture of paper insulated underground cable has also been received.

Meanwhile, the company's accounts for the year ended 31 March 1961 reveal a net profit, after providing for depreciation, of only Rs 12.98 lakhs as against Rs 24.67 lakhs for the previous year despite a rise in sales from Rs 3.85 crores to Rs 6.17 crores. This is mainly due to the rise in manufacturing costs.

In respect of allocations, the Depreciation amount is raised to Rs 21.79 lakhs from Rs 10.29 lakhs. After transferring Rs 4.50 lakhs from General Reserve, a sum of Rs 7.10 lakhs (Rs 4.25 lakhs) is provided for Taxation; Rs 1.75 lakhs (same) for Debenture Sinking Fund and Rs 77,000 (Rs 13.00 lakhs) for Development Rebate Reserve. The directors have recommended a taxable dividend of Rs 10 per Ordinary share on the capital increased by the issue of bonus shares as against Rs 25 per share paid on the original capital.

Mg. Agents:—Kettlewell Bullen & Co., Ltd.			
Year ended March.	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	61,660,380	38,473,049	38,662,924
Stocks	3,141,200	2,190,000	1,347,204
Raw materials	11,106,852	11,156,223	7,100,570
Net profit	3,921,041*	4,096,921*	3,321,559
Taxation	710,000	425,000	1,252,182
Depreciation	2,179,496	1,029,198	873,050
Development Rebate Reserve	77,000	1,300,000	113,544
Other Funds	175,000	175,000	175,000
Div. Amount:			
Ordinary	630,000	1,050,000	840,000
Preference	172,900	172,900	133,000
Carry Forward	72,385	89,140	194,546
Div. % Ord.	10T	25T	7
Div. % Pref.	9.1T	9.1T	20
Div. % 2nd Pref.	6.5T	6.5T	5

*After transferring Rs 450,000 from General Reserve.

After transferring Rs 550,000 from General Reserve.

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

Liabilities.	1961	1960	1959
	Rs.	Rs.	Rs.
Capital P'up:			
7% C. Pref.	1,400,000	1,400,000	1,400,000
5% C. Pref.	700,000	700,000	700,000
Ordinary at Rs 100	6,283,900	2,100,000	2,100,000
Ord. at Rs 50	1,082,000	2,100,000	2,100,000
5% Debentures	5,607,862	5,637,142	6,126,909
Reserve Fund	2,564,527	2,728,182	1,305,401
Other Funds	16,574,760	12,385,515	6,390,981
Loans Secured	2,028,000	525,000	25,000
Loans unsecured	1,118,261	762,900	1,257,161
Taxation Provn.	5,674,616	7,231,010	6,311,679
Debts	72,385	89,140	194,546
Carry Forward			
Total	43,098,331	37,180,979	29,472,677

Assts.	1961	1960	1959
	Rs.	Rs.	Rs.
G. Block	25,282,387	34,169,981	26,126,629
Depreciation	19,083,987	16,904,491	15,943,058
Block (net)	16,198,400	17,265,490	10,183,571
Capital Exp. in progress	28,205	88,353	3,652,683
Pref. and Deb. Issue Exp.	11,664	13,785	15,906
Stores	2,556,686	1,651,501	1,643,333
Raw Materials	11,156,852	11,156,223	7,100,570
Stocks	5,741,926	2,790,854	1,847,204
Outstandings	4,999,115	1,868,468	3,036,733
Do More than 6 months	207,785	152,669	
Mis. Deposits and Advances	1,530,077	1,389,760	1,391,609
Investments	235,913	209,048	209,048
Deposit in Banks		235,000	
Cash	631,708	359,828	401,970
Total	43,098,331	37,180,979	29,472,677

Hukumchand Jute Repeats

The restriction in output and wide disparity between the prices of raw jute and finished goods are reflected in the working results of the Hukumchand Jute Mills Limited for the year ended 31 March 1961. Although sales have risen to Rs 5.81 crores from Rs 4.47 crores, the net profit, after providing for Depreciation and Taxation, amounts to only Rs 19.49 lakhs as against as much as Rs 25.23 lakhs for the preceding year.

In respect of allocations, the Depreciation amount is raised to Rs 11.42 lakhs from Rs 10.26 lakhs; Taxation to Rs 20.40 lakhs from Rs 20 lakhs and Contingency Reserve to Rs 20,000 from Rs 10,000. The provision for Development Rebate Reserve is substantially lower at Rs 45,000 against Rs 3.90 lakhs, while no provision is made for General Reserve against Rs 3.01 lakhs. The dividend on the Ordinary shares is, however, maintained at Rs 2.15 per share on the Ordinary shares, subject to tax.

The subscribed and paid-up capital is Rs 92.50 lakhs, divided into 7,00,000 equity shares of Rs 7.50 each and 40,000-7 per cent Cumulative Preference shares of Rs 100 each. Against this, General Reserve stands at Rs 28 lakhs; Investment Reserve at Rs 4 lakhs and Development Rebate Reserve at Rs 6.55 lakhs.

Mg. Agents:—Ramdudd Ramkissendass.			
Year ended March.	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	58,068,651	44,665,749	50,205,357
Stocks	8,260,463	3,861,118	3,396,920
Raw Materials	8,026,461	9,126,436	6,046,407
Net profit	5,108,936	5,627,332	3,977,535
Taxation	2,040,000	2,000,000	1,728,000
Depreciation	1,141,736	1,025,996	790,002
Reserve Fund		301,000	56,156
Development Rebate Reserve	45,000	390,000	75,000
Div. Amount:			
Ordinary	1,505,000	1,505,000	1,050,000
Preference	364,000	364,000	280,000
Carry Forward	162,375	149,175	107,839
Div. % Ord.	28.7T	28.7T	20
Div. % Pref.	9.1T	9.1T	7

(Annual General Meeting on 17-11-61).

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

Liabilities.	1961	1960	1959
	Rs.	Rs.	Rs.
Capital P'up:			
7% C. Pref.	4,000,000	4,000,000	4,000,000
Ordinary	5,250,000	5,250,000	5,250,000
Reserve Fund	2,800,000	2,800,000	2,500,000
Other Funds	1,073,191	1,010,000	620,000
Loans Secured	12,109,084	9,120,927	7,764,393
Loans unsecured	6,371	6,371	
Taxation Provn.	3,881,611	1,840,530	2,133,012
Debts	7,064,186	9,800,755	7,235,575
Carry Forward	162,375	149,175	107,839
Total	36,346,820	33,977,758	29,617,190

Assts.	1961	1960	1959
	Rs.	Rs.	Rs.
G. Block	32,124,274	31,843,014	30,267,018
Depreciation	18,899,274	17,768,014	16,742,018
Block (net)	13,225,000	14,075,000	13,525,000
Stores	764,914	788,408	682,523
Raw Materials	8,026,461	9,126,436	6,074,742
Stocks	8,260,463	3,861,118	3,396,920
Outstandings	641,613	1,403,811	1,247,002
Do More than 6 months	47,517		
Mis. Deposits and Advances	3,014,890	2,576,044	2,801,976
Investments	1,233,957	1,460,174	1,460,174
Cash	1,132,005	686,767	418,854
Total	36,346,820	33,977,758	29,617,190

Morarjee Goculdas Pays More

Thanks to the rise in the net profit from Rs 37.84 lakhs to Rs 56.96 lakhs, the Morarjee Goculdas Spinning & Weaving Company Limited has been able to raise the ordinary dividend from 2½ to 24 per cent, taxable, for the year ended 30 June 1961. Sales are higher at Rs 4.98 crores against Rs 3.94 crores.

All allocations have been increased:—Depreciation from Rs 11.91 lakhs to Rs 15.91 lakhs; Taxation from Rs 10 lakhs to Rs 16.50 lakhs; General Reserve from Rs 2.50 lakhs to Rs 5.50 lakhs and Development Rebate Reserve from Rs 3.15 lakhs to Rs 4.50 lakhs. Even after these increased allocations, the directors have found it possible to raise the dividend.

Under the expansion and modernisation programme undertaken by the company, further orders for new machinery to the extent of about Rs 27.50 lakhs were placed during the year under review.

Mg. Agents:—Piramal Sons (Private) Ltd.			
Year ended June	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	49,762,782	39,399,700	37,456,693
Interest and M/s.			
Incomes	921,102	869,702	
Stocks	1,460,259	6,746,666	6,429,027
Stock in progress	3,853,181	3,228,536	4,352,554
Net profit	5,696,371	3,784,193	3,300,117
Taxation	1,650,000	1,000,000	1,035,000
Depreciation	1,591,288	1,191,353	525,207
Reserve Fund	550,000	250,000	149,617
Development Rebate Reserve	450,000	315,000	150,000
Div. Amount:			
Ordinary	1,242,000	1,112,625	1,112,625
Preference	100,913	110,917	110,917
Carry Forward	154,822	42,652	238,354
Div. % Ord.	24T	21.1T	21.1T
Div. % Pref.	5.85T	6.43T	6.43T

(Annual General Meeting on 11-11-61 at 11 a.m.)

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

Liabilities.	1961	1960	1959
	Rs.	Rs.	Rs.
Capital P'up:			
4% C. Pref.	1,725,000	1,725,000	1,725,000
Ordinary	5,175,000	5,175,000	5,175,000
Reserve Fund	4,800,000	4,260,000	4,000,000
Other Funds	1,260,557	819,550	518,185
Loans Secured	28,166	6,093,314	7,793,747
Loans unsecured	221,952	489,832	503,614
Taxation Provn.	1,789,845	1,962,074	1,608,355
Debts	5,726,410	6,202,166	4,357,154
Carry Forward	154,822	42,652	238,354
Total	20,881,752	26,759,588	25,919,409

Assts.	1961	1960	1959
	Rs.	Rs.	Rs.
G. Block	32,538,719	30,281,993	28,452,913
Depreciation	23,100,780	41,699,596	40,523,269
Block (net)	9,437,939	8,582,397	7,929,644
Stores	715,395	1,162,107	1,277,849
Stocks in Progress	3,853,181	3,228,536	4,352,554
Raw Materials	3,206,371	2,480,979	4,471,485
Stocks	1,460,259	6,746,666	6,429,027
Outstandings	700,458	1,542,868	357,060
Do More than 6 months	24,729		
Mis. Deposits and Advances	1,011,739	2,921,506	1,042,203
Investments	13,809	13,809	13,809
Cash	457,862	80,720	39,400
Total	20,881,752	26,759,588	25,919,409

Quoted Shares

Preference Shares

CALCUTTA

NAME	Paid-up per Share	Quotation as on 27-10-61
	Rs	pF
BANKS		
Allahabad 6% ... 100	95.50	
Behar 5% ... 50	16.00	
COAL		
Asso. K'pura 4½% ... 100	50.50*	
Bharat 5½% ... 100	31.75	
Borra 6½% ... 100	70.00	
Burrakur 7% ... 100	98.45	
Burrakur 6% ... 10	7.40	
Equitable 6% ... 100	80.00	
Ghusick & Muslia 5% ... 100	100.00	
Gourangdi 5% ... 100	40.00*	
Karapur 5½% ... 100	54.00	
Khas Kajora 5½% ... 10	6.95	
N. Beerboom 7% ... 10	10.50	
N. Churulia 5% ... 100	5.06	
N. Huntville 6% ... 100	45.00*	
Ondal 6½% ... 100	64.10*	
Parasa 5½% ... 100	39.00*	
United Colliery 5% ... 100	64.50*	
COTTON		
Basanti 6½% ... 100	6.94	
Bengal-Nagpur 7% ... 100	75.00	
Bharat Commerce 9% ... 100	100.00	
Bowreah 8% ... 100	94.60	
Bowreah 7% ... 100	71.00	
Elgin 8% ... 100	108.00	
Elgin 5% ... 10	6.97	
Jagatjit 5% ... 100	80.08	
Jijaneera 5½% ... 100	86.00	
J. K. Cotton 6% ... 100	86.60*	
J. K. Rayon 6½% ... 100	100.00	
Kesoram 7% ... 100	94.00	
Kesoram 5½% ... 100	84.00	
Mulr 6% ... 100	101.00	
N. Victoria 3% ... 5	3.62	
Orissa 5% ... 100	65.00	
Shree Madhusudan 4½% ... 100	79.00	
Shree Niwas 4% ... 100	48.80*	
Shree Bhawani 6% ... 100	69.00	
Swadeshi 6% ... 100	74.00	
JUTE		
Agarpara 7% ... 100	82.00	
Alexandra 7% ... 100	79.00*	
Alliance 6% ... 100	64.50	
Anglo-India 7% ... 100	84.00*	
Auckland 5½% ... 100	55.93	
Auckland 4½% ... 100	33.08	
Bally 7% ... 100	93.00	
Bally 7% ... 25	38.00	
Barnagore 5% ... 100	81.00	
Bavdevere 7% ... 100	53.00	
Bengal 5½% ... 100	84.50	
Biria 7½% ... 100	83.14	
Budge-Budge 7% ... 100	66.50	
Calcutta 6½% ... 100	45.00	
Caledonian 7% ... 100	80.00	
Cheviot 7% ... 100	91.50	
Chitavalsah 7% ... 100	89.00	
Clive 6% ... 100	61.00	
Clive 7% ... 100	70.00	
Dalhousie 7% ... 100	81.95*	
Delta 5% ... 100	69.25	
Empire 7% ... 100	74.30	
Fort Gloster 7% ... 100	100.00	
Fort Gloster 5% ... 100	62.00	
Fort William 7% ... 100	80.80	
Ganges Mfg. 8% ... 100	99.80	
Gourepore 6% ... 100	90.75	
Haughes 6% ... 100	79.00	
Howrah 'A' Pref. ... 100	9.95*	
Howrah 7% ... 100	88.45	
Hukumchand 7% ... 100	81.50	
Kamarhaty 6% ... 100	68.00	
Kankarnath 6% ... 100	75.25	
Kankarnath 7% ... 100	68.00	
Kalyan 7% ... 100	90.50	
Kalyan 7% ... 100	92.00	
Khardah 6% ... 100	76.00	

NAME				NAME				NAME				NAME				NAME				NAME				NAME							
Paid-Quotation				Paid-Quotation				Paid-Quotation				Paid-Quotation				Paid-Quotation				Paid-Quotation				Paid-Quotation							
up per as on				up per as on				up per as on				up per as on				up per as on				up per as on				up per as on							
Share. 27-10-61				Share. 27-10-61				Share. 27-10-61				Share. 27-10-61				Share. 27-10-61				Share. 27-10-61				Share. 27-10-61							
Rs nP				Rs nP				Rs nP				Rs nP				Rs nP				Rs nP				Rs nP							
AL				Belvedere				Calcutta				Dr. Paul Lohmann				PAPER MILLS				Brooke Bond				Roopacherra				Coitand 7 1/2%			
naigamated				Bengal				Cuttack				Duncan Bros.				Ashok Paper				Dejoo Valley				Rungamattie				Devon 7 1/2%			
so. Karanpura				Bharat				Dharwar				Dunlop Rubber				Bangapur				Dessai and Purbat				Sonal River				Hileybury 5%			
so. Laikdih				Bhirla				Dishegarh				East Anglia Plastics				India Paper				Dhelaikat				Tea Producing Co.				Highland 6%			
gdigi Kujama				Budge-Budge				Jubbulpore				Eastern Invest.				Mysore Paper				Dunseri				Tilkah				Kadur Coffee 6 1/2%			
ngal				Calcutta				Jhansi				Elec. Const.				Orient Paper				Dugargarh								Karikode 6%			
ngal Bhatdee				Caledonia				Mirzapur				French Motor				Seshasayee				Dimakuri				Chittagang Gardens				Kil Kotagiri 7%			
ngal-Nagpur				Champdany				Muzaffarpore				Ganges Rope				Sree Gopal				Dufflaghur				Kodala				Kurchermal 6 1/2%			
algora				Cheviot				Patna				General Tyres				Srirup Paper				East India				Kornahuli				Malabar Agri. 6%			
arat				Chitavalsah				Shahjahanpur				Gillanders				Star Paper				Gillapukuri				Oodaleah				Manimala 5%			
owra Kankanee				Clive				Sijua Jheriah				Godfrey Phillips				Straw Products				Gobpur								Mer. Rubber 6%			
ulanbaracee				Dalhouse				United Provinces				Good Year India				Titaghur P.O.				Grob								Midlands 6%			
karo & Ramgur				Delta				Upper Juma				G. E. Hotel				Titaghur Ord.				Hapijan Purbat											
grea				Empire								Greaves Cotton				U. I. Couper				Hoojrajuli				Baitakhal				Mysore Amal. 6%			
rrakur				Fort Gloster								Gwalior Rayon				West Coast				Hoolungoorie				Chundeecherra				Mysore Plan. 6%			
ntral India				Fort William								Hindus. Alumn.								Joonkollie				Dauracherra							
ntral Kurkend				Ganges Mfg.								Hindusthan Develop.								Jutlibari				Hastikhira							
urulia				Gondalpara								Hindusthan Ice								Kyang Tea Seed				Kaliti							
ieno Main				Gourepore								Hindusthan Lever								Kingley Golaghat				Lackatoorah							
st Indian				Hastings								Hindus. Motors								Krishnabehari				Loobah							
uitable				Hooghly								Hind. Nat. Glass								Ledo				New Samanbagh							
usick & Muslia				Howrah								Hindus. Pilkington								Maud				Patrakia							
urandi				Hukumchand								Hindusthan Tywifords								Methoni				Rajagur							
izdar Kajora				Indi								Hindusthan Wire								Moheema				Teliapara							
iriladih				Kamarhaty								Hoare Miller								Mothola				South Indian Gardens							
inty Central				Kamarhaty (B)								Impl. Tobacco								Murphulani				Kotamullai							
gta				Kankannarh								Indian Alum.								Murphulani P.O.											
ranpura				Kankannarh (B)								Indian Cable								Naga Hills											
atras Jheriah				Kedarnath								Indian Oxygen								Namburnadi											
has Kajora				Kelvin								Indian Plastic								New Cinnatoliah											
jardi				Kinnison								Indian Rayon								Nob Monkhoooshi											
akurka				Landsdowne								Indian Rubber								Sajol											
shabir				Lawrence								Indian Wood								Seajuli											
undulpore				Mahabir								Issac Holdens								Telofian											
azira				Megna								Ivan Jones								Tengpani											
aw Beerbhoom				Naihati								James Wright								Texpore											
aw Cherullia				National								James Wright Defd.								Tongani											
aw Huntodih				National								J. Henderson								Tyroon											
orth-West (F.P.)				National								J. Shree Tea Indus.																			
orth-West (P.P.)				Nellimarla								Jeevanlal																			
dental				New Central								John Paterson																			
adal				North Brook								Kallimpong Rope																			
rasea-				Nuddea								Kesoram Indus.																			
ree Valley				Presidency								Kettlewell Bullen																			
ure Sitalpore				Rameshwara								Khandelwal Ferro																			
aneegunge				Reliance								Alloys																			
awa				Shree Ambica								Kishore Trading																			
mla				S. Luchminarayan								Kusum Products																			
arsol-				S. Luchminarayan								Macfarlane																			
sehpore				Soorab								Macfarlane Defd.																			
ndra				Union								Macneill & Barry																			
ree Mahakali				Waverley								Madhya Pradesh Ind																			
uth Karanpura												Martin-Burn																			
andard												Mahindra and																			
nion												Mahindra																			
nited Collieries												Marwar Trading																			
estern Bengal												McLeod & Co.																			
est Ghusick												Metal Box																			
est Jamuria												Moradabad Water																			
est Laikdih												N. I. Cables																			

NAME	Paid-Quotation up per Share.	as on 27-10-61 Rs pP	NAME	Paid-Quotation up per Share.	as on 27-10-61 Rs pP	NAME	Paid-Quotation up per Share.	as on 27-10-61 Rs pP	NAME	Paid-Quotation up per Share.	as on 27-10-61 Rs pP
Trav. Chem. 61%	10	8.82	Miamally	25	35.80	Vijayakumar	100	140.00	Ah. Adv. 5%	100	70.50
T. Stanes 7%	100	88.50	Mysore Amalgam	5	5.50	Vijayalakshmi	100	104.00	B. R. Cotton 6%	100	75.00
United Elec. 5%	10	10.20	Mysore Coffee	2	3.40	Vijayamohini	100	90.00	Bradbury 7%	50	30.00
Vanguard Fire 51	6	4.73	Mys. Plantations	2	1.50	Vijayeswari	100	167.00	Central India 5%	100	132.50
W.L. Plywood 6%	100	86.54	Neelamalai	5	4.40	Virudhunagar	50	57.50	Century 6%	100	109.00
Ordinary Shares			MISCELLANEOUS			Alum. Indus.			Elphinstone 7%		
MADRAS			Andhra Cement			Andhra Cement			Hindustan 41%		
BANKS			Andhra Cement			Andhra Cement			Hindustan 41%		
Andhra	100	100.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Andhra	85	84.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Canara Bank	50	90.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Canara Banking	50	90.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Canara I. & B. 'A'	100	285.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Canara I. & B. 'B'	10	20.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Canara I. & B. 'C'	1	2.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Indian Bank	100	183.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Indian Bank	80	150.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Indian Overseas	100	197.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Parayan	10	27.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Punjab National	10	20.00	Andhra Cement			Andhra Cement			Hindustan 41%		
State Bank of Mysore	100	170.80	Andhra Cement			Andhra Cement			Hindustan 41%		
State Bank of Trav.	100	125.00	Andhra Cement			Andhra Cement			Hindustan 41%		
ELECTRICS			Andhra Cement			Andhra Cement			Hindustan 41%		
Cochin	10	12.25	Andhra Cement			Andhra Cement			Hindustan 41%		
Ellore	10	20.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Karakkai	10	9.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Kumbakonam	10	10.75	Andhra Cement			Andhra Cement			Hindustan 41%		
Nagapattinam	10	10.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Salem-Erode	10	13.25	Andhra Cement			Andhra Cement			Hindustan 41%		
South Madras	10	10.10	Andhra Cement			Andhra Cement			Hindustan 41%		
Tin-Tuticorin	10	11.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Vellore	10	13.75	Andhra Cement			Andhra Cement			Hindustan 41%		
West Coast	10	14.00	Andhra Cement			Andhra Cement			Hindustan 41%		
GAR			Andhra Cement			Andhra Cement			Hindustan 41%		
Andhra	10	27.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Cauvery	100	117.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Deccan	5	12.55	Andhra Cement			Andhra Cement			Hindustan 41%		
E. I. Distillery	250	38.90	Andhra Cement			Andhra Cement			Hindustan 41%		
India	10	11.25	Andhra Cement			Andhra Cement			Hindustan 41%		
Jeyore	10	10.25	Andhra Cement			Andhra Cement			Hindustan 41%		
K. C. P.	10	24.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Kirampudi	100	80.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Kothari	10	6.40	Andhra Cement			Andhra Cement			Hindustan 41%		
Mysore	10	5.5	Andhra Cement			Andhra Cement			Hindustan 41%		
Shavancore	10	10.22	Andhra Cement			Andhra Cement			Hindustan 41%		
United Breweries	10	104.60	Andhra Cement			Andhra Cement			Hindustan 41%		
PLANTATION			Andhra Cement			Andhra Cement			Hindustan 41%		
Alageswar	2	2.22	Andhra Cement			Andhra Cement			Hindustan 41%		
Amalgamated	10	11.06	Andhra Cement			Andhra Cement			Hindustan 41%		
Anandam	10	13.40	Andhra Cement			Andhra Cement			Hindustan 41%		
Anapalai	8	3.70	Andhra Cement			Andhra Cement			Hindustan 41%		
Arthala	5	4.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Aumattam	2	0.90	Andhra Cement			Andhra Cement			Hindustan 41%		
Attikhan	5	2.80	Andhra Cement			Andhra Cement			Hindustan 41%		
Bababudin	5	8.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Badra	2	3.39	Andhra Cement			Andhra Cement			Hindustan 41%		
Balanor	10	14.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Balmadies	2	2.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Be Be	5	2.85	Andhra Cement			Andhra Cement			Hindustan 41%		
Blue Mountain	2	3.12	Andhra Cement			Andhra Cement			Hindustan 41%		
Chandramalai	2	2.60	Andhra Cement			Andhra Cement			Hindustan 41%		
Chembra	2	3.74	Andhra Cement			Andhra Cement			Hindustan 41%		
Cochin Malabar	3	7.37	Andhra Cement			Andhra Cement			Hindustan 41%		
Coffee Lands	10	16.30	Andhra Cement			Andhra Cement			Hindustan 41%		
Cons. Coffee	10	20.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Coonor	10	26.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Coorg	2	5.65	Andhra Cement			Andhra Cement			Hindustan 41%		
Cottanad	10	10.65	Andhra Cement			Andhra Cement			Hindustan 41%		
Cowooddy	2	4.45	Andhra Cement			Andhra Cement			Hindustan 41%		
Devashola	10	31.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Devon	10	13.76	Andhra Cement			Andhra Cement			Hindustan 41%		
Emerald Valley	5	5.05	Andhra Cement			Andhra Cement			Hindustan 41%		
Gokul	2	2.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Haileyburia	10	13.90	Andhra Cement			Andhra Cement			Hindustan 41%		
Highland	10	14.30	Andhra Cement			Andhra Cement			Hindustan 41%		
Kadur	2	2.78	Andhra Cement			Andhra Cement			Hindustan 41%		
Kallias	2	5.55	Andhra Cement			Andhra Cement			Hindustan 41%		
Kallasa	2	5.55	Andhra Cement			Andhra Cement			Hindustan 41%		
Kalpetta	10	12.70	Andhra Cement			Andhra Cement			Hindustan 41%		
Karikode	10	8.22	Andhra Cement			Andhra Cement			Hindustan 41%		
Kilkotagiri	2	4.80	Andhra Cement			Andhra Cement			Hindustan 41%		
Kumergode	2	4.58	Andhra Cement			Andhra Cement			Hindustan 41%		
Kurchimala	10	4.97	Andhra Cement			Andhra Cement			Hindustan 41%		
Lingapur	2	4.59	Andhra Cement			Andhra Cement			Hindustan 41%		
Lucky Valley	10	11.65	Andhra Cement			Andhra Cement			Hindustan 41%		
Malabar Agri.	10	7.30	Andhra Cement			Andhra Cement			Hindustan 41%		
Malabar Indust.	10	11.25	Andhra Cement			Andhra Cement			Hindustan 41%		
Meenankara	10	17.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Menar	2	2.63	Andhra Cement			Andhra Cement			Hindustan 41%		
Menmale	10	8.75	Andhra Cement			Andhra Cement			Hindustan 41%		
Mercara	5	8.67	Andhra Cement			Andhra Cement			Hindustan 41%		
Midland	10	11.00	Andhra Cement			Andhra Cement			Hindustan 41%		
TEXTILES			Andhra Cement			Andhra Cement			Hindustan 41%		
Adoni	100	13.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Anglo-French	100	150.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Asher	100	230.40	Andhra Cement			Andhra Cement			Hindustan 41%		
Balarama Varma	100	87.70	Andhra Cement			Andhra Cement			Hindustan 41%		
Balarama Varma B	10	8.87	Andhra Cement			Andhra Cement			Hindustan 41%		
Balasubramania	40	95.76	Andhra Cement			Andhra Cement			Hindustan 41%		
Balasubramania B	70	150.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Bangalore Woollen	100	225.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Buckingham	100	252.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Cambodia	10	12.15	Andhra Cement			Andhra Cement			Hindustan 41%		
Cannanore	100	171.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Cauvery	10	14.80	Andhra Cement			Andhra Cement			Hindustan 41%		
Coimb. Cotton	100	108.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Coimb. Kamala	100	85.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Coimb. Kamala	50	46.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Coimb. Murugan	100	134.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Coimb. Pioneer	100	282.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Coimb. Spinning	50	69.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Dhanalakshmi	100	244.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Hemalatha	10	9.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Janardana	50	60.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Jawahar	10	12.75	Andhra Cement			Andhra Cement			Hindustan 41%		
Kadri	100	114.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Kadri	10	14.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Kannappiran	10	11.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Kasthuri	25	21.43	Andhra Cement			Andhra Cement			Hindustan 41%		
Kerala Lakshmi	50	50.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Kothari	10	13.15	Andhra Cement			Andhra Cement			Hindustan 41%		
Kr. Rajendra	50	74.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Lakshmi	50	166.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Lakshmi A	25	76.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Loyal	50	51.75	Andhra Cement			Andhra Cement			Hindustan 41%		
Madura	15	40.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Mettur	100	388.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Palamalai Ranga	100	92.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Palani Andavar A	50	232.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Palani Andavar B	75	295.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Pankaja	100	91.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Premier	100	295.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Pudukotah	100	56.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Pullcar	100	115.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Radhakrishna	25	41.75	Andhra Cement			Andhra Cement			Hindustan 41%		
Rajalakshmi	50	102.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Rajapalayam	100	148.80	Andhra Cement			Andhra Cement			Hindustan 41%		
Ramakrishna	100	207.90	Andhra Cement			Andhra Cement			Hindustan 41%		
R. G. Ambikat	100	102.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Rangavilas	50	50.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Rayalseema	100	163.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Sarada	100	67.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Sivanandha	10	26.25	Andhra Cement			Andhra Cement			Hindustan 41%		
S. India Viscose	100	187.50	Andhra Cement			Andhra Cement			Hindustan 41%		
Thirumurti	100	127.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Thirupati	10	13.25	Andhra Cement			Andhra Cement			Hindustan 41%		
Trav. Rayon	10	41.85	Andhra Cement			Andhra Cement			Hindustan 41%		
Trichinopoly	10	13.40	Andhra Cement			Andhra Cement			Hindustan 41%		
Vasanta	100	281.00	Andhra Cement			Andhra Cement			Hindustan 41%		
Venkatesa	50	185.00	Andhra Cement			Andhra Cement			Hindustan 41%		
PREFERENCE SHARES			Andhra Cement			Andhra Cement			Hindustan 41%		
BOMBAY			Andhra Cement			Andhra Cement			Hindustan 41%		
NAME			Andhra Cement			Andhra Cement			Hindustan 41%		
Paid-Quotation			Andhra Cement			Andhra Cement			Hindustan 41%		
up per			Andhra Cement			Andhra Cement			Hindustan 41%		
Share.			Andhra Cement			Andhra Cement			Hindustan 41%		
as on			Andhra Cement			Andhra Cement			Hindustan 41%		
27-10-61			Andhra Cement			Andhra Cement			Hindustan 41%		
Rs pP			Andhra Cement			Andhra Cement			Hindustan 41%		
NAME			Andhra Cement			Andhra Cement			Hindustan 41%		

NAME	Paid-up Share	Quotation 29-9-61 as on Rs. nP
Jaxmi Starch	100	171.00
Madhya Pradesh Ind.	10	14.76
V. I. Fisheries	100	107.50
New India Indus.	100	402.50
Gale Glass Works	5	5.48
Permanent Magnet	50	93.00
Phillips Carbon	76	20.00
Tohtas Indus.	10	16.64
Telefed Satgram Col.		
Beries	100	14.60
Supreme Industries	100	152.50
Synthetic & Chemis	100	200.00
Thacker & Co.	50	40.00

Ordinary Shares (Cleared)

COTTON TEXTILES

Ahmed Advance	100	186.00
Apollo	2	2.08
Azam Jahi	100	94.00
A. K. Cotton	100	45.00
Bombay Dyeing	25	68.00
Central India	100	135.00
Century	100	589.00
Edward Textile	200	330.00
Elphinstone	50	116.00
Enlay	100	326.00
Jokak	100	203.00
India United	10	15.16
India United (Defd.)	1	2.22
Indore	100	175.00
Chatau	100	435.00
Cohnoor	100	311.00
Alinerva	100	80.00
Alorjee	100	393.50
Wysore	50	61.00
Yew Great	100	250.00
Jamansahi	100	71.00
Jadar	100	147.00
Jhriivas	100	382.00
Jimplex	50	168.00
Jstandard	50	149.00
Jvadeshil	100	277.00
Jwan	100	347.50
Jata	25	70.50

ELECTRICS

Ahmedabad	100	92.00
Andhra Valley	100	1037.50
Bombay Suburban	100	102.00
Cata Hydro	100	109.50
Cata Power	100	1110.00

EMENT

Andhra 'B'	10	9.40
A-C-C	100	170.75
Drissa	10	14.96
Shree Digvijay	100	84.00

TEEL

Indian Iron	10	24.40
Mukund	10	28.50
Jata	75	145.50

ENGINEERING

Alcock	100	327.00
Cooper	100	188.50
Jensen and Toubro	10	38.75
Cata Engg. and Loco-		
motive	100	361.50
Texmaco	10	18.76
Volta	100	303.50

SHIPPING

Great Eastern	10	13.76
Scindia	20	12.60

SUGAR

Belapur	50	271.00
Bhopal	10	24.80
Phaltan	50	131.00
Shree Chandoo	124	23.72
Walchand	100	165.50

MISCELLANEOUS

Bombay Burmah	125	632.50
B. B. Petrol	145h	1.32
Hindustan Motor	100	19.88
Indian Copper	25h	4.90
Ind. Inv. Trust	100	74.30
National Rayon	100	547.50
Polson	100	172.50
Premier Auto	100	156.25
Premier Const.	30	194.50
Rivrajpur	10	55.00
Sirpur Paper	10	16.48
Tata Chemical	10	17.28
Tata Oil	25	77.00
Wimco	100	293.50

For the Investor

INVESTMENT GOSSIP Cheerful Sentiment

The stock market has been displaying a steady trend this week as sentiment is aided by revival speculative as well as investment support. Although the long-awaited announcement on cement prices has failed to generate much general enthusiasm, support is nevertheless forthcoming for selected cement shares. The speculative counters are led forward by Indian Iron which has recorded some useful gains presumably on hopes of an early announcement of a favourable retention price.

While continued good corporate news makes sellers hesitant, the fact that the principal counters on both Dalal Street and Lyons Range are benefiting by the sustained interest in them, has helped turn the overall picture cheerful. The week has witnessed a broadening of investment interest in jute shares on Lyons Range. It is believed that the jute goods industry has left its worst period behind and is well on the road to profitable working. Although overseas interest in jute goods is still halting, indications are that before long there will be a marked revival. At current prices mills are making moderate profit on their sales and production is being progressively increased. Cotton mill shares are meeting with sustained support as the industry is expected to make a better showing in view of the improved demand for cloth.

The constructive approach is also partly the result of the improved prospects of increased private US investment in India as a result of the recent discussions in New Delhi between prominent US businessmen and the Government of India. Indications are that the visiting US businessmen have been favourably impressed by the opportunities that are available in the country for profitable investment. Operators have also been encouraged by the removal of the restrictions on clean advances by banks. Technical considerations have been another important factor in the rally.

While the many favourable points in the investment situation may be expected to keep sentiment constructive, it is doubtful if prices will continue to scale fresh new highs in coming weeks. For one thing, Dalal Street will remain closed almost the whole of next week on account of the Diwali holidays. A fresh crop of new issues is expected in the course of the next few months and investors may not find it feasible to devote undivided attention to the existing list on the stock markets. There is then the lingering anxiety

about industrial production in view of the continued shortage of power, transport and coal to which the Central Advisory Council of Industry has drawn pointed attention.

NEW ISSUE NOTES Seshasayee Industries

More details are now available of the proposed capital issue of Seshasayee Industries. The company proposes to issue 400,000 ordinary shares of Rs 10 each to meet the bulk of the cost of the expansion programme, estimated at Rs 60 lakhs. The balance of Rs 20 lakhs will be raised by way of a medium-term loan from financial institutions. Of the proposed issue of Rs 40 lakhs, the existing shareholders are expected to take more than Rs 10 lakhs and the balance will be offered to the public. Efforts are being made to have the public issue underwritten. The LIC has agreed to underwrite Rs 15 lakhs and the Madras Industrial Investment Corporation an equal sum. The balance will be underwritten by brokers.

United Malleable Company

The United Malleable Company Limited, Bombay, has proposed to issue Rs 85 lakhs in equity shares of Rs 100 each, at par. Out of this issue, 23,900 shares will be offered to Messrs Union Malleable Manufacturing Company of Ohio, USA or their nominees, in part payment for the supply of plant and machinery and the balance will be subscribed in India for cash.

Business Credit and Finance Corp.

The Business Credit and Finance Corporation Limited, Bombay, has been allowed to raise its capital by Rs 15 lakhs for the expansion of its activities.

Usha Spinning

The directors of Usha Spinning have decided to close the subscription list for the issue of equity shares. The list opened on Monday this week and the equity issue was reported to have been over-subscribed even on the opening day. At the request of the underwriters, the preference list will, however, be kept open till 6 November.

Permanent Magnets

Permanent Magnets Limited has not extended the date for the payment of the first call money. Its bankers have been, however, instructed to accept the call money

with interest at the rate of 9 per cent, effective from 1 November

Tensile Steel

The last date for payment of allotment money at Rs 25 per share on the equity shares of Tensile Steel Limited was 30 October. However, on request from numerous shareholders, the directors have decided to extend the time till 30 November.

INVESTMENT NOTES IISCO Output

The production figures released by the Indian Iron & Steel Company Limited for last month give an encouraging reading. The output shows an all round increase: Pig Iron to 105,822 metric tonnes from 97,760 tonnes in September; Steel Ingots to 81,969 tonnes from 76,888 tonnes and Saleable Steel to 61,921 tonnes from 60,138 tonnes. Despatches are also higher at 66,257 tonnes against 58,138 tonnes; and these would have been still higher, but for the shortage of wagons. In this connection, the directors state that, due to short supply of 75 bogie-wagons by the railways, 3,000 tons of finished materials could not be despatched during the month.

TISCO Output

The production figures released by the Tata Iron & Steel Company have also shown an all-round improvement. The output of Saleable Steel in October was 5,700 metric tons more at 112,700 metric tons than the September output. This comprises 33,700 metric tons of semi-finished steel and 79,000 metric tons of finished steel, which compare with the September figures of 28,400 and 78,600 metric tons respectively. The output of Pig Iron has improved to 130,100 metric tons from 123,900 metric tons, while that of Steel Ingots is better at 137,600 metric tons as against 128,300 metric tons.

Automotive Manufacturers

The Automotive Manufacturers (Private) Limited has obtained the Government sanction to issue bonus shares worth Rs 2,50,000 in the ratio of one share for every four equity shares held.

Girdhardas Harivallavdas Mills

Girdhardas Harivallavdas Mills Limited, Ahmedabad, has obtained the consent from the Controller of Capital Issues to capitalise Rs 1.50 lakhs from Reserves and issue bonus shares. The bonus shares will be of the value of Rs 125 each and will be allotted to the holders of the existing 4,800 equity shares in the ratio of one bonus share for every four equity shares held.

Coimbatore-Salem Transport

The Coimbatore-Salem Transport (Private) Limited will be issuing bonus shares worth Rs 75,000 in the proportion of one bonus share for every share held by the existing shareholders.

Andhra Cement

The authorities of the Bombay Stock Exchange have decided to remove the equity shares of the Andhra Cement Company from the cleared list, because only a few transactions take place in these shares and they are largely inactive.

Madras Rubber

It is learnt that the construction work connected with the programme for manufacturing truck and car tyres by the Madras Rubber Factory Limited in collaboration with Mansfield of the USA has been progressing satisfactorily. The pilot plant has been received and it is expected that trial operations will start shortly. The new factory itself is expected to be in production sometime in the latter half of next year. The company has placed orders for the required plant and machinery with the suppliers in Europe and USA. Complete licences have been obtained from the Central Government.

Andhra Sugars

Andhra Sugars Limited has decided to issue additional capital for Rs 10 lakhs in equity shares of Rs 10 each to the existing shareholders in the proportion of one share for every three shares held.

Khandelwal Udyog

Khandelwal Udyog Limited has been successful in concluding a technical collaboration agreement with an Italian firm for the manufacture of industrial furnaces. The Italian collaborators are well known in the line and their equipment is already being manufactured in other European countries. The manufacturing programme includes both combustion and electric furnaces and will meet the needs of the metallurgical and engineering industries. With the exception of automatic controls and instrumentation, it is expected that most of the major components will be manufactured indigenously right from the beginning.

Dehri-Rohtas

The shares of Dehri Rohtas are attracting attention on rumours that the company has been permitted to issue bonus shares, which are expected to be announced shortly.

Dunlop Rubber

In connection with the bonus shares, Dunlop Rubber Company (India) Limited has convened a general meeting on 23 November. The new ordinary shares so distributed shall rank in all respects pari passu with the existing ordinary shares. Transfer Books of the company will be closed from 10 to 23 November, 1961.

Delhi Cloth

The Delhi Cloth and General Mills Company Limited has undertaken installation of two new plants—the PVC plant with a daily capacity of 20 tons together with ancillary units

of calcium carbide and chlorine and caustic soda and the rayon tyre cord plant with a daily capacity of 10 tons for the manufacture of high tenacity rayon tyre and yarn and fabrics. Agreements for the supply of know-how and machinery for these projects have been entered into with reputed firms of Japan and the USA.

STOCK EXCHANGES Pre-Diwali Jubilation

Watch-Dog Writes:

STOCK markets have given an impressive performance during the week under review. To main factors have contributed to the happy atmosphere. One is, that Diwali is fast approaching and it is customary to keep an open position. The second is the fresh flow of good corporate news. There is, however, a general disposition to book profits at bulges.

A broadening of enquiry in Jute shares at enhanced levels was the main feature of trading on the Calcutta Stock Exchange. Conditions in other sections also remained firm with selected issues making further headway.

The Bombay Stock Exchange was also buoyant, resulting in a quite heavy turnover. Tata Chemicals were a special of the week's trading, having recorded a smart rise on rumours of a right issue.

On the Madras Stock Exchange, selective buying continued and the volume of business was fairly large.

CALCUTTA

Friday Evening.

ALTHOUGH the local stock market started on a dull note, there was a welcome improvement in sentiment from the middle of the week, being influenced by the flow of excellent corporate news. Initially, sentiment was affected by the thought of the possibility of industrial production being hampered generally by the shortage of power and transport as well as strategic raw materials. This was revealed in the statement made by the Chairman of the Indian Copper Corporation. Operators also realised that there would be a growing shortage of funds in the near future, especially when a long queue of new issues was expected during the next few weeks.

But, the sudden turn in market sentiment from Wednesday was influenced by various factors. First was the announcement of the increase in the ex-factory price of cement. Although the disappointment over the Government in not having accepted the Tariff Board's recommendations in full caused a slight reaction in Cement shares, the market again firmed up on the second thought that the fixation of a uniform price might benefit smaller units and improve their working.

Secondly, the news of the decision made by the IJMA to unseat 24 per cent of the looms gave rise to a feeling that the industry would be making still better profits, as bigger

supplies of raw jute were available. Thirdly, a further rise in foreign exchange reserves led to a belief that it would be possible for India to obtain her requirements for importing the necessary equipment and raw materials.

Fourthly, operators received inspiration from the discussions at the Business International Conference, recently held at New Delhi. It was felt that there would be a better collaboration and more joint ventures between the two countries. Finally, the encouraging production figures released by both the IISCO and the TISCO for last month enthused the operators to be more active in their dealings. Although slight profit-taking was noticed at the higher levels, the tone of the market was well maintained till the close.

The Gilt-edged market presented listless conditions. The undertone was subdued following the reduction made by the Reserve Bank in their buying rates of several securities. With buyers few and far between, turnover was negligible. After opening at Rs 73, 3 per cent 1986 Conversion Loan receded gradually to Rs 72.15 before finishing at Rs 72.18.

Bank shares ruled very steady. Punjab National changed hands at Rs 19.75 to Rs 19.87 and United Commercial at Rs 90.50 to Rs 91.50.

It cannot be denied that a broadening of enquiry for Jute shares at enhanced levels was a major stimulating factor for the cheerful sentiment prevailing in the market. There was a growing feeling that, at the present prices of fibre and jute goods, mills might be making reasonable profits on simultaneous business. Almost all the shares registered handsome rises in prices. Birlas were taken up to Rs 29.25 from Rs 27.56; Delta up to Rs 170 from Rs 160; Ganges up to Rs 12.56 from Rs 11.69; India up to Rs 16.06 from Rs 15.50; Khaddah up to Rs 17.56 from Rs 17.00 and Nuddea up to Rs 69.00 from Rs 53.50. New Central were pushed up to Rs 18.12 from Rs 17.19. Howrah moved between Rs 21 and Rs 21.12.

With the exception of Burrakur which were subjected to continued speculative buying up to Rs 18.75 from Rs 18.06, Coal shares were in doldrums in the absence of any stimulating news. Bengal were on offer at Rs 354 against Rs 365 and Western Bengal at Rs 9.19. Amalgamated were, however, steady at Rs 21.81 with Central India ruling quiet at Rs 11.75 against Rs 11.94.

There was little doing in the tea section, as reports of auction sales did not contain any element to generate enthusiasm amongst the operators. Moreover, anxiety was expressed over the uncertainties concerning the marketing outlook for the commodity. Hasimara came in for offer at Rs 30.75 to Rs 30.87 and Tezpur at Rs 17 against Rs 17.12. Jay Shree were, however, boosted up to Rs 20.75 from Rs 18.25 following the diversification of the company's activities.

Except for a further rise in Dyer Meakin from Rs 36 to Rs 36.56 due to renewed demand, there was practically no trading in the Sugar

section. Raza-Buland were rather sticky at Rs 10.75 and as also SKG at Rs 10.75. Carew were supported up to Rs 14.06 from Rs 13 from interested quarters.

The increased demand for cloth was reflected in the Textiles section, which presented a firm front. Elgins were keenly sought after up to Rs 24.50 from Rs 22.06 and Cawnpore up to Rs 9.25 from Rs 9.00. Kesoram at one time touched a high of Rs 32.56 from Rs 31.62; J. K. Rayon Rs 20.19 from Rs 19.81 and Bowreah Rs 36.63 from Rs 36.50, to close finally at Rs 32.50; Rs 20.06 and Rs 36.00 respectively. Dunbar were rather quiet at Rs 33.37 with Jay Shree better at Rs 17.50 against Rs 17.31.

Engineering shares displayed a firmer tendency under the lead of Indian Irons which, in turn, were subjected to heavy speculative buying following the encouragement derived from the release of the production figures for last month. Higher advices from Bombay were also a contributory factor. After starting steady at Rs 24.72, Indian Irons receded to Rs 24.48. The emergence of bull support at this level pushed up the scrip to Rs 25.08, the highest level touched for the week.

Other engineering shares moved up in sympathy. J. K. Steel Old were wanted up to Rs 23.06 from Rs 21.87 and the new shares up to Rs 21.25 from Rs 19.56. Braithwaite were enquired up to Rs 39.50 from Rs 39.00 with Jessop changing hands at Rs 20.81 to Rs 21.25; Binani Metal at Rs 12.06 to Rs 12.19; Jay Engineering at Rs 27.62 to Rs 28.00 and Guest, Keen, Williams at Rs 40.12 to Rs 40.37. TEXMACO moved up to Rs 18.90 from Rs 18.56.

In the Miscellaneous section, most of the issues forged ahead, either on individual merit or interested support from special quarters. Indian Aluminium were pushed up to Rs 38.81 from Rs 35.44 on rumours of the possibility of a right issue. J. K. Synthetics touched a new high of Rs 14 from Rs 13.44 due to sustained buying by the Bombay operators. Dunlop Rubber showed a substantial recovery to Rs 56.25 from the recent low of Rs 54.61 following the announcement of book closing for the bonus issue. Alkali Chemicals came in for demand up to Rs 40 from Rs 38.75. Sirpur Paper were a very firm feature at Rs 16.56 following the announcement of the increase in dividend from 65 nP to 85 nP per share, subject to tax, and of the right issue. Indian Copper turned rather quiet at Rs 4.79 against Rs 4.90 following the pessimistic statement made by the company's Chairman, although the closing rate was better at Rs 4.90.

Among others, Indian Cable changed hands at Rs 36 to Rs 36.63; Orient Paper at Rs 36.15 to Rs 37.90; Shree Gopal at Rs 26.12 to Rs 26.75; Hindustan Motors at Rs 19.87 to Rs 20.12; Associated Battery at Rs 35.94 to Rs 36.37; Phillips Carbon at Rs 19.81 to Rs 20; Goodyear at Rs 38.50 to Rs 39.25; Rohtas at Rs 15.94 to Rs 16.31; General Tyres at Rs 6.31 to Rs 6.75 and BIC at Rs 9.75 to Rs 9.90.

INDEX NUMBERS OF SECURITY PRICES (1952-53=100)

Week ended	22-10-60	14-9-61	21-10-61
Government and semi-Government securities—All-India			
Total	106.9	101.1	101.1
Government of India	100.7	101.0	101.0
State Governments	102.1	102.1	102.1
Municipal, Port Trust, etc.	100.0	99.4	99.3
Debentures of Joint Stock Companies—All-India			
Total	101.3	101.3	101.3
Preference shares—All-India			
Total	81.1	82.4	82.4
Variable dividend industrial securities—All-India			
Total	166.5	180.9	181.0
Agriculture and Allied Activities	162.3	161.6	161.9
Total*	154.4	155.1	154.6
Tea Plantation	204.4	167.7	166.6
Coffee Plantation	167.5	172.8	170.8
Rubber Plantations	149.3	160.8	162.3
Mining and Quarrying: Total	115.1	118.9	118.9
Coal	172.3	189.6	192.0
Other Mining			
Processing and Manufacturing: Total	179.3	195.4	195.5
Processing & Mfg. (Food stuffs, Textiles Etc. Total*)	179.7	205.5	206.1
Sugar	180.0	159.5	158.4
Cotton Textiles	148.3	181.6	182.1
Jute Textiles	87.1	88.8	83.8
Silk & Woolens	979.0	1153.6	1164.1
Processing & Mfg. (Metals, Chemicals Etc. Total*)	189.3	197.4	196.7
Iron & Steel	151.5	157.6	155.7
Transport Equipment	386.0	389.6	389.8
Electrical Machinery	140.9	160.0	160.0
Machinery Other than Transport and Electrical	205.7	213.5	213.0
Basic Industrial Chemicals	208.3	203.8	204.2
Processing and Mfg. (Others): Total*	160.0	161.0	160.7
Cement	141.0	147.8	147.4
Paper	214.9	204.9	204.8
Other Industries: Total*	107.3	111.8	111.8
Electricity Generation and Supply	82.0	86.8	85.8
Trading	103.4	104.2	94.5
Shipping and other Transport	290.3	267.4	294.5
Construction	170.6	203.1	203.4
Financial Total	180.7	229.4	229.5
Leases	130.7	153.9	153.5
Insurance	87.1	89.9	89.5
Investment Trusts			

Variable dividend industrial securities—Regional			
Bombay	171.9	180.2	180.0
Calcutta	152.7	165.5	
Madras	181.4	197.9	198.8
Delhi	218.2	230.5	230.0

*Including "Miscellaneous."
*Including "Edible and Vegetable oils."

SHORT-TERM MONEY RATES

(Per cent per annum)

Call Money—	21-10-60	13-9-61	20-10-61
From Banks—			
Bombay	4.25	4.50	3.94
Calcutta	4.27	4.64	4.62
Madras	4.04	4.59	4.50
Deposits at notice of 7 days—			
Bombay	2.00	3.00	3.00
Calcutta	2.00	3.00	3.00
Madras	2.00	3.00	3.00
Fixed Deposits—			
3 Months—			
Bombay	3.50	3.50	3.50
Calcutta	3.50	3.50	3.50
Madras	3.05	3.05	3.05
6 Months—			
Bombay	3.50	3.75	3.75
Calcutta	3.45	3.45	3.75
Madras	3.50	3.75	3.75

*No Transaction.

BULLION PRICES

Week Ended	28-10-60	20-10-61	27-10-61
GOLD—			
Spot—			
Highest	115.95	125.10	124.85
Lowest	114.40	124.45	123.50
Average	115.06	124.75	124.06
1st Settlement—			
Highest	116.20	125.55	125.65
Lowest	115.10	124.65	124.50
Average	115.59	125.00	125.08
SOVEREIGN—			
Spot—			
Highest	193.90	206.25	206.90
Lowest	193.60	204.90	205.40
Average	193.14	205.51	206.18
1st Settlement—			
Highest	194.60	206.75	208.15
Lowest	193.40	205.70	205.70
Average	193.82	206.01	207.08
SILVER—			
Spot—			
Highest	193.90	206.25	206.90
Lowest	193.60	204.90	205.40
Average	193.14	205.51	206.18
1st Settlement—			
Highest	194.60	206.75	208.15
Lowest	193.40	205.70	205.70
Average	193.82	206.01	207.08

GOVERNMENT OF INDIA TREASURY BILLS

Week ended,	21-10-60	13-10-61	20-10-61
Amount offered	2.00	2.00	...
Amount tendered	2.40	2.00	...
Amount sold by tender	1.78	2.00	...
Of which against maturing Treasury Bills	...	...	...
Intermediate Treasury Bills sold	...	5	90
Total sales	1.78	2.05	90
Average rate of discount for auction sales	2.560	2.500	...
Sold in favour of Reserve Bank of India	119.53	165.71	167.78
Total amount outstanding	1,136.79	1,001.13	1,014.08

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
Switzerland	Fcs. to Rs. 100	90.70	90.80
Netherlands	Gulden to Rs. 100	75.80	75.70
W. Germany	Mks. to Rs. 100	84.00	84.10
Italy	Lira to Rs. 100	130.15	130.20
Norway	Kroner to Rs. 100	149.50	149.50
Hongkong	\$ to Rs. 100	119.50	119.60
Japan	Yen to Rs. 100	76.20	76.20
U. S. A.	Rs. to \$ 100	475.50	475.25
Canada	...	463.75	464.00

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	21-10-60	13-9-61	20-10-61
Forward Contracts—			
Purchases	£ ('000)	605	50
Sales	Rs. ('00,000)	93	7
Sales	Rs. ('00,000)	...	...
Deliveries—			
Spot Transactions—			
Purchases	£ ('000)	...	...
Sales	Rs. ('00,000)	475	1,430
Against forward contracts—			
Purchases	£ ('000)	695	1,370
Sales	Rs. ('00,000)	93	1.83
Sales	Rs. ('00,000)	...	...

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	28-10-60	20-10-61	27-10-61
54% 1961	99.65	3.46	99.90
34% 1962	99.44	3.63	99.85
34% N.P.B.1967	99.28	3.63	99.00
3% Dev. 1970-75	89.17	4.35	90.94
14% 1974	99.26	3.82	99.55
3% (Con.) 1986 or later*	73.58	4.08	72.75

*Running yield.

INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS

(Base: 1952-53=100)

Group and Sub-Group	7-10-61	30-9-61	9-10-61	8-10-60
Food Articles—				
Cereals	112.9	120.7	121.3	122.0
Pulses	89.0	88.5	89.9	94.7
Fruits & Vegetables	140.0	144.7	149.3	110.3
Milk & Ghee	119.2	118.2	117.5	119.6
Edible oils	148.3	150.4	153.1	154.6
Fish, Eggs & Meat	135.2	135.2	139.8	128.7
Sugar & Gur	119.0	122.6	124.6	124.3
Others	170.1	184.3	168.7	169.3
Liquor and Tobacco	99.5	99.5	100.0	105.5
Tobacco	96.0	96.0	96.5	103.7
Fuel, Power, Lights & Lubricants	121.5	121.4	121.5	119.9
Industrial Raw Materials	135.8	137.6	137.8	148.5
Fibres	127.0	128.8	127.4	128.3
Minerals	150.4	153.8	156.0	149.4
Others	94.8	94.8	94.8	97.9
Manufactures—				
Intermediate Products	127.7	127.4	126.3	128.2
Finished Products	123.1	125.5	123.7	123.5
Textiles	123.7	124.3	123.1	125.5
Cotton	128.2	128.2	127.9	121.4
Jute	114.9	117.5	112.9	122.0
Woolen	123.1	128.1	123.1	110.1
Silk & Rayon	118.6	118.6	119.4	101.0
Metal Products	147.1	147.1	147.1	146.8
Chemicals	111.9	111.9	112.0	105.0
Oil cakes	144.8	144.2	143.4	139.1
Machinery & Transport Equipment	118.6	118.6	118.6	118.0
Others	121.1	121.1	120.9	126.9
All Commodities	123.5	124.6	124.6	126.7

* Estimated.

† Revised.

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

	27-10-61	20-10-61	28-10-60
LIABILITIES:			
Notes in Banking Dept.	38,48.06	15,52.44	29,18.01
Notes in Circulation	1882,25.43	1903,89.83	1794,18.06
	1920,73.49	1919,42.27	1823,36.07
ASSETS:			
Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
State Securities	116,86.07	116,86.07	123,00.89
Total A	234,62.10	234,62.10	240,76.92
(B) Rupee Coin	127,25.22	125,94.00	130,59.71
Rupee Securities	1558,86.17	1558,86.17	1451,99.44
	1920,73.49	1919,42.27	1823,36.07

BANKING DEPARTMENT:

	27-10-61	20-10-61	28-10-60
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	50,00.00	50,00.00	40,00.00
National Agricultural Credit (Stabilisation) Fund	6,00.00	6,00.00	5,00.00
Deposits—			
(a) Central Govt.	64,78.35	49,92.07	65,36.00
(b) Other Govt.	20,33.40	28,60.29	24,24.86
(c) Banks	86,37.26	84,49.13	100,56.02
(d) Others	146,34.51	146,78.50	93,00.61
Bills Payable	20,60.59	19,89.34	25,97.38
Other Liabilities	21,09.93	19,93.57	22,16.31
	500,74.04	490,67.90	461,36.38
ASSETS:			
Notes	38,48.06	15,52.44	29,18.01
Rupee Coin	2.35	1.69	1.43
Subsidiary Coin	3.37	3.11	6.39
Bills Discounted:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	23,14.88	32,44.73	11,96.18
Balances held abroad*	28,33.15	28,27.20	19,74.41
Loans & adv. to Govt.	62,37.59	59,45.11	28,40.18
Other Loans & Adv.	129,53.00	135,92.56	115,87.24
Investments	200,80.82	201,07.79	243,43.77
Other Assets	18,00.82	17,93.27	12,66.77
	500,74.04	490,67.90	461,36.38

(1) The item "Other Loans and Advances" included Rs. 2,50,50,000 advanced to scheduled banks against treasury bills under section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees)

	21-10-60	13-10-61	20-10-61
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	15,57.13	21,82.20	31,89.76
(ii) Other demand liabilities	769,16.10	819,60.95	824,62.17
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	16,75.16	18,41.98	18,31.28
(ii) Other time liabilities...	1131,08.88	1127,17.86	1118,57.12
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	11,70.72	7,98.91	9,68.38
(ii) Time Liabilities	25.00	10,02.00	10,60.49
Borrowings in India from the R.B.I.	32,69.79	14,08.95	12,84.00
Cash in India	48,16.93	45,37.73	52,62.07
Balances with the Reserve Bank of India	99,40.90	77,17.39	76,45.55
Balances with other banks in current account in India	14,99.16	15,39.55	15,24.08
Money at call and short notice in India	26,13.14	46,18.00	47,34.05
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	696,77.63	611,62.77	612,89.14
Advances in India	964,28.13	1068,31.38	1064,07.68
Unpaid Bills Purchased and Discounted in India	101,76.66	130,71.40	132,72.68
Foreign Bills Purchased and Discounted in India	50,22.07	46,99.22	46,38.36

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

†Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA

(In 000's of Rupees)

	Week Ended		
	27-10-61	20-10-61	28-10-60
LIABILITIES:			
Capital Paid-up ...	5,62.50	5,62.50	5,62.50
Reserve Funds ...	7,45.00	7,45.00	7,20.00
Deposits and other Accounts ...	531,09.27	529,93.56	583,16.60
Borrowings from other Banks, Agents, etc....	17.00	20.00	39,22.00
Bills Payable ...	10,03.03	10,85.61	8,40.10
Bills for Collection as per contra ...	2,57.48	2,58.60	1,94.80
Acceptances etc. for constituents as per contra ...	1,01.52	82.46	1,70.22
Other Liabilities Including Inter-office Adjustments ...	17,36.63	16,89.78	15,97.80

L.I.C. BONUS ANNOUNCEMENT 1959 VALUATION RESULTS

WHOLE LIFE ASSURANCES
Rs. 16.00
per thousand per annum

ENDOWMENT ASSURANCES
Rs. 12.80
per thousand per annum

The Life Insurance Corporation has pleasure in declaring the above rates of bonus as a result of the second Valuation of its liabilities and assets as at 31st December 1959. These bonus rates are applicable to with-profits policies issued by the Corporation and in force as at the date of Valuation.

As regards the bonuses on with-profits policies issued by former insurers, these have been declared proportionately in accordance with the Scheme of Differential Bonuses approved by the Central Government and published in the Gazette of India dated 14th October, 1961.

The bonus rates applicable to all the policies are the same as those declared on the basis of the preceding Valuation as at 31st December 1957.

As at the date of the present Valuation the total sum assured under the policies was Rs. 1,997 crores, including bonuses, and Rs. 105 lakhs per annum under Annuities. Out of the gross profits disclosed by the Valuation, a sum of Rs. 24.47 crores has been utilised for allotting bonuses at the above rates to policy-holders, after providing for income-tax liability amounting to Rs. 4.58 crores and Government's share of Surplus amounting to Rs. 1.28 crores.

As already announced, bonus intimations in respect of both the first and second Valuations will be sent out to the policy-holders as soon as possible.



Life Insurance Corporation of India

ASP/LIC/SP-19

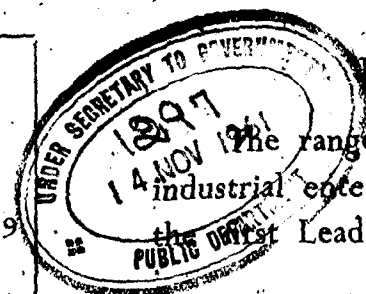
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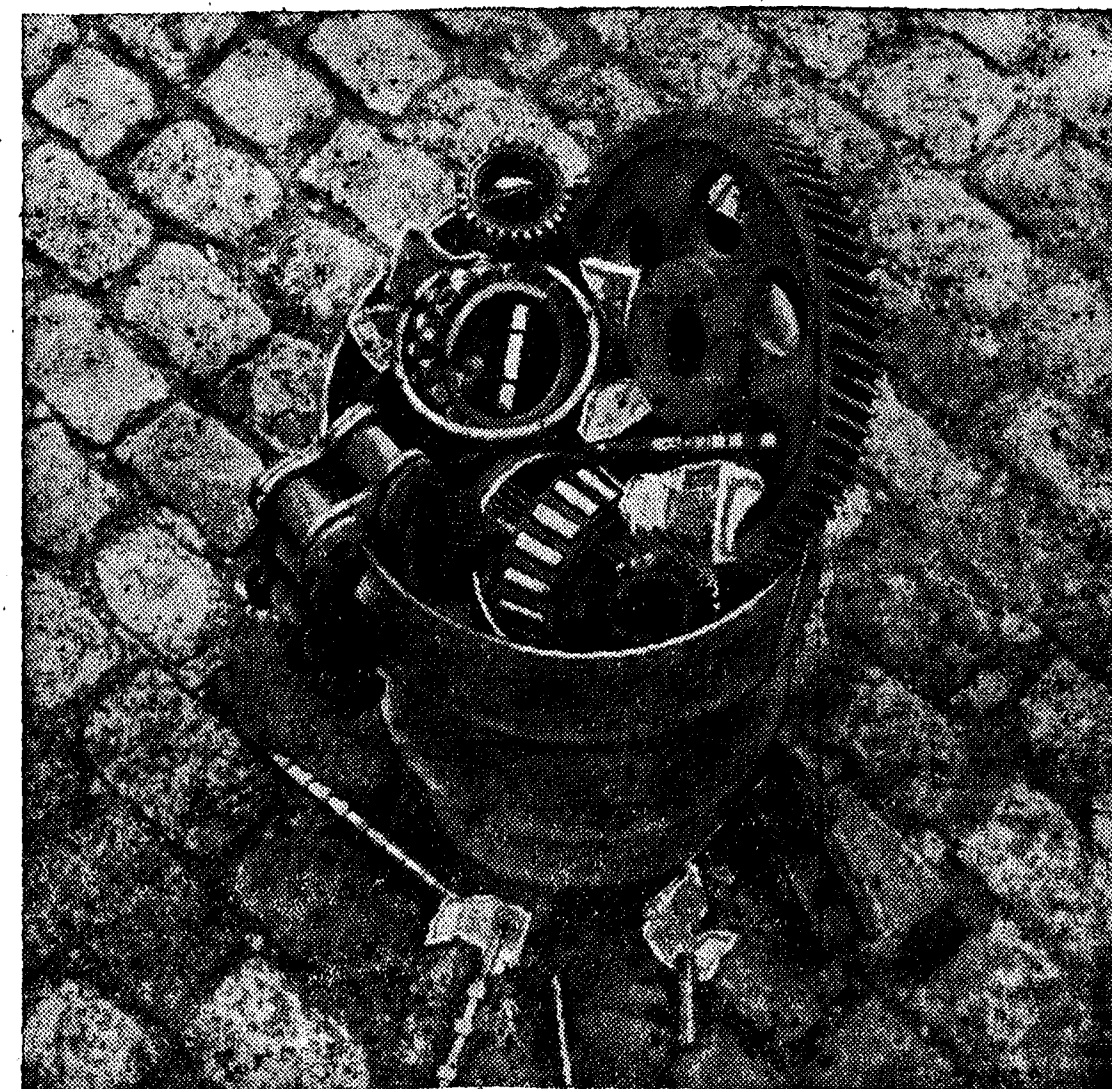
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HIGHLIGHT OF THE ISSUE

The range and variety of foreign collaboration in Indian industrial enterprises and their implications are discussed in the Leading Article.

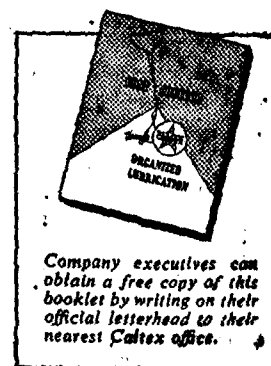
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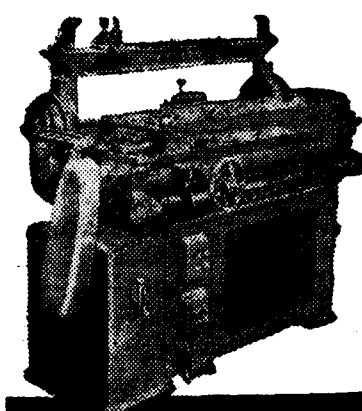
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is Right.—The Analects of Confucius

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Variety in Collaboration

THE cases of collaboration between Indian
enterprise and foreign interests continue to
increase and Government approval is based
on performance as well as promises. The
variety of interests or the diversity of pro-
jects is as much a matter of interest as the
entry of many nations into the field of invest-
ment on an appreciation of opportunities
in a developing country. Faith in foreign aid
seems to be increasing and the expansion of
established enterprise is also dependent on
the receipt of foreign aid and the assurance
of technical assistance.

An official catalogue of enterprises approv-
ed in July-September conveys the impres-
sion that engineering, including electrical
engineering, has acquired greater importance.
It also suggests that the upsurge of eco-
nomic expansion is not confined to one part
of the country. ELD and SF in the South
has arranged with Doulton for making sani-
taryware. And the manufacture of switch-
gear by Burn with the help of Reyrolle will
bring a famous British firm into the field.
An arrangement between Mond Nickel and
Indian Smelting and Refining for the manu-
facture of special steel castings is invested
with importance like the plan to make elec-
tric heaters. The latter is arranged with
Pye Radio of Cambridge, a company that has
a big name in telecommunications. The
manufacture of commercial graphite with the
help of Great Lakes Corporation has been
arranged by Bangur Brothers. This may
help to produce the crucibles needed for metal
using industries in India.

Import restrictions condition the approach
of local manufacturers to the question of
making spare parts for existing equipment
like tractors as also to the manufacture of
tools for workshops. Major industries like
paper are set for expansion. Consumer goods
like spectacle frames or sewing machines
needles also figure in the list of approved
schemes and it is noteworthy that automobile
electrical components find a place along with
machine-tools or spray guns. The West Ger-
man interest in the programme of diversifi-
cation in India proves that the export of ca-
pital has begun and the ability of domestic
capital to grasp opportunities must be en-
hanced, if only to prove soon that the second
industrial revolution proceeds without undue
strain. Domestic investment must keep step
with the inflow of outside capital and the
programme for more machinery to be manu-
factured locally can and should have more
significance if the foreign aid comes in the
form of essential capital goods.

The 96 schemes resting on the promise of
foreign aid include projects to be started
with help from East European countries.
There may not be much significance in a
few marginal schemes but the fact remains
that trade in recent years has led to famili-
arity with Hungarian, Polish and other pro-
ducts and local manufacture of glass, electric
meters, etc. may be stimulated by the exist-
ence of competition and the circumstance of
co-existence between the public and the
private sector. There is no need to stress

the point that the older and bigger firms enjoy
some advantages in arranging for collabora-
tion, say, for manufacture of industrial gases
or electric cables. The emphasis is now
admittedly on industry, not trade, and on the
import of capital and skill, not goods to be
sold on commission. A major consequence of
this inflow may be alteration in the whole
business of management. And Indian enter-
prises must command technical assistance to
make foreign collaboration fruitful or posi-
tive. The engineer must figure largely in
business hereafter and it is possible that men,
as Prof. Galbraith insisted, may become more
important than capital. For, the manufacture
of machinery on a new scale involves more
than financial expertise or the right connec-
tions with officialdom.

The licensing procedure ensures the avoi-
dance of monopoly and the preservation of
competition. That is perhaps the object of
letting in Italian as well as German interests.
The former now look for a place in the sun
along with old-established British or Ame-
rican firms that have found India responsive
to the challenge of the new machine age.
Among items to be made in India are hair-
clippers by a firm in Aligarh, (naturally
associated with locks and keys) as also air
jet drying equipment which may help to pro-
cess agricultural products. The growing
demand for power explains the inception of
many firms to make boilers of assorted sizes.

If the whole object is to limit imports in
future, the allocation of foreign exchange for
all approved projects must be prompt and
adequate. The foreign collaborators or the
Indian associates should have no cause for
complaint, if they have entered into commit-
ments on the basis of Government sanction.
This necessarily implies that priority to
the public sector must be modified by the
nature and implications of the new contracts
that now make Indian industry far different
in range, structure and objects. Industrial
organisation in 1930 could be viewed from
the angle of the managing agency firm,
largely British, but the position today is
radically different and Indian capital works
under supervision, while foreign capital enters
on specified conditions. The objects of joint
ventures are now different as are the oppor-
tunities now available in the country.
To make conditions favourable is certain-
ly a duty: that alone can ensure a fur-
ther flow of capital for investment. Aid in the
form of Government loans cannot enlarge
employment or provide goods to the same ex-
tent as large scale expansion that also means
a market at hand for existing industries,
though tea and jute may not derive any
benefit from the projects to make small tools
or plastic products. The association with
foreign manufacturers may help to produce
new comparisons on the basis of price for
electric motors or aluminium conductors. This
will also remove doubts on the necessity for
tariffs retained to supplement import restric-
tions which certainly have a bearing on the
course of development that has already led
to the making of air-conditioners and air
compressors alike in India.

World Economic Survey—II

THE UN study of savings in the under-developed countries highlights the extreme inadequacy of savings in the context of the need to step up the rate of economic growth. Though there exist other fundamental and structural disequilibria in the economies of these countries, the major impediment to a higher rate of economic growth is constituted by the low level of savings. While there are marked variations in the total volume of savings among the under-developed countries themselves, taken as a group the supply of savings as a proportion of gross domestic product is low. Further, in contrast with the advanced industrial countries, where almost the entire supply of savings comes from the domestic sources, in the under-developed countries there has been an increasing tendency to greater reliance on foreign capital to supply deficiencies in internal savings. The UN survey underlines the fact that foreign saving has been a factor of great importance in accounting for the change in the total supply of savings in the under-developed in the course of the last decade. In over one-third of the countries, increases in foreign capital have amounted to 2 to 3 per cent of the gross product. In one fourth of the countries, such increases have been even larger, while in some cases they have been as high as 9 to 10 per cent.

The increasing reliance on foreign savings only underlines the inability of the under-developed countries to raise the level of domestic savings, and considering that domestic savings constitute the greater part of total savings, this has been reflected in the behaviour of total net savings during the period 1950-52 and 1957-59. Only two out of every five countries in this group increased their total net savings by 2 per cent or more of gross product. In a majority of countries, the levels of total savings have remained practically unchanged during the period. The pattern of changes in savings has also been not uniform with high saving countries such as the Congo and South Africa registering notable declines and low saving countries recording rise in total savings.

The UN survey discusses the changes in saving and its behaviour pattern in terms of the trends in the various components. Foreign saving is classified into private and official saving depending upon the sources of funds. Domestic saving is sub-divided into government, corporate and household saving, with the latter two combining to form private saving in an economy. The UN study throws interesting light on the behaviour patterns of these different components of total saving and also offers meaningful explanations for the changes that have occurred in respect of each of the components.

The foreign capital flows have been compounded of both private long-term capital and official loans and grants, but the relative importance has varied as between countries. While as a whole, the flow of official capital has been larger than the flow of private capital, the proportion constituted by the flow of private capital relative to official capital has been larger for individual countries. One significant feature discernible in the flow of the foreign capital is the tendency for concentration in distribution disclosed by both private foreign capital flows and official flows. A significantly large proportion of the official loans and grants has gone to the lower per-

CHANGES IN THE LEVEL OF SAVING, BY SECTOR, 1950-52 TO 1957-59.
(As percentage of gross domestic product).

Country	Private Saving					Total	Corporate	Household
	Total net saving	Foreign saving	Domestic saving	Government saving	Household saving			
Jamaica	10	2	8	2	6	2	4	
Burma	7	10	13	3	1	1	1	
India	5	3	2	1	2	1	1	
Panama	4	2	2	1	2	1	1	
Greece	4	2	2	1	3	1	1	
Ecuador	4	2	2	1	4	1	1	
Chile	4	2	2	1	1	1	1	
Rhodesia and Nyasaland	3	7	4	1	4	1	1	
Philippines	2	1	1	1	1	1	1	
Puerto Rico	1	8	7	1	1	1	1	
Korea (Republic)	1	2	2	1	2	1	1	
Spain	1	1	1	1	1	1	1	
Trinidad and Tobago	1	1	1	1	1	1	1	
China (Taiwan)	1	1	1	1	1	1	1	
Costa Rica	1	1	1	1	1	1	1	
Brazil	1	1	1	1	1	1	1	
Colombia	1	1	1	1	1	1	1	
Portugal	1	2	3	1	3	1	1	
Venezuela	1	4	5	1	6	1	1	
Ceylon	2	5	7	3	4	2	2	
Honduras	2	2	3	2	2	1	2	
Union of South Africa	4	3	1	1	1	1	1	
Congo	10	9	19	5	14	14	1	
Morocco	14	9	5	2	3	1	1	

capita income countries. During the period 1950-59, nearly 22 per cent of the total flow of public funds went to countries with per capita incomes of less than 100 dollars. In contrast the flow of private foreign capital has tended to gravitate to countries with higher per capita income levels. Since private capital is motivated by considerations of profit, its flow has been governed mainly by factors such as size of domestic market, natural resources endowment, and rates of growth of world demand for the primary commodities scope of export market etc. The UN study highlights the fact that during 1950-59, long term private capital as a percentage of gross domestic product was on the average six times larger for the countries whose exports have expanded rapidly than for those whose exports have shown slow growth. Rhodesia, Nyasaland and Venezuela are instances of countries which because of their export potentialities have received large inflows of foreign private capital. India offers an instance of experience to the contrary.

In contrast to foreign savings, domestic saving has either declined or has barely changed in nearly two-thirds of the countries. In cases where domestic savings had declined the decline according to the UN survey has been of great magnitude. Contributing to the decline in domestic saving is the decline that has been registered for both government saving and private saving. The fall in the level of private saving is shown to be of greater magnitude than the fall in government saving. Only in three out of the 22 countries did government saving increase by 2 per cent or more of gross product between 1950-52 and 1957-59. In another five countries the increase was only of the order of one per cent. In the remaining countries, the volume of government saving is shown to have remained roughly stable or even declined. The pattern of government saving is closely related to the Government consumption with fall in consumption inducing rise in saving and vice-versa. The experience of the underdeveloped countries in respect of government consumption has been invariably one of increasing tendency in it. The rise is, in certain measure, inherent in the

very process of development on which these countries are embarked. Apart from the rise due to increase in population, there have been other factors at work such as the demand for improved social and economic services to which these countries have been subject. And efforts to raise disposable income have been barely sufficient to finance the expanded programme of investment in economic and social services. The weakness displayed by the commodity markets in the latter part of the decade has also tended to depress the level of Government savings.

In countries which have experienced considerable declines in domestic saving, the trends in private saving have generally been a major causal factor. But the pattern of changes in respect of its two constituents namely corporate and household has not been very consistent. While in some countries, the decline in the corporate saving has been the dominant factor, in others, the roles have been reversed between the corporate and household sector. But in most countries, household income in relation to both the domestic product and to disposable income is shown to have fallen significantly. Only three countries, namely, Jamaica, Rhodesia and Nyasaland have reported an increase in household saving for the entire period. The major factors affecting the changes in household saving have been the level of per capita income, and shifts in the distribution of income. The tendency for rise in the number of wage earners and also wage rates, and the resulting redistribution of the total income in favour of income groups with low saving capacity has left very little scope for saving to increase in the household sector. Further unfavourable export experience and the adverse effects on unincorporated enterprise which is a significant constituent of household saving has also contributed to the decline in the total of household savings in many countries.

While taken as a whole, the supply of savings in the underdeveloped countries is of relatively small volume in relation to the demands of capital formation to sustain an acceleration in the pace of economic development, there are countries in the group where the rate of saving approximates to the high levels characteristic of the advanced countries. This is true of Rhodesia, Nyasaland, Venezuela, Israel and the Congo, where the total supply of saving has exceeded 25 per cent. This is to be ascribed to the different structure of the economies of these countries as compared with the rest of the under-developed countries. Apart from the different levels of per capita income, the marked variations in the volume of savings between the countries also emphasise the varying import and influence of other factors such as the distribution of income, the size of the export market etc. Even among countries with the same low level of savings, the role and pattern of the various components of total saving have tended to differ widely.

While underlining the problem of capital formation for the under-developed countries, the UN Survey warns against too great a reliance on foreign capital in view of the recurring burden of interest payment and payment of principal also. The Survey has indicated scope for increasing the volume of saving in the domestic sector itself. It is pointed out, that while there has been widespread increases in real income in many countries in the under-developed region, the marginal rates of saving have continued to be low. The Survey draws special attention to the scope for increasing government saving both by economy in government ex-

penditure and by mopping up a greater part of the addition to total national income. A diversification of the tax structure with less dependence on foreign trade, and enlargement of the tax area in the domestic front has been strongly urged for increasing the volume of saving in the government sector. It is also observed that taxation of income has been inadequately utilised in many of the under-developed countries. Low tax rates and high exemptions are deficiencies common to the direct tax systems of many under-developed countries. Apart from the rectification of these deficiencies, the survey also suggests other measures, like an appropriately devised agricultural tax system, modification of price structures of public enterprises etc.

INDO-UK TRADE

Changing Pattern

By STEPHAN E. SCHATTMANN

TRADE between India and Britain has expanded substantially in both directions during the last ten years or so. In 1960, Britain still remained India's major trading partner, taking 27.3 per cent of her exports—a larger proportion than any other country—and providing 20 per cent of her imports.

There was a decline in 1960 in India's purchases from Britain, which led to a reduction of the total value of trade, but India remained Britain's sixth largest export market and India's goods ranked ninth in the list of British imports.

The pattern of Indian imports from Britain has undergone significant changes in recent years. There has been a steady decline in imports of consumer goods and of other goods now produced in India, coupled with a considerable shift towards capital goods, especially machinery of all types, chemicals and road vehicles and aircraft. This change, the result of the rising tempo of India's industrialisation, has affected particularly such commodities as cotton textiles, certain chemical products, rubber tyres, tobacco products, soap and others.

This is a trend not unfamiliar to Britain and it is fully appreciated against the background of the long-term importance of the Indian market to industry in Britain. Britain, whose very existence depends on the exports of its industrial products, has learned that the industrialisation of a developing country means more and not less demand for British products. It is enlightened self-interest, as well as the obligations of Commonwealth partnership, which determines Britain's resolution to continue its contribution to India's further development.

The main commodities exported by India to Britain in recent years are tea, textile manufactures (including cotton yarn and piece goods; jute yarn, fabrics, sacks and bags; carpetings of coir, jute and wool), leather (dressed and undressed), tobacco, bristles and shellac, raw wool, vegetable oils, mica, manganese and animal feeding stuffs.

In addition, Britain has benefited from the growing diversification of India's export through industrialisation. Sewing machines and small diesel engines are some examples of India's "new" exports which are finding a market in Britain. An event of some significance last year was the first shipment to Britain of steel billets produced at the Bhilai steel works. Pig iron has already been received from Bhilai.

Looking at the 1960 trade statistics the following picture emerges. Imports from India amounted to £146,600,000, against

£140,900,000 in 1959, an increase of four per cent. Cotton yarns and fabrics, linseed oil, tobacco, fruits and vegetables, manganese ore, mica, jute goods, oil seeds and oil nuts, and crude fertilisers, all registered increases over 1959. The value of cotton yarns and fabrics came to £14,660,000, an increase of 29 per cent. Shipments of linseed oil were £441,000 greater, or 65 per cent. Tobacco, at £9,200,000, was £1,100,000 more than in the previous year. Imports of fruit and vegetables at £1,700,000 registered an increase of 37 per cent.

Imports of some commodities, such as tea, coffee, animal feeding stuffs, raw cotton, wool, petroleum products and leather and leather goods declined. Feeding stuffs, at £10,500,000, were £1,600,000 or 13 per cent. less than in 1959. Leather and leather goods, at £13,000,000, were £640,000 down on 1959. To sum up, the drop in Indian shipments of tea—slight though it is—leather goods, animal feeding stuffs, cotton and wool was more than made up by larger shipments of cotton yarn, woollen fabrics and other textile manufactures, as well as tobacco.

The rapid progress in the manufacture of synthetic materials is a factor which must be borne in mind in any assessment of the future prospects of some of India's exports to Britain. Coir is being replaced by nylon in the manufacture of mats. Not only are nylon fibres said to have better wearing qualities, but the finished product is more attractive and therefore preferred by the housewife in Britain, even if the price is higher. Shellac faces competition from synthetic resins in the manufacture of paint. The gramophone industry, too, has gone over from shellac to plastics and now makes virtually all new records of plastic materials. Jute is coming up against changes in packaging techniques. Commodities which used to be carried across the oceans in jute bags are now shipped in bulk carriers, and paper bags are cheap and easy to make.

Indian imports from Britain in 1960 were worth £148,900,000 against £170,200,000 in 1959, a decrease of 12.5 per cent. Exports of machinery, other than electric, which showed the biggest fall declined from £54,600,000 in 1959 to £43,400,000 in 1960 a drop of 20 per cent. Electric machinery went down by £5,800,000 to £14,800,000, chemicals by £7,600,000 to £14,100,000 and railway vehicles by £2,400,000 to £1,400,000. Exports of aircraft fell by almost 50 per cent. to £8,600,000. British deliveries to India of cotton yarn and fabrics, and man-made fibres and products, also were substantially lower. Wool and tops, scientific instruments, photographic and capital goods and watches and clocks fell away as well. On the other hand, exports of road vehicles rose by £4,200,000 to £13,800,000, ships and boats by £2,100,000 to £6,042,000, petroleum and petroleum products by £1,600,000 to £4,000,000, and non-ferrous metals by £900,000 to £3,800,000.

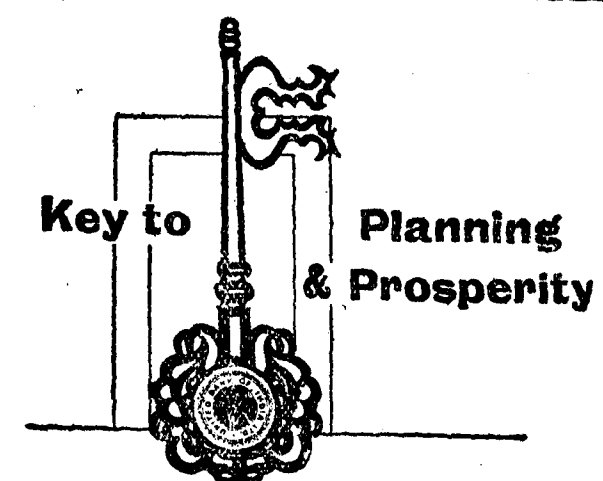
Two agreements were signed in Delhi on 1 May for loans amounting to £40,000,000 to the Government of India from the British Government. The first is for £30,000,000, for development. This is the largest single loan ever made by Britain as part of its programme of overseas development assistance. The loan is intended as an initial contribution to the Third Five-Year Plan. It is to be used for purchases from Britain, about half for individual projects and the remainder for other capital equipment and machinery.

The second agreement covers a loan of £10,000,000 for the purchase of a broad range

of goods from Britain. Both loans are for a period of 25 years and no repayments are required until 1966. Total loans made by Britain towards India's development plan now amount to more than £120,000,000. In addition, negotiations are proceeding on the loan for expansion of the Durgapur steel works' capacity by 600,000 tons. It is likely to involve an amount up to £20,000,000 which will be available for the purchase of equipment in Britain.

No sketch of India's trade relations with Britain would be complete at this juncture without a reference to Britain's application for membership of the European Economic Community. While it is still far too early to make any definite statement on this important matter, one thing can be said.

By becoming a member of the European Economic Community, Britain would indeed have to subscribe to its basic principles which include a common tariff, common institutions, and a certain measure of common economic policies. This is bound to affect existing relationships within the Commonwealth. But, as Mr Macmillan said in the debate in the House of Commons on 2 August, it will be Britain's aim to make satisfactory arrangements to meet the special interests of the Commonwealth particularly, of course, in the economic field, and the Government has given an assurance that the Government will keep in the closest touch with the Government of India and the other Commonwealth Governments in all matters affecting their interests. Britain believes that by joining a rapidly-expanding economic unit of 250,000,000 people it would not only strengthen its own economy and contribute to the further growth of this large market, but would also serve best the interests of the Commonwealth as a whole.



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World of Finance

SLACK SEASON

Easy Conditions Experienced

THE 1961 slack season, in comparison with corresponding periods of the last two, three years, is seen to have produced relatively easy money conditions. It may be stated that the seasonal return of funds has been considerable; and because in the last busy season the outgo of specialised finance was large, it would have been reasonable to expect liquidation of debt to be of corresponding size. At the same time, it is possible to suggest that the return of funds in each slack season has not greatly differed in pattern or amount; but that the contraction in Advances on this account has been obscured by the sustained rise in bank credit consequent upon industrial demand for money over the period of the slack season. Hence, it may be that the easy money conditions of the 1961 slack season are at least partly owing to a slowing down in the rate of growth of industrial demand for bank finance.

Contraction in currency circulation is of satisfactorily large proportions. Active Notes have declined by over Rs 100 crores and there has been inflow of Rupee Coin. Normally it would have been possible to link currency contraction with fall in the foreign assets held by the Reserve Bank, since the impact of import surplus upon currency circulation is contractionist. But here, also, figures in this regard have got distorted by inflow of foreign assistance. Thus foreign assets held by the Reserve Bank in both Departments have increased by nearly Rs 22 crores. A measure of the import surplus is available in the fact, that, during the period, foreign currencies to the tune of \$250 million were purchased from the International Monetary Fund, though half of it had to be utilised for repurchase of currencies on a previous transaction. Nevertheless, the net impact of the latest IMF transaction should have been to increase foreign assets held by the Reserve Bank by some Rs 60 crores, whereas the rise actually is of the order of Rs 22 crores.

Currency has been contracted against Rupee Securities, but only part of this is by transfer to the Banking Department. Satisfactory revenue receipts as well as the special receipts under the Public Law 480 agreements have both enabled Government to institute reverse ad hoc. Rupee Securities held by the Reserve Bank in both Departments have fallen by roughly Rs 76 crores.

The fall in Other Liabilities is traceable to transfer of the Reserve Bank profit for the year to 30 June 1961, and this itself is partly reflected in the rise of Rs 11 crores in Agricultural funds.

Both the Central and State Governments were able to add to their cash position during the slack season. The latter, owing to receipts from the State loans, were also able sizeably to reduce their ways and means borrowings from the Reserve Bank.

The first implication of the small rise in the Other Loans and Advances of the Reserve Bank is that Scheduled Banks were in no position to reduce their debt to the institution. But figures relating to Scheduled Banks make clear the fact that borrowings from the Reserve Bank have been largely repaid. The inference is that other entities entitled to borrow from the central banking institution have steadily had larger recourse; we have in mind in particular the co-operative banks.

In fact, even after repaying the Reserve Bank, Scheduled Banks were able to add to their Reserve Balances. Borrowings from the Reserve Bank against usance bills have been cut by nearly Rs 19 crores.

The State Bank appears to have suffered a drain on its Deposits, but this is wholly owing to repayment of counterpart funds—the sum involved being Rs 24 crores. A small rise has been recorded, net of this special transaction, but it is nowhere as large, proportionately, as the increase in the Deposit resources of other Scheduled Banks.

The contraction in Advances of the State Bank is fairly high at Rs 28.49 crores, and there has been corresponding addition to giltedged investments.

Deposits of Scheduled Banks (excluding the State Bank) have gone up most hearteningly by Rs 54.66 crores; this, coupled with the fall of Rs 47.45 crores in the total of Advances, has enabled the other Scheduled Banks (a) to reduce indebtedness to the Reserve Bank by Rs 31.50 crores; (b) to add to cash balances by just under Rs 8 crores; and (c) to make fresh investments in giltedged for Rs 33.59 crores. However, strangely, borrowings from the State Bank have risen by Rs 4.62 crores. Since Reserve Bank credit would normally be available to the Scheduled Banks at the lowest-tier rate of 4 per cent, we may take it that recourse was had to the higher-costing credit from the State Bank purely on grounds of convenience.

BANK RETURNS

The 1961-62 Busy Season Begins?

A sharp rise in Active Note circulation in the week ended 3 November may be attributed to three causes—Divali disbursements, beginning of the month pressure for money and perhaps the start of the 1961-62 busy season.

Active Note Circulation has jumped by Rs 22.01 crores to Rs 1,904.26 crores and the outflow of Rupee Coin is also heavy at Rs 2.60 crores. Rupee Securities are practically unchanged at Rs 1,558.86 crores, and Foreign Securities are unaltered at Rs 116.88 crores. The Reserve Bank's cash in the till, therefore, has been drawn on to the tune of Rs 24.62 crores to be placed at Rs 13.86 crores.

The Centre's balances have come down from Rs 64.78 crores to Rs 62.86 crores, and those

1961 SLACK SEASON (In Rs Crores)			
	28-4-61	27-10-61	Change
Reserve Bank:			
Notes Held	32.55	38.48	+ 5.93
Active Notes	1,982.43	1,882.25	—100.18
Foreign Securities	113.01	116.86	+ 3.85
Rupee Coin	122.24	127.25	+ 5.01
Rupee Securities	1,661.98	1,558.86	—103.12
Agricultural Funds	45.00	56.00	+ 11.00
Central Deposits	51.63	64.78	+ 13.15
States' Deposits	18.31	20.33	+ 2.02
Banks' Deposits	78.16	86.37	+ 8.21
Other Liabilities	55.25	21.10	— 34.15
Treasury Bills Discounted	40.76	23.15	— 17.61
Balances Held Abroad	10.32	28.33	+ 18.01
Loans to States	84.00	62.38	— 21.62
Other Loans	125.47	129.53	+ 4.06
Advances against Usance Bills	21.09	2.50	— 18.59
Investments	172.91	200.81	+ 27.90
State Bank:			
Deposits*	549.70	531.09	— 18.61
Cash Balances	27.87	32.94	+ 5.07
Giltedged	237.47	266.35	+ 28.88
Total of Advances	267.33	238.84	— 28.49

Other Scheduled Banks:			
Net Deposits	1,367.04	1,421.70	+ 54.66
Borrowings from Reserve Bank	37.82	6.32	— 31.50
Borrowings from State Bank	14.05	18.67	+ 4.62
Cash Balances	153.18	161.01	+ 7.83
Giltedged	324.99	358.58	+ 33.59
Total of Advances	1,033.78	986.33	— 47.45

*Adjustment needs to be made for Rs 24 crores of Deposits made over to Reserve Bank in respect counterpart funds; net of such PL 480 transactions, State Bank's Deposits are seen to have risen by about Rs 5 crores.

of the State Governments by Rs 2.68 crores to Rs 17.66 crores. The pressure upon banks is suggested by the fall of Rs 12.20 crores to Rs 74.17 crores in their Reserve Balances, as also by the rise of roughly like size to Rs 141.82 crores in the Other Loans and Advances of the Reserve Bank; accommodation against usance bills is up from Rs 2.50 crores to Rs 7.76 crores.

Investments are more or less unchanged at Rs 200.84 crores, but with the State Bank having purchased securities for Rs 5 crores during the week, it may be inferred that the Centre instituted deficit financing for such an amount.

Lastly, there has been a sharp fall in Balances Held Abroad, which have declined from Rs 28.33 crores to Rs 20.53 crores; and foreign assets held by the Reserve Bank are now once again below the Rs 140 crore mark. That there should have been such a steep decline in a period when exports are normally expected to make good showing is a rather ominous sign.

The State Bank's return for 3 November discloses a rise of Rs 1.58 crores to Rs 240.42 crores in the total of Advances. However, this is almost fully covered by an improvement of Rs 1.04 crores to Rs 532.13 crores in Deposits. Cash balances were apparently thought to be too high, for the State Bank has added to its giltedged portfolio by Rs 5 crores, raising it to Rs 271.44 crores. As a result, cash balances have been drawn down by Rs 8.17 crores to be placed at Rs 24.77 crores. It is true, there is not much indication here of busy season influences already at work. But then the evidence in the Reserve Bank figures is overpowering, and it would

appear that the bulk of demand—whether for month-early disbursements, or for Divali expenditure, or as a result and as a symbol of the emergence of busy season pressure—for money in the first week of November has fallen upon Scheduled Banks other than the State Bank; the next week's return of Scheduled Banks should offer some confirmation.

According to the return of Scheduled Banks for 27 October, there has occurred, in the last week of the 1961 slack season, a considerable increase in Deposit resources. Net Demand Deposits have been marked up by Rs 7.45 crores to Rs 832.08 crores, and Net Time Deposits have risen by another Rs 2.14 crores to Rs 1,120.71 crores. Of the total rise of Rs 9.59 crores, Rs 1.16 crores can be traced to the State Bank. Besides, there has been a fair drop of Rs 8.06 crores to Rs 1,235.14 crores in the total of Advances, Rs 5.86 crores of this being attributable to the State Bank. As a result, banks have been able to repay debt: borrowings from the State Bank are shown Rs 1.62 crores lower at Rs 18.67 crores and indebtedness to the Reserve Bank has been practically halved from Rs 12.84 crores to Rs 6.49 crores. Even then, banks were able to augment their giltedged portfolio by Rs 12.04 crores to Rs 624.93 crores, and Rs 9 crores of the rise may be said to be on account of the State Bank. In consequence, cash balances including money at call have improved slightly by Rs 2.36 crores to Rs 193.95 crores; but with the State Bank in the relevant week reporting a fall of Rs 1.60 crores in cash balances, the improvement in the case of other Scheduled Banks is seen to be very nearly Rs 4 crores.

FOREIGN AID

Fresh Credit from Britain

An agreement for a credit of Rs 6.67 crores (£5 million) from the British Government to the Government of India was signed in New Delhi by Sir Paul Gore-Booth, the British High Commissioner, and Mr L. K. Jha, Secretary, Ministry of Finance, Department of Economic Affairs.

The loan is not attached to any particular project and can be used with immediate effect by India to pay for a broad range of imports from the United Kingdom.

In a statement after signing the agreement, Sir Paul Gore-Booth said:

"I have been in India now as the representative of my Government for just over a year, and for the third time I find myself taking part in a loan signing ceremony in this room. I am glad, Sir, to be the agent of aid. I hope to continue to be so, subject only to the limitations of the performance of economy back home in Britain.

"The particular loan agreement we have signed this morning is in a form which makes it readily available for use in India's overseas payments. As I said, I believe on the last occasion that I was here, besides aid tied to particular projects, resources are also required in a form which can be applied where needed for reinforcing the economic move forward on a board front. The character of this instalment is of that kind.

"By again setting a repayment term of twenty-five years my Government has confirmed its recognition of the need to avoid repayment arrangements which a developing country like India is likely to find burdensome in the short term. Also the first repayment on this loan will not be made until 31 May 1968 when you are well into your Fourth Plan, there being a grace period of seven years."

"You will all be aware that in view of the deterioration in certain ways of Britain's economic performance, especially in connection with our balance-of-payments and reserves position, the Chancellor of the Exchequer brought in during the summer a number of measures to restore the position. Among these are many that bear hardly on the taxpayer and citizen in Britain. However, in spite of the need to cut down Britain's spending on foreign account, the Chancellor did not cut down the amount of £180 million which is the present annual level of our Governmental aid to developing countries, including India. This is good evidence of the interest which Britain has in helping India, in spite of our own anxieties. As regards our economic fortunes in Britain, I am confident that we shall overcome our difficulties and continue to make good progress,—good for us and, I hope, good for you too.

"It will be an important feature of my tour of duty here that I was present at the start of your Third Five-Year Plan. It is an impressive thing that India is setting out to do, even more impressive seen in a world setting than perhaps many people here yet realise. Not less impressive, in my view, is the way in which the need for help from abroad not only for your own Indian plan, but for other developing countries, has met a response in countries such as my own. This is truly a most important development in world affairs. It is in terms of that concern, transformed positively into the most practical form of goodwill and pursued by us in spite of our own troubles, that I have had pleasure in attending here today on behalf of Britain."

BRITISH ASSISTANCE TO INDIA		
		Million
Second Plan		
Project Aid for Durgapur 1958	...	£15
General balance of payments aid—1958	...	£29.5
General balance of payments aid—1958	...	£19
Project aid for Assam pipeline—1958	...	£ 3
General balance of payments aid—1960	...	£10
General balance of payments aid—1960	...	£ 5
Total	...	£80.5
Third Plan		
Commitment to date	...	£90
Loans signed	...	...
Mixed project and development goods loan—May 1961	...	£30
General Balance of Payments Loan—May 1961	...	£10
General Balance of Payments Loan—November 1961	...	£ 5
Total	...	£45

Another Bank Rate Cut

By Paul Einzig

THE reduction of the Bank rate for the second time within four weeks brought comfort to those who have favoured all along the policy of taking the line of least resist-

ance. Their argument runs as follows:—Hard money policy has failed to check wage inflation, all it caused is a setback in the expansion of the output. In the circumstances, it would be wiser to let wage inflation proceed, because the rise in wages will then be offset in part at least by a rise in output. Those who take this line fail to follow up their argument to its logical conclusion. It is a generally admitted fact that from the point of view of wage inflation Britain is in a weaker position than her principal business rivals. Consequently the result of continuing on the same route must be the perpetuation and further deterioration of the balance of payments position. A wealthy nation such as Britain is of course in a position to pay for the import surplus for a number of years. Both the Government and private firms are able to raise credits and capital abroad. It is possible to sell out overseas investments and to transfer important British firms to foreign owners. Sterling can be bolstered up by such means for quite a while. But at what a price!

It is distasteful to me to have to criticise my country in a newspaper published abroad. But I feel that some useful purpose might be served by making opinion abroad realise that the policy pursued by Britain is fundamentally mistaken and against the basic interests of the British people. If only there could be sufficient evidence that the complacency disseminated from official British quarters is not shared by public opinion abroad it might influence British opinion and, through it, British official policy. As it is, the relief felt over the relaxation of the of the unpleasant measures adopted in an attempt to check wage inflation seems to have induced British opinion to accept the Government's claim that the Bank rate reduction is justified by an improvement of the situation.

In reality the sum total of the improvement has been a strengthening of sterling as a result of the return of hot money, and this again has been entirely the result of the large credit granted by the IMF. The July measures have not checked the wage inflation, in fact the Trade Unions have stepped up their demands. If only half of what they are asking conceded, the resulting cost inflation and demand inflation would inevitably aggravate the balance of payments position. And the ease with which the disinflationary policy has been reversed will give the Trade Unions the maximum of encouragement to press forward with their demands. It is true, lip service is paid to continued credit squeeze. But the decline of interest rates, both through its material and psychological effects, will result in increased pressure to relax the restrictions, and the chances are that they will in fact be relaxed or circumvented in one way or other.

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Notes

CEMENT

New Prices

The revised cement prices announced on 31 October, 1961 have been fixed following an investigation by the Tariff Commission which was more comprehensive than the enquiries undertaken on earlier occasions. Whereas previous enquiries were confined to the determination of the adequacies of prices in relation to current costs, on this occasion the Commission was required by its terms of reference to take into account all aspects of the industry, such as production, prices, distribution, development etc. The Commission had therefore made its recommendations in the perspective of the growth of demand for cement in the country and the programme of development envisaged for the industry.

In their report submitted towards the end of August, the Commission had recommended ex-works prices for each factory ranging from Rs 67.50 to Rs 103, including selling agent's commission and 'incidental packing charges'. These prices were to remain in force for a period of three years from 1 July, 1961 to 30 June, 1964. They had also suggested that, if it was not administratively feasible to give retrospective effect to the revised prices, the prices of the several units should be suitably adjusted so that they do not suffer any loss on account of

their sales during the period from 1 July, 1961 up to the date when the new prices were brought into force. Subsequently they had also worked out ex-factory prices including these adjustments. The prices recommended by the Commission involved an increase of Rs 11.65 in the weighted average price per ton (excluding selling agent's commission Rs 1.50 and incidental packing charges Rs 1.25). The corresponding increase in the weighted average of subsequently adjusted prices was Rs 12.78 per tonne.

While the Government have accepted the Commission's finding that an increase of this order is necessary to meet the rise in the cost of production due to causes which are largely beyond the control of the units, the prices fixed by them differ from those recommended by the Tariff Commission in three respects, namely, the quantum of the increase necessary to meet increased costs and requirements of development, the period for which it is to be in force, and the individual ex-works prices.

In fixing ex-works prices for each unit in the industry, the Tariff Commission had taken into consideration the contention that such a policy provided no incentive for improvement or for economies in production. But they came to the conclusion that, because of the wide disparity in costs of manufacture, it did not appear possible to have a common ex-works selling price for the majority of units in the industry. Government however are of the view that a system of differential prices based on the costs of individual units is not conducive to efficiency and feel there should be a uniform

ex-works price which will provide the incentive for increased productivity. At the same time it is recognised that some of the units whose costs are high for various reasons may not be able to operate within the uniform prices proposed and extra prices will have to be allowed in their case to enable them to continue in production till they are able, by effecting economies and increasing production, to bring down their costs within the level to which the uniform price has reference. Government have accordingly fixed a uniform ex-factory price of naked cement of Rs 69.50 per tonne for the industry as a whole, with extra prices for high cost units for a temporary period. This system of prices, it is claimed, will avoid penalising low cost units for their efficiency, while compelling high cost units to achieve economies and, in the long run, held to keep the prices down.

The weighted average of the prices now fixed will involve an increase of Rs 10.19 over the corresponding average of the prices before 1 November, 1961, as against the increase of Rs 11.65 recommended by the Commission (or Rs 12.75 after adjustment for sales after 1 July). In view of the fact that the new prices will be in force for a longer period, that is, up to 1966 instead of middle of 1964 as recommended by the Commission, the smaller increase now allowed is considered adequate to meet increased production costs as well as the needs of rehabilitation and development. Moreover, the costs were worked out by the Tariff Commission on the basis of 90 per cent utilisation of capacity. Full utilisation of capacity, if it could be maintained, should also lead to a larger margin between the actual costs and the ex-factory selling prices.

The scheme now adopted is in effect a reversion to the system that obtained before 1958 when the ex-factory prices were fixed on the basis of the costs of ACC factories which were taken as standard, with

extra prices for newly established high cost units, with the difference that the uniform price is fixed at a higher level on the basis of the costs of the units that account for over 75 per cent of the total cement output.

Under the scheme of distribution that has been in force since 1956, all producers are required to sell cement to the State Trading Corporation at prices fixed under Cement Control Orders issued from time to time under Section 18(G) of the Industries (Development and Regulation) Act, 1951. The STC distributes the cement all over India at one uniform price on f.o.r. destination basis at the rail heads. This uniform destination price is arrived at by adding to the weighted average of ex-works prices, extra charges in respect of rebate on rate contracts, average railway freight, selling agent's commission, sales tax, remuneration of STC, contingency charges and excise duty, and, in the case of packed cement, packing charges. (Retail selling prices are fixed by State Governments after adding to the f.o.r. destination price, incidental charges such as transport from railhead to stockists godown, godown charges, margin of profit for stockists, State sales tax, local taxes etc.).

On the basis of the revised ex-factory prices, the selling price of unpacked cement at railheads has been fixed at Rs 94, excluding excise duty and packing charges. Adding Rs 23.60 for excise duty and Rs 18 for packing charges, the price of packed cement works out to Rs 135.60 per tonne, an increase of Rs 13 over the price before 1 November. In view of the fact that the increase in ex-works prices recommended by the Tariff Commission involved an increase of only Rs 12.78, it appears that the saving effected at the cost of the industry by the lower prices fixed by Government has been ab-

Indian Finance

11 November 1961

sorbed by increased allowances for distribution charges. It appears that this has been done to enable the STC to cover the current deficit incurred by it in distributing cement at uniform prices all over the country as a result of increased freight and other charges.

The necessity for continuing the present arrangement for distribution through the STC was questioned by representatives of some manufacturers who felt that it now served no useful purpose. But opinion was not unanimous and a large number of units, especially the recently established ones, had admitted that STC had really done a good job and arranged distribution in a rational way. The Tariff Commission agreed that the STC had on the whole acquitted itself well in the internal trade of cement and recommended that no change in the present system of distribution was called for, a recommendation which was readily endorsed by the Government.

The ex-factory prices before the revision, prices as recommended by the Tariff Commission in their report, and the revised prices are shown in a separate table. While Rs 1.50 in respect of selling agent's commission and Rs 1.25 towards incidental charges on packing were included in the prices recommended by the Commission, they are provided outside the ex-factory prices in the revised prices as well as in prices before revision. So the prices recommended by the Commission have been reduced by Rs 2.75 to make them comparable. The adjusted prices recommended by the Commission, taking into account sales since July, involve an increase of Rs 1.13 in the weighted average of the prices recommended in the main report.

*

COMPANY REGISTRATION

South Makes Headway

The trend of new company registrations during the second quarter of 1961-62 discloses continuation of the high level of activity that was witnessed in the first quarter also in respect of new floatations. Thus, during the second quarter, a total of 424 new companies were registered all over the country as against 427 new companies registered during the earlier quarter. Of the 424 companies registered, 44 were public companies and 380 private companies, their authorised capital being Rs 23.5 crores and Rs 52.7 crores respectively. A significant feature disclosed by the new registration for the latest quarter is the headway being made by the Southern region in forging ahead in new corporate activity. The four States of Andhra Pradesh, Kerala, Madras and Mysore constituting the Southern region accounted for nearly 1/3rd of the total new registrations for the entire country during the current quarter as

against the proportion of 1/5th recorded during the previous quarter. It is also noteworthy that with 92 new companies registered, the Madras State tops the list in respect of the number of new floatations. Kerala, Maharashtra and Rajasthan were the only other States which recorded an increase in new registrations as compared to the previous quarter.

Notable among the new registrations were 20 giant-sized companies incorporated with an au-

thorised capital of Rs 1 crore and more each. The total authorised capital of these 20 giant-sized companies amounted to nearly 2/3rds of the total authorised capital of all the companies registered during the period. The Durgamur Projects incorporated with an authorised capital of Rs 25 crores was the biggest company formed during the quarter. The McNally Bird Co., WS Insulators (India) and Oriental Power Cables were the giant floatations in the private sector.

The number of companies incorporated with an authorised capital of Rs 50 lakhs and more was 37 out of which 4 were Government companies viz., Kerala State Industrial Development Corporation, Kerala State Small Industries Corporation, Kerala Primo Pipe Factory and the Durgapur Projects. This takes the total number of Government companies registered during the two quarters ending September 1961 to ten with their authorised capital at Rs 68.26 crores.



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BURN & CO

No liveried footmen or blazing chandeliers remain to proclaim the grandeur and gaiety that once pervaded

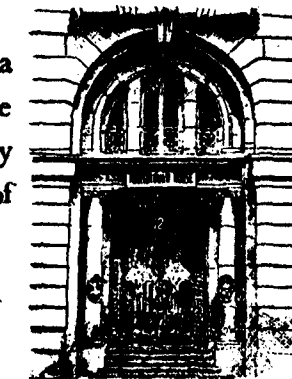
the large red brick mansion that still stands in Calcutta's Hastings Street and which Warren Hastings, India's first Governor-General, built for his charming wife as her town house. For many years this fine residence was the scene of glittering assemblies and balls, the entrée to which was considered a high social privilege.

In 1827, No. 7 was acquired for the purpose of its business by the old established engineering firm of Burn & Company which occupied it for almost a century. By reason of its expanding business, Burn & Company found this historic building with its cobbled carriage drive and spacious rooms too small, and in 1925, the Company was forced to sever its link with this house of memories and moved to larger premises in Clive Street, where it joined hands with Martin & Co.

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Name of Unit	Rs per Tonne		
	Before Revision	As recommended by Tariff Commission effective from 1-7-61	Revised Prices
Dalmia Bharat ...	55.54	64.75	69.50
Andhra ...	65.68	70.25	69.50
Orissa ...	60.80	70.25	69.50
K C P ...	61.97	70.75	69.50
Rohas ...	57.27	70.25	69.50
Mysore ...	63.24	70.75	69.50
A C C ...	58.64	70.75	69.50
UP Government ...	58.14	72.25	69.50
Dalmia Dadi ...	59.78	72.25	69.50
Bagalkot ...	63.59	72.25	69.50
Ashoka ...	67.56	72.25	69.50
Jaipur Udyog ...	58.04	72.25	69.50
India Cements ...	63.21	73.75	72.50
Satna ...	67.52	74.75	72.50
Digvijay ...	57.23	76.25	72.50
Kalyanpur ...	62.24	76.25	72.50
Sone Valley ...	61.40	76.25	72.50
Panyam ...	74.99	76.75	75.00
Saurashtra ...	68.00	74.75	75.00
Madras ...	69.64	14.75	75.00
Travancore ...	82.18	100.25	95.00
Weighted Average ...	60.16	71.81	70.35
Increase ...	...	11.65	10.19
Increase after adjustment for sales since 1 July ...	...	12.78	...

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LIC No Change in Investment Policy

The decision taken against the Estimates Committee's suggestion that the LIC should leave the stock market alone has been taken as a sign of willingness to raise the yield on the funds invested. The LIC will, therefore, continue to support new issues, and purchase good shares offered for sale when the market is slack. The

whole principle of buying equities is derived from the prewar policy pronounced by Prudential which applied Sir Earnest Lever's own principles of investment far beyond the limited field of Government or approved securities. It is no accident that Prudential, as a big investor, is represented on the Board's of many UK companies and can intervene, as in the case of the BSA Co., when things look dark.

The same principle might be applied in India and LIC's keenness to get control of LIC can be

cited. The fact that the LIC buys old shares at a premium is due to the net worth of the shares. And break-up value is the basis of buying, not the face value, for the LIC cannot ignore the cardinal fact of inflation. That LIC operates as an investment trust, though its own capital is held entirely by the Government, should be kept in view, because the old Insurance Act's provisions are accepted as the guiding rule. Those who sell out old shares are left with funds to subscribe for new issues and the LIC indirectly

augments the supply of investible funds by its own programme of graduated and diversified buying. That Madras or Calcutta does not find much favour as against Bombay has been mentioned by some who feel aggrieved, but this year the net has certainly been cast wide and promising shares including plantation shares have been taken by the LIC when offered. This helps to widen the present market for sound but inactive shares. And appreciation in share prices has invariably followed the LIC's purchases, so that shareholders can regard the LIC with a measure of gratitude even for its modest purchases of selected planting and industrial shares. That the LIC does not book profits but goes on adding to its portfolio of assorted investments is a familiar complaint, but that may be due to the sense of growth and to the need for offsetting the depreciation inevitable in some cases.

* INDUSTRIAL ESTATES The ECAFE Seminar

The ECAFE Seminar at Madras on industrial estates had the advantage of considering a UN report on the features of industrial estates in Britain and Italy. It is true that India too is developing estates but there has been no industrial town developed like Slough in Buckinghamshire by non-official enterprise. An Italian critic has pointed out that small estates in small towns are not worth-while and has argued from experience in South Italy that uplift involves heavy outlay and the Indian planners must keep in view the results secured, not the programme framed.

The industrial estates near Delhi or Hyderabad, with ready access to markets and materials, promise better results on investment than those set up at Virudhunagar or Erode. This is hardly surprising and if private enterprise gets the backing it needs for making components for big industries, the gain is largely secured by private enterprise at present. From the employment angle industrial estates do not contribute much but they afford training and other facilities to small enterprise at present and the export of talent to SE Asian countries may be readily envisaged by optimists today since regional trade is expected to increase.

The UN Seminar had the advantage of considering the result obtained in Ceylon where economic policy has been nationalist in the sense, that a cut in import is the major object of all present planning. Ceylon is being transformed from a tourist attraction to an industrial centre and the review of industrial planning sug-

gests that Ceylon does not mean to rely indefinitely on tea, copra and rubber. She means to escape from being a plantation to becoming a source of manufactured goods. The ambition hits industrial neighbours who are likely to urge that making steel or cement on a small scale is both inexpedient and unwise.

The major development today is that in the States industrial planning is concerned mainly with small industries and official advice regarding factory design or equipment is provided along

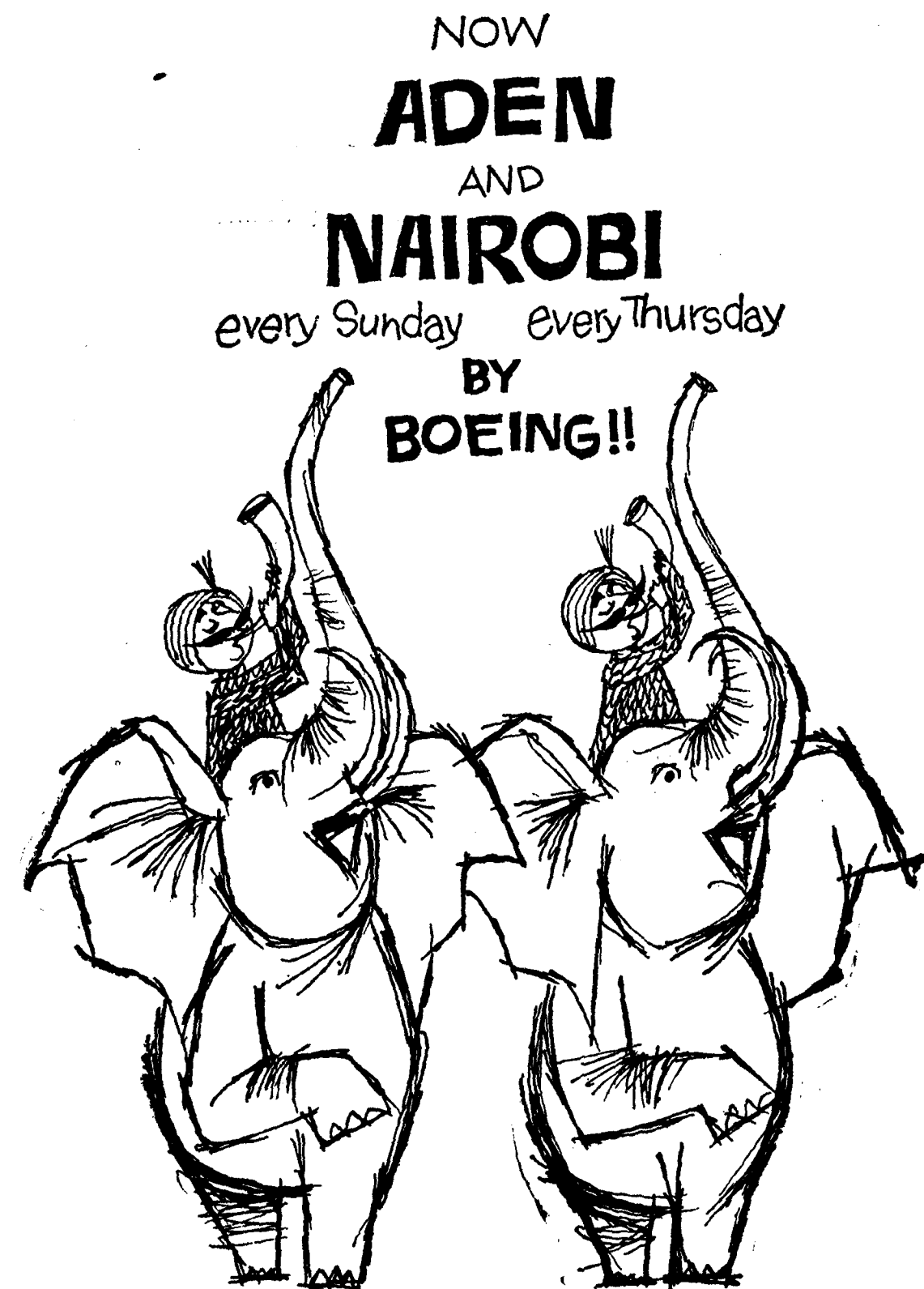
with recommendations for essential imports. The Industries Department in the States is concerned also with technical education. And the division of labour as between Centre and State Governments is a consequence of the policy pursued over eight years. Of course, backing for some big projects is also offered on occasions and the Madras Government has developed a special interest in local iron and steel production, means to set up a rolling mill to get over shortages experienced often.

BANKS

A Legal Point of Some Interest

A legal point of some interest has been settled lately at Trivandrum. The Official Liquidator of the Palai Central Bank rejected a claim for preferential treatment in respect of payment on drafts. But he has since been overruled. The distinction between a depositor and other creditors is real

and substantial, as the Kerala High Court has affirmed now. The draft is a negotiable instrument relating to payment due. It is not like a cheque payable out of deposits held and proportional payment is ruled out for the drafts relates to remittance, a function that banks undertake for a profit described as a commission. The evidence of experts has guided the Court and in regard to bill payable the same practice may be enjoined by the very circumstances of liquidation. The banks that look to the Palai Bank may we



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The Vice-President, Dr. S. Radhakrishnan
on Tuesday, November 14, 1961
(open to public from November 15, 1961 to January 1, 1962)

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gue that the failure does not affect rights and obligations just in the case of draft arising from purely temporary custody of others' funds by the defaulting bank.

The Court has provided a remedy, though the liquidator's mistake may be expensive for those who enforced their claim. The question that arises is whether the liquidator should be excused from paying the costs of actions, if he hid it out of ignorance. But ignorance of law is not a convincing defence and the liquidator should be made to pay for his mistake or else his previous employer should realise his inadequacy as a liquidator. This is one way of improving banking practice—fines for mistakes would be permissible when the liquidator is in a fiduciary position and under specific obligation to respect the known rights of third parties.

The same problem may not arise in the case of merged or submerged banks but the payment entails less resources for depositors whose claims cannot be met by a call on the shareholders who have not so far been called upon to meet the contingent liability in respect of partly paid shares. There is, of course, the issue whether shareholders' consent for the arrangement to amalgamate one bank with another bigger institution was secured specifically and whether a claim to call on unpaid capital was precisely waived under the terms of a forced union of interests. The company law administration will perhaps help in elucidating the position. That it is unsatisfactory and obscure would be admitted by most people.

FIRESTONE

A Familiar Pattern

The consent given for capital issues by the Government only confirms what is known about Britannia Biscuit's bonus issue or the expansion programme of Investa Machine Tools. The more significant item relates to Firestone Tyre raising its capital from Rs 20,000 to Rs 110 lakhs. The Tariff Commission dealt with the structure of the tyre industry and made mention of the peculiarities of Firestone India, under direct American control for over 20 years now. The action taken to rectify the defects by bringing capital into relation with profits is perhaps a prelude to the inception of an enterprise similar to Goodyear India. That Firestone has already a stake in a public company to make synthetic rubber at Bareilly is known to many and the Indian investor will be afforded an opportunity to invest in a new venture sponsored by Firestone in India. The pattern of development in this case too is familiar. The subsidiary will probably be turned into a public

company in which Indian capital will be asked to participate. It is obvious that only equity shares will be offered and the US interest in the Company will be defined by means of a prospectus.

The current passion for tyre shares is patent in the rise of Dunlop Rubber and the high premium maintained on Ceat Tyres in Bombay. The interest lately developed in General Tyres and Madras Rubber Factory owes certainly much to the general appreciation of tyre makers' prospects in India. Three of the US majors are in India, and if General Tyre has not come from the USA, it is not because the desire is lacking, but because prospective collaborators have not been able to get the Indian Government's approval for the terms outlined by General Tyre which has entered the film industry by buying control of RKO's radio and television interests. The value of intelligent expansion in new fields has been proved by the record of Aerojet, a subsidiary of General and the company is the world's biggest producer of tennis balls through another subsidiary. It has one foot in the plastics industry and its prospect of "tireless gains" may have its own appeal for Indian enterprise. But it is not coming in and it is Firestone that is evidently ready for an early take-off into the capital market.

COASTAL SHIPPING

BSN Services to Continue

The argument over the Konkan Coastal traffic has ended with a hint that an eight per cent rise in fares may be allowed to permit continuance of the Bombay Steam Navigation Company's services. Whether the threat worked or whether the State Government regarded the public interest as supreme does not matter. The gain to Scindia Steam in the matter of revenue may be small, but the losses can be soon reduced. A point worth examining now is whether the Railways should not undertake packet services and set up small ports on the coast. It is far better than to think of investing in road services to limit competition. The British Railways manage ports and shipping and the Indian Railways can acquire a shipping interest though it may not be possible to copy Canadian Pacific that runs services on land, water and air at present.

The inland navigation companies too should be State-owned and operated and the Third Plan has singularly overlooked the difficulties of companies like IGN and RSN which are forced to accept uneconomic rates and fares. The Railways can divert traffic by owning ships and running them and give some relief to consignees

of coal. The BSN episode, while it certainly illustrates the limitations of a take-over, also proves that depressed industry like shipping needs special consideration. And State acquisition is desirable on all counts especially if Mangalore Port is to be developed to link coastal ports serving trade on the West Coast. The Ramdas disaster in 1947 established in a way the need for State control of coastal passenger traffic and it has been a wonder why the Government that sinks so much in the Vizag Shipyard should not do something about the packet ports like Ratnagiri or Rewas.

The obvious conclusion is that planning so far has been incomplete and the ambition to enter the overseas trade has obscured the more important object of improving minor ports and a regular passenger trade from Bombay to Cochin or Kandla and Karachi. The shipping companies in their present position cannot do much for their expenses are up and income is stagnant. The old services to Rangoon have been cut drastically. The Central Government can afford relief by acquiring small coastal lines and adding second-hand vessels that Britain can probably supply on credit under the ECGD scheme. Short runs and the carriage of mixed cargo may help the Government to earn, say 3 per cent on its investment. It would also help the fishing industry to reach big cities.

AII

An Eventful Year

In more than one way, 1960-61 was an eventful year for the Air India International. Most importantly it witnessed the entry of the AII into the jet age and the introduction of the Boeing jet engines in all the important routes. This one development has dominated and influenced the fortunes of the AII during 1960-61. During the same year, the AII also earned the distinction of being the first Asian carrier to operate across the North Atlantic. This came as a result of the pool partnership agreement which the AII concluded with the British Overseas Airways Corporation and the Qantas. The partnership agreement obliges the signatory members to plan their services in such a way as to complement each other's operations rather than to compete with each other. As the annual report of the AII points out, this enables the three airlines to give jointly much better service to the travelling public because the days of operation and points of call can be spread to meet the requirement of traffic. The tripartite agreement is designed as a measure to secure for the partners a greater share of the total available traffic in the face of international competition. The basic principle of revenue pools is the

sharing of common traffic rights between two points. Pool partnerships are now a common feature of airline operations. Air India itself has pool partnership agreements with other lines like the AEROFLOT on the Delhi-Moscow line, and with the Czech Airlines on the Bombay-Prague sector.

With the acquisition of jet engines, the AII has introduced Boeing services on the India-Japan route and on the India-East Africa route while at present the fleet of the AII consist of engines other than jet also, homogeneity of fleet is planned to be achieved by disposing of its fleet of super constellations, of which it has now nine. As a result of the introduction of jet services, the total capacity offered by the AII recorded an increase of 72.7 per cent over the capacity offered in the previous year. However, it is stated in the annual report that the traffic actually carried did not keep pace with this increase, having gone up only by 41.2 per cent which resulted in a reduction of the overall load factor from 58.2 per cent in 1959-60 to 47.3 per cent in 1960-61.

The financial results of the company have also shown considerable improvement in 1960-61 as compared with the previous year. The operating profit of the company increased from Rs 18.26 lakhs in 1959-60 to Rs 1,17.41 lakhs in 1960-61. The net surplus increased from Rs 26.98 lakhs to Rs 67.97 lakhs. And after adding the previous year's carry-forward, the total disposable surplus amounted to Rs 83.00 lakhs.

IDA

Credit for Pakistan

The International Development Association (IDA) today extended to Pakistan a development credit equivalent to \$1 million to assist the Dacca/Narayanganj/Demra Irrigation project. This project, the first of its kind to be carried out in East Pakistan, is designed to increase agricultural production in a densely populated and very poor area, and will also serve as a pilot project to provide information and experience which should be of value in developing irrigation schemes in considerable areas of similar land in East Pakistan.

The credit, the first to be extended to Pakistan by IDA, is repayable in foreign exchange over a term of 50 years, free of interest. The IDA funds, along with the rupee funds needed to complete the financing, will be made available to the East Pakistan Water and Power Development Authority, which will execute the project.

The economy of East Pakistan is based predominantly upon agriculture. The cultivated area is

11 November 1961

22 million acres, with little further land available, but the population already exceeds 50 million and is growing rapidly. The pressure of population on the land is severe, and in recent years some rice has had to be imported to supplement local supplies. Increases in food production are urgently needed to improve the national diet, to reduce imports of food grains, and to keep pace with the growth of population. In these circumstances full advantage must be taken of irrigation, flood control and drainage works, which make it possible to increase yields, extend double cropping and reduce the risk of crop failures.

The project will be carried out on some 20,600 acres of flat and fertile alluvial land immediately southeast of Dacca, the capital city of East Pakistan. At present most of the land is inundated every year to a depth of between five and fifteen feet as the rivers rise after the monsoon rains. One crop of deep-water rice is harvested, and almost all the land then lies unused until the next annual flood.

Under the development scheme, a dual pumping station would regulate the supply of water to the area. Flood protection would be provided during the monsoon season, when excess water would be pumped out of the protected area. During the rest of the year water would be pumped up from the Lakhya River for distribution through irrigation canals to be dug within the area. With the aid of these measures, it should be possible to produce three crops a year on most of the land, and two crops a year on the remainder. Average gross production per acre should be tripled, and it is estimated that the gross annual value of the increase would represent a return of over 75 per cent on the cost of the scheme.

Repayment of the IDA credit will begin on 1, April 1972, after a ten-year period of grace. Thereafter, one per cent per annum of the principal will be repayable for ten years and 3 per cent will be repayable each year for the final 30 years. A service charge of 1/2 of one per cent per annum on the amounts withdrawn and outstanding will be made to meet IDA's administrative costs.

PLYWOOD

A Four-Point Programme

Inaugurating the Federation of Indian Plywood Industry at Calcutta last week Mr Manubhai Shah, the Union Minister for Industries, highlighted the importance of establishing "built-in" co-operative research units in each industry all over the country for attaining specialisation in all categories of industrial produc-

tion. Toward this end the Minister has assured Government assistance to the tune of Rs 20 lakhs, Rs 15 lakhs for meeting part of the capital expenditure, the balance to be met by the industries, and Rs 5 lakhs for covering the running costs. About the enormous benefit to the industries by eliminating the needless expenditure that inflate the cost of production there will be no two opinions. Higher productivity through the employment of improved technology will be an added attraction of the translation of the results of

such research centres into industrial practices. The small units also stand to gain, for they can adopt such results which otherwise will remain beyond their reach.

For the evolution of a uniform policy and free and frank discussions within the industry and with the authorities, the formation of a central federation becomes imperative. In the circumstance the constitution of the Federation in the plywood industry is a matter of great import. In his inaugural address Mr Manubhai

Shah has made a forceful plea for the implementation of a four-point programme in the industry. The first point refers to the development of a high pressure salesmanship aimed at educating the consumers of the advantage the utilisation of relatively cheap plywood in lieu of natural wood. The second step is calculated to utilise profitably the waste products of the industry, which form nearly 45 per cent of aggregate production. Thirdly, the Minister drew the attention of the industry to launch an ex-



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JWPA 61

port drive with a view to fetching foreign exchange. Last but not least, Mr Shah underlined the need for a speedy modernisation of the industry which should form an implicit and integral part of all the industries.

That this four-pronged programme will ultimately result in the efficient performance of the industry cannot be denied. But how far the industry will be able to shoulder the task is a matter for conjecture. The past performance of the industry, due chiefly to numerous inhibiting factors like the paucity of raw materials does not provide room for optimism. The task that devolves on the industry is therefore a formidable one. The Minister's assurance of making available adequate raw materials to the industry will afford some consolation. The performance of the industry in future will to a large measure depend on the activities of the Federation.

NRDC 31 New Inventions

Increased and sustained progress in the working of the National Research Development Corporation is reported in the Seventh Annual Report of the Corporation for the year ending March, 1961.

During the year, 31 inventions were reported for development, by 14 research institutes, including two from foreign countries, bringing the total number of inventions reported up to March 61 to 584.

Among the new plants established during the period was the first Pine Oil Factory at Hoshiarpur, the Amul Baby Food Plant at Anand and the Carboxy Methyl Cellulose Plant at Bilimora.

Fifty new licences for commercial processes were issued as against 30 in the previous year.

During 1960-61, four new developmental projects, were sanctioned including a prototype plant for the integrated production of proteins and oil from groundnuts, an unit for the experimental production of aromatic chemicals at the National Chemical Laboratory, Poona, and a prototype plant for the production of a superior grade of activated carbon at the Regional Research Laboratory, Hyderabad.

During the year projects sponsored by the National Physical Laboratory at New Delhi contributed the largest number of inventions numbering five followed by CSIR Schemes (4); Regional Research Laboratory, Hyderabad (4); Central Food Technological Institute, Mysore (3); and two inventions each by the National Chemical Laboratory; Poona, the Shri Ram Institute for Industrial Research, Delhi, and the Indian Railways.

Fifteen Indian patents were obtained during the year including eight for the Union Ministry of Railways (Railway Board), four for the Union Ministry of Defence and three for the Indian Institute of Science, Bangalore. Eight new applications for the patenting in India of inventions were filed by the Indian Institute of Science, Bangalore, three by the Union Ministry of Food and Agriculture and one each by the Union Ministry of Railways and Union Ministry of Steel, Mines & Fuel.

The Railway Board obtained 10 foreign patents in Australia, West Germany, Czechoslovakia, France, Canada, UK and USA on the "Addition to Suri Transmission".

The Report points out the Shri Ram Institute for Industrial Research had filed patent applications in the UK, the USA, West Germany, France and Holland for an improved process for "imparting anti-shrink properties to woollen fibres".

Of the patents and processes referred to the Corporation, 39 processes had been licensed and were in production; 91 were released to industry free of royalties; 14 were being worked by departments; developmental action in respect of seven had been arranged with firms and large scale and pilot plant trials were in progress in the case of 16.

The Report says that preliminary trials had been completed in the Arya Chemical Works, Calcutta, for the production of a can sealing composition developed at the National Chemical Laboratory. Another firm in Saharanpur had placed in the market the sugar cane planter developed at the Indian Institute of Sugar-cane Research at Lucknow.

Among the processes made available free of royalties during the year was a transistorised community receiver; electrolytic engraving or etching on metals and improvements relating to protection of metallic surfaces against atmospheric corrosion.

INDUSTRIAL INDIA

A New TVS-Lucas Venture

Lucas electrical equipment to meet the demands of the expanding Indian motor industry is to be manufactured by a new company in Madras. Negotiations between Joseph Lucas and T. V. Sundaram Iyengar & Sons (TVS), of South India, have resulted recently in a partnership agreement initiating the formation of a new company. The capital employed in the new company would amount to more than £2,000,000, and this would include more than £1,000,000 worth of plant and machinery provided by Lucas. Initially some

components will be imported, but a gradual change-over to indigenous production is planned.

Employment will be provided in the new company in the first phase for more than 1,000 Indian nationals in all grades from engineers to unskilled operatives, and initial production will commence in 1962 with the manufacture of electrical equipment and spares for commercial and private vehicles.

Equipment to be manufactured will be of the latest design and will include dynamos, coils, starters, control boxes, distributors, horns, screen wipers, flasher units, and headlamps and side and rear lamps. It is intended that production will meet all the requirements of the motor industry.

In the new company, the board will constitute three Lucas and three TVS directors. The chairman will be Mr T. S. Krishna of TVS, and Mr J. W. Shield of Lucas will be the managing director.

US

Federal Budget Trends

At about this time every year, US government officials conduct one of their periodic reviews of the federal budget. Such a review has just been completed for the current budget covering the 1962 fiscal year that began 1 July.

The results of this view reflect two basic trends: a rise in receipts growing out of the vigorous economic upswing that began last spring, and a rise in expenditure growing out of moves to bolster the national security, improve international programmes, and promote domestic economic and social progress.

Total federal budget expenditures for fiscal 1962 now are estimated at \$89,100 million and budget receipts at \$82,100 million. The result is a projected deficit of \$6,900 million. This compares with a deficit of \$3,900 million in fiscal 1961, when outlays totalled \$81,500 million and revenues \$77,600 million.

Thus, receipts promise to be \$4,500 million higher in the current fiscal year than in the last. This reflects a continuation of the economic gains—the rising output and income—which have been underway since the first quarter of this calendar year.

It should be borne in mind, in this connection, that receipts in fiscal 1962 come largely from taxes on earnings in the calendar year 1961. This means that they have been affected, to some extent by the aftermath of the 1960-61 recession, and could have been even higher of the manpower and resources of the economy were more fully employed.

Now, with a more fully employed economy in prospect for the year ahead, and further significant gains in output and income anticipated, President Kennedy has announced his intention of sending a proposed balanced budget to Congress in January for the 1963 fiscal year that begins next July 1. The present thinking is that the only bar to such a move would be extraordinary and unforeseen spending requirements, particularly in the realm of national defence.

As for the \$7,500 million increase in budget expenditures in fiscal 1962 as compared with fiscal 1961, this reflects largely changes in that have taken place in governmental policy under the Kennedy administration, which took office in January of this year. These changes are evident in the greater attention which has been paid to the requirements of national security, international cooperation and domestic and social improvement.

US budget officials point out moreover, but budget outlays have been tending upward for the past several years as a matter of course. The principal factors have been the growing responsibilities of the Federal Government in the world situation, and the heavier need for governmental services brought about by the nation's expanding population, increasing urbanization and rapidly advancing technology.

It is noteworthy that federal budget expenditures, while increasing in amount over the years, have nonetheless remained at a relatively stable proportion of the total output of goods and services—the Gross National Product (GNP)—for most of the postwar period. In fiscal 1962, as in fiscal 1961, expenditures are estimated at about 16 per cent of GNP. And if the economy continues to improve and the GNP to climb as expected, there would be no appreciable change in this

proportion, though expenditures in fiscal 1963.

Certain recent developments, however, have contributed to pushing federal outlays as now estimated to a somewhat higher level than had been anticipated a few months ago. For one thing, the effects of the appropriations actually voted by Congress during its recently concluded session are now evident. For another, agricultural spending will be higher because of an even better than expected farm production performance, coupled with advance price-support payments to some farmers.

It is significant that the latest budget estimates for the current fiscal year are rather realistically and tightly drawn. Not only do they include the effects of the two aforementioned factors; they also include projected outlays based on supplemental appropriations requests which President Kennedy is expected to propose to Congress at its forthcoming



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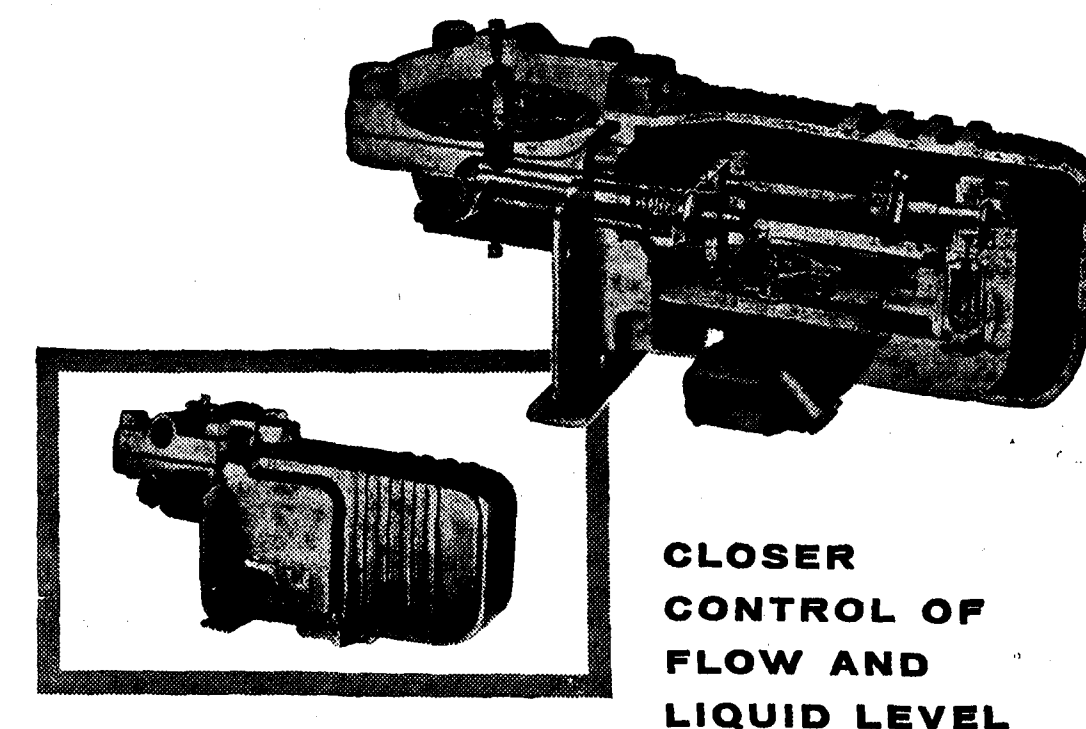
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session beginning in January of next year.

At the same time, the Kennedy administration is making a valiant effort to hold down unnecessary federal spending. It is a fact not always known to the public but well enough understood among government administrators that President Kennedy, while advocating expanded programmes he deems essential to United States interests at home and abroad, has constantly stressed the need to maintain government operations at minimum possible cost. Now, to reinforce this view he has recently instructed US Departments and Agencies to hold down expenditures wherever feasible. This tight hold on the government's spending reins is also reflected in the current budget estimates.

The big unknown in all this, is the military situation. The defence expenditures in this fiscal 1962 budget are based on the actualities of the present international situation, not on budgetary considerations, and could go up or down depending on developments.

With this uncertainty aside, however, US officials are confident that the estimates in this latest fiscal 1962 budget review are essentially sound. They are equally confident that progress is being made toward achieving a balance in the federal budget for the following fiscal year.

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NEHRU IN THE US Clarifying Issues

The visit of Mr Nehru to the USA takes place when tensions over Berlin are less acute and the Laos situation is on the mend. It also follows a visit by US businessmen to Delhi to ask questions and get assurances about the field for investment. The continuous consultation helps collaboration for diversification of industry and that is perhaps as hopeful a factor as the US effort to enlist Japanese interest in India's needs at present. The visit to Washington may help Mr Nehru to outline the case for foreign aid on the basis of India's own achievement. The more important consideration is that the visit will help to define the nature and units of neutralism, to dispel the impression that Pakistan is the friend of the USA, and not India.

The effect of the visit on the Congress party's election strategy should be taken into account. The Swatantra party's advocacy of free enterprise may be countered by letting the USA know that Indian economic planning has its points of resemblance with French rather than Russian planning. The obvious effort to drive a wedge between capitalism and socialism must be met by an early exposition of Indian policy and

programme, so that Mr Nehru's visit would have its own effect on the outcome of elections in India. The visit may help also to redefine India's attitude to colonialism to which objections have been formulated. But India has made so far no move against Portuguese power in Goa, not because of the risks but from a desire not to add to the world's troubles. The reserve or reluctance should be appreciated abroad. India's border problems have taken a new turn with Nepal moving away towards Peking. This is an ominous development, even in the American view, and the USA should probably give due weight to Indian concern over the results of the restoration of Royal authority. The USA will doubtless realise that Indian aid to Bhutan and Sikkim will help to insulate the Himalayan frontier and the bearing of economic aid to India on foreign policy may gain sympathetic notice. The loyalty of India to the United Nations, in the acts in the Congo, for instance, may not require specific notice, but India's Prime Minister, by a visit to Mexico, may establish the right contact with a country that is developing by raising a middle class to help political and economic stability. The principles of socialism in actual application in Mexico may help India to clarify her own policy. There is a real need to get in touch with Latin America and Mexico City can be the starting point for ascertaining, for instance, what Mexico has done with her oil industry. The US view of India's policy should be certainly clearer after the visits of Mr Harriman and Mr Johnson to Delhi. There is no need to say that the Democrats in office have favoured India and the Congress has good reason to be grateful to the late President Roosevelt for his interest in India's freedom.

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BRITISH RAILWAYS A Clean Slate

The British Government's decision to write off the losses to the tune of £475 million sustained by the Railways will help the new Board to start afresh. But the failure of a nationalised enterprise to prove itself by performance will help the Tory party to decry any new plan for nationalisation. The new Board is empowered to raise railway fares promptly generally by notification. The other changes proposed will give Dr Beeching freedom to act. The Ministry of Transport counts for less than the Board that will retain its control of hotels and docks and the future may help to pay interest on loan that represent the British railway's capital. The budget for 1961/62 will be strained by the payment and hence there is now

talk of what Mr Lloyd means to do about a tax on capital gains. In October assurances were given to Labour about a new tax on the rich and the firmness of Mr Lloyd may be reflected soon in a tax on gains made on equities. The new preference for gilded is thus understandable. The outstanding feature is the resolve to go on with the railways as they are after so many inquiries about wage levels. The problem for railways under the ECM is not difficult but the chances of big traffic from the Channel Tunnel are small.

NEWS IN BRIEF

Total production of various machine tools by the 22 leading member firms of the Indian Machine Tools Manufacturers' Association in September 1961 amounted approximately to 4,128 and are valued at about Rs 69 lakhs.

The UP Government has decided to establish 29 more industrial training centres with a seating capacity for 8,000 trainees. The seating capacity of the existing 15 institutes will also be increased by 1,760 seats by the end of the Third Plan.

The second blast furnace of the Rourkela Steel Works has recorded a record production of 1,304 tonnes of pig iron on Tuesday last week as against its rated capacity of 1,000 tonnes. Total production of pig iron in October 1961 aggregated 41,007 tonnes against 31,950 tonnes in September. Output of steel also registered an increase of 9,503 tonnes. The average monthly production in both the blast furnaces had gone up by about 68 per cent of their rated capacity.

The first rayon factory in Punjab will be set up in Yamunanagar with an investment of about Rs 10 crores. The factory will be in the private sector and will provide employment to nearly 15,000 people.

The Government of Maharashtra has constituted a 17 member Board of Management for the State Industrial Cooperative Association Limited comprising both officials and non-officials under the chairmanship of Mr M. K. Firodia, the Chairman of the District Central Cooperative Bank Ltd, Ahmednagar. The new Board of Management took over charge on 1 November.

Mr Manubhai Shah, the Union Minister for Industries announced last week that three factories for the manufacture of newsprint would go into production before the end of the Third Plan and the existing production of the Nepa

mills would be doubled during period.

The Pakistan Government decided to decontrol hard currency and in future industrial concerns would make direct imports under licences issued by the Controller of Imports and Exports.

Preliminary work on the construction of the shipyard at Cochin has started. The first stage of the project estimated to cost 15 crores would be completed by the Third Plan period. The subsequent stages of the shipyard would be executed in the Fourth Plan.

The Government of India has decided to set up a new diesel locomotive workshop at Varanasi in the public sector. A provision of Rs 12.54 crores has been made for this project in the first year of the Third Plan. Part of the amount will be utilised for the import of special equipment. Mr G. P. Sahani will be the General Manager of this new enterprise.

The Bhilai Steel Works has exported about 147,500 tons of pig iron valued at over Rs 320,000 upto the end of October 1961. In addition, the Bhilai Steel Works have despatched 818,863 tons of pig iron to foundries all over India upto end of October '61.

Yugoslavia is the new buyer of pig iron from Bhilai. The other countries buying pig iron from Bhilai are Japan, United Kingdom and Pakistan.

PERSONAL

Mr U. Thant of Burma has been nominated Acting General Secretary of the United Nations by the Security Council. Mr Thant will hold the post till April 1963, the date when the late Mr Dag Hammarskjöld's second five-year term would have expired.

Mr C. R. Sundaram has been appointed Chairman of the National Small Industries Corporation in place of Mrs Maragatham Chandrasekharan who has resigned the office in order to stand for the Lok Sabha during the forthcoming general elections.

Mr M. G. Pradhan, the Deputy Director-General of Civil Aviation, will succeed Mr K. M. Raha, as Director General of Civil Aviation.

The Indian Road Transport Development Association has elected Dr F. P. Antia as president and Mr J. R. Price as Vice-President for the ensuing year at its annual general meeting held in Bombay.

Clive Street Gossip

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

WHEN Mr Nehru's trip to the US was planned earlier this year, India and the US were figuratively slapping each other's back and proclaiming what buddies they were. After a rather indifferent spell, Indo-US relations were on the mend. We were undisguisedly happy at Mr Kennedy's election as President and Mr Kennedy paid us the compliment of referring in glowing terms to Mr Nehru in his inaugural. India has had in the last few months continuous evidence of American interest in India's plans of economic development and we can hardly forget American initiative in getting other nations, often reluctant, to commit themselves more overtly to India's attempts at economic regeneration. Even in matters of international politics, both have, except for differences over particular issues like the US intervention in Cuba, stood nearer each other than before. Indeed sometimes, as over the Katangan imbroglio, we found ourselves nearer each other than either with its "traditional friends." And yet, we find to-day that the atmosphere is murky with suspicion and mutual recrimination and not even Mr Nehru's visit has succeeded in wholly clearing the air. The change in mood has been dated by some observers with the Belgrade Conference. This is rather ironical, considering India's well-known reluctance to participate in it and the stand we actually took there. Mr Nehru was, by common consent, the only leader at Belgrade who was anxious that the neutral summit should not become a forum of anti-colonialist hysteria. He got small thanks for his effort to restore thus a better sense of priority and perspective at Belgrade. Since then much has happened including the Russian explosion of the monster bomb. What has obviously and avowedly irked many Americans is the appearance of India not wanting to offend Russia even when it is so obviously in the wrong. This is rather unfair considering that Mr Nehru has promptly deplored the Russian resumption of tests. But what gives some semblance of justification to these complaints is Mr Krishna Menon's rather predictable performance at the UN. It should not have been difficult for Mr Menon to make his points, largely unexceptionable, in a rather different way. But if he had, he would not be

Mr Krishna Menon but Mr Nehru. Mr Nehru would not have held the scale so ostentatiously even, toted up the number of explosions on either side, or quoted Congressional evidence that showed that the US tests followed the Russian at such short notice as to make it quite obvious that the moratorium was not a period of idleness. Not that there is any disposition on anybody's part to blame the US for being barely within the letter of the agreement to desist from tests, but it does make the moral horror at Russian resumption of tests, extensively peddled editorially, somewhat hypocritical. Mr Krishna Menon being what he is, does rub this sort of thing in. Unfortunately, procedural wrangles about priority to be accorded as between an Indian and UK-US resolution had exacerbated feeling, though when it came to the sticking point, India did vote, along with the rest, asking the Soviet Union to desist from further tests. There is, of course, a vital difference between India and the US over the question of banning of further tests as exemplified in the rival resolutions. The US feels—in my opinion, quite justifiably—that the kind of blanket moratorium without treaty obligations for international supervision and sanctions would become in practice only a moratorium at Russia's pleasure. And with Russia at the end of her current series of tests, she may virtuously agree to a proposal that she will disregard when the time comes. All this is evident enough, but a difference of this sort should not make the two countries suspect each other's bona fides. It will be sad day when America feels that those who are not with them are against them.

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India is doing the delegates to the Delhi meeting of the Commonwealth Press Union proud. It certainly was some occasion, all the big guns of Fleet Street attending in their strength and booming away about the Freedom of the Press and the Commonwealth ties. They have since left on a tour of the country and one hopes that they will take time off entertainment and receptions in their honour to see something of the country and the changes that are taking place. The Indian Press is free in the obvious sense of being allowed by the Government to say pretty nearly all that it wants to say without much inter-

ference. This is certainly not true of the Press of many other countries including some which are members of the Commonwealth. But, whether our Press itself says all that it ought to is a different question altogether. Quite the most interesting discussion in Delhi was that on monopolistic tendencies in the Press, a subject of obvious relevance to conditions in this country. Newspaper proprietors are rather touchy about this subject here, but, Mr Roy Thomson, a late arrival to the newspaper business and the reputed owner of a chain of over 100 newspapers, was engagingly candid about it. He said somewhat naively that monopoly was a fact of life. A newspaper is a business proposition and one has to gather more and more newspapers in one's hand in order merely to survive. Lord Burnham of the Daily Telegraph dissented vigorously. Apart from the fact that the economics of the proposition is certainly not so simply inexorable as Mr Thomson put it, it is unthinkable that one man should have the power to sack 100 editors. (Ask yourself the question "Why not, when one man can sack a hundred mechanics?" You will at once notice the force of Mr Burnham's argument.) Mr Thomson himself is reputedly without any desire to impose his politics on his editors. But not all proprietors are as detached about what is being written in their papers. Lord Beaverbrook is a notorious example. The Daily Express goes for Lord Mountbatten and Pandit Nehru everytime it gets a chance merely because the "Beaver" happens to dislike them. Innumerable other examples can be found in Christiansen's recent book, "Headlines All My Life". The fact is that the Press is not merely an industry, it is also power, power of the most subtle sort. In any case the fact that the manufacture of news and views has its points of similarity with the manufacture of, say, breakfast cereal or jute goods does not mean that it should be organised like them. Anyway, neither the economics nor the ethics of monopoly in industry, much less the newspaper industry, is self-evident; otherwise they would not have had a Commission of Inquiry into the question in Great Britain. In India where there is no rival medium of mass communication and advertisements like the television, monopolistic tendencies have even greater dangers from the point of view of the integrity of the Press. And, finally, the fact that in both countries there are newspapers, which stand alone and play a vigorous and decisive part in the country's

life is a pretty conclusive piece of evidence against the casual relationship between monopoly and survival that Mr Thomson sought to establish at Delhi.

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If you are not one of those who believe with Shaw that the two-party system is the diabolical invention of the British Monarchy to perpetuate itself, you would probably agree that it is a workable political device and India needs an effective opposition. If you go thus far with me, I think I can persuade you, on the strength of the Swatantra Party's election manifesto, that much the best thing that could happen to this country is its emergence as a viable opposition to the Congress. Alone among the parties in the country, it is not embarrassed by the fact that the Congress has stolen the socialist thunder. Thus it is able to provide a body of coherent ideas which is a recognisable alternative to what the Congress has to offer. You may not agree with what the Swatantra Party has to say about the deleterious effects of central planning or the sturdy virtues of free enterprise, but you do know that there is nothing wishy-washy about them. Secondly and more importantly, the kind of excesses that you have to fear from the Congress is precisely what Swatantra in effective opposition would save the Congress from. It is better that the Congress should watch its steps because the Swatantra rather than the Communist Party is wide awake and able to kick up a row. When the Congress absorbs, as it will do sooner or later, the PSP and isolates the Communist Party, we shall have as in Britain, a genuine right and left with appropriate but ineffective lunatic fringes. I am not suggesting that it is how things will actually pan out: I am merely indicating that I would wish it this way rather than any other way. This would be in accordance with the historic opposition between the Progressive and the Conservative (both words used in a loosely descriptive rather than in a pejorative sense) and would ensure stability, dynamism and continuity in our political life. As an opposition the Swatantra has another merit: Among the parties of the conventional right, it is the only one that has no particular communal or obscurantist affiliations. Wedded to tradition as a Conservative party is bound to be, it has certain obvious dangers stemming from religious and other orthodoxies to beware of. The Swatantra leadership is irreproachable in this respect. Its most obvious weakness is organisational inadequacy, as is shown up by the rather farcical goings on in its West Bengal Unit. This may well prove embarrassing to its electoral fortunes.

EAVESDROPPER.

Olympus

INDUSTRIES FAIR

Impressive Evidence of Growth

WORK is proceeding round the clock to complete arrangements for the Industries Fair scheduled to open on 14 November. Drenched by unexpectedly heavy showers, the exhibition grounds off Mathura Road presented a desolate spectacle when the Prime Minister visited the site early last week to acquaint himself with the progress of the work. And doubts have been expressed whether it would be possible to put up the stalls with all the exhibits in position by the opening day. But the outlook now is more encouraging.

The Fair, sponsored by the Federation of Indian Chambers of Commerce and Industry, is being organised in close collaboration with the Government of India. The task facing the organisers has been a formidable one. The grounds extending over 180 acres had to be provided with drains, roads, power lines etc before the work on the stalls could be started. The civil works involve the coordination of the activities of several Government departments. And as in all activities concerning Government departments, it is not possible to rush ahead without ripping over Red Tape. The subsequent process of disentangling consumes more time than is gained by speeding. In the case of some Government concerns which had been asked to participate in the Exhibition, the time taken in getting formal sanction from the competent authorities, authorising the financial commitment involved, has taken more time than they have at their disposal to put up the exhibits.

In spite of the handicaps the work is making good progress. The Federation has set up a temporary establishment at the site. The Secretary-General, Mr P. C. Ansal, and Mr Chentsal Rao the secretary of the Federation are daily attendance, besides the staff detailed to look after the thousand and one details connected with the organisation of the fair. It is confidently expected that the preparations will be completed in time and, if the worst comes to the worst, at least the stalls on the VIP route would

be ready in time for the formal opening by Vice-President Radhakrishnan.

An idea of the magnitude of the organisational task can be gained from the number of participants and the scale of the display. This year's Industries Fair is the biggest of all exhibitions, so far held in New Delhi, not excluding the Agricultural Fair and the Railway Centenary Exhibition. Provision has been made for two million sq feet of ground space which is more than double the space available in the First Industries Fair.

The Exhibition is intended to highlight the industrial development of the country during the decade of planning. To that end, 400 Indian Business Houses, not to speak of Central Government Departments and State Governments, of which eleven are taking part, and all public undertakings, from the Railways to the Publications Branch of the Government of India, are making Herculean efforts to put up an impressive show. There is a proposal that the Fair should not be treated as a nine days' wonder and that, it should be retained as a permanent Industrial exhibition which will give visitors from abroad a comprehensive view of India's export potential.

Development plans lean heavily on the assistance generously extended by friendly countries. The impressive pavilions put up by foreign countries—a total of 18 foreign countries are taking part in the exhibition, including, the USA, Britain, West Germany, Russia and other East European Countries, Yugoslavia and Vietnam to mention a few—proclaim the contribution that each can make to the industrial progress of this country by way of equipment and productive techniques. Countries on both sides of the Iron Curtain are represented in strength. In its own way the Fair may be said to provide a wholly beneficial demonstration of "competitive co-existence".

Four out of the five biggest pavilions are being put up by foreign countries, namely the US, Russia, Britain and West Germany. The US pavilion occupying 5.5 acres has been described by the Exhibition Director of the US Government as the biggest industrial show organised by his Government so far. A notable feature of the US pavilion is the emphasis on heavy machinery required for

the India's Third Plan, rather than on gadgets and consumer durables typical of the Affluent Society. But this emphasis on heavy machinery does not exclude exhibits from new frontiers in technology. Visitors to the Fair will be able to see the aero car which sails in the air one foot above the ground. Those who are disappointed by the meagre Third Plan allocation for roads will watch this vehicle with wistful eyes, for it can travel over stretches of land which are not motorable. But it does not offer any immediate hope of relief in the current shortage of transport for coal.

Vostoks and Sputniks in the Russian pavilion, the third biggest in the Fair in respect of area covered, will be a powerful counter attraction. Russians had not dismantled the pavilion which they had built for the last year's industries fair. It has been renovated by Soviet technicians specially flown for the purpose from Russia. The Russian exhibits will also focus attention on the types of machinery required for Indian projects.

Indo-British collaboration is the major theme of the British pavilion which is in two sections. While one section will recall the pioneering role of Britain in the industrialisation of India, the other will display the products of British firms as well as of Indian firms with British connection. The ISCON display highlighting the work done by the Consortium in the construction of Durgapur Steel Works promises to be one of the star attractions of the British pavilion where the British air craft industry has also planned an impressive display.

The Indian Railways pavilion, the second biggest in the Fair besides projecting Railways achievements, is also intended to serve as a show-window for Railway equipment which India is now in a position to export. The exhibits include working models of electric and steam locomotives, coaches, wagons and other equipment. Among Government Departments and undertakings, the Defence Departments, Atomic Energy Commission, Hindustan Steel, the Export Promotion Department of the Ministry of Commerce and Industry and the Council of Scientific and Industrial Research are putting up impressive displays.

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Sales Potential of Govt. Publications

The stall being put up by the Publications Branch of the Government of India seeks to provide helpful guidance through the maze of Government publications. An attempt will be made to tell the public of the vast mass of

material available regarding various activities of Government and what is more important, where the particular information sought can be found. This display has a business angle of interest to the publishing trade; one of its aims is to impress on Publishers and Booksellers the sales potential of Government publications. Though these are not all best sellers, some tote up impressive sales figures, while demand for others is a continuing one to which Government Book depot are not always able to cater. Some of the more popular publications run out of stock soon after they are published, and it is not always practicable to arrange for prompt reprints, partly on account of the time taken in bringing them up to date. But even without revision these are useful as they contain valuable information. It is not generally known that there is provision for waiving Government's copyright in such publications on request from interested parties, and in appropriate circumstances. In some cases copyright has been waived for reprinting publications of special interest whose stocks have run out, of a limited number of copies for private distribution. It is learnt that it should be possible to extend the scope of this concession to the publishing trade to enable them to cater to the needs of the general public. In so far as Acts are concerned, there is a general waiver of copyright in respect of annotated texts and commentaries. Government also does not insist on copyright in Reports and the necessary permission to reprint is freely given in respect of those which are not in stock on application to the Manager of Publications, as also for publishing translations. Reprints of other publications which are not presently available in Government Book Depots, it is learnt, may also be similarly sanctioned on application, or on payment of a nominal Royalty.

Simultaneously with the inauguration of the Industries Fair, the Planning Commission will begin talks with representatives of State Governments on the annual plans of the States for 1962-63. The talks will begin with assessment of resources and will also focus attention on the progress in different agricultural sectors, irrigation, co-operation, education and training programmes and programmes for the utilisation of rural man-power. The discussions with each State will be spread over three days. Eighteen working groups, each, dealing with a major development aspect, have been set up to study in detail the continuing and new programmes of States for 1962-63, and the annual plans of the States will be finalised in the light of these studies.

Markets

JUTE Rise in Gunny Stocks

Figures relating to stocks of jute goods at the end of October released on Wednesday this week show that there was an overall rise of 3,000 tonnes in total stocks which stood at 55,400 tonnes as compared with 52,400 tonnes at the end of September. All the categories have contributed to the rise—hessian stocks at 17,000 tonnes were 1,400 tonnes higher, sackings stocks at 29,900 tonnes were 300 tonnes higher and other varieties at 8,500 tonnes were 1,300 tonnes higher. The rise in stocks is as yet small, but nevertheless it indicates that overseas buyers are no longer quite keen to take their requirements at prevailing prices. It is true that some good business had been put through in the past few weeks, but it cannot be concluded from the trend of prices especially in respect of ready and near delivery positions that overseas buyers are prepared to buy even their immediate requirements at any price. The present squeeze in ready goods may not last long in view of the IJMA policy of progressive increase in mill output. From the 13th of the current month 2½ per cent of looms will be unsealed and this

means an increase in production of about 2,000 tonnes per month. In view of the rise in end-October stocks, the industry may not effect any further increase in production in a hurry even though stocks, especially those of hessian, are still very low. The industry has perforce to take into consideration the possibility of an early revival of US interest in burlap. Perhaps overseas buyers were justified in thinking so far that prices would decline in line with the fall in raw jute prices. Such an expectation may not prove true any longer for the simple reason that it is extremely unlikely that raw jute prices will be allowed to fall much below prevailing levels. This is not to say that current prices of jute goods, especially those pertaining to the ready and near delivery positions, are reasonable. Prices have been rigged up partly because of some real demand and partly because of speculation. Once overseas consumers realise that there is no chance of any further fall in raw jute prices, they may begin to evince interest in the market. But they may be scared away by any continuation of the present high price levels. As the present situation in the jute goods market has been brought about largely by an actual shortage of goods because of adverse developments during the past few months mainly stemming from an

acute shortage of raw jute, the obvious remedy is to ensure an adequate supply of jute goods.

This is being done and as a matter of fact production has considerably been stepped up in the course of the past few months. Mills have now reverted to a 48-hour week and they have only 9½ per cent of their looms idle. Perhaps it will be in the interest of the industry to lose no time in increasing mill output further if it is convinced that such a step will help toward bringing goods prices to reasonable levels. For, overseas buyers have made it abundantly clear that they would rather make alternate arrangements for meeting their packaging needs than pay a high price for jute goods. Since the industry depends mostly on the foreign markets for the absorption of its production, it simply cannot afford to ignore the reasonable expectations of the foreign consumer who has another source of supply in Pakistan which by virtue of the number of advantages of its mills, the most important of them being an ample supply of high quality raw jute at cheap prices, is able to supply them goods at prices lower than Indian mills could supply comparable goods.

STOCKS OF JUTE GOODS AT THE END OF OCTOBER, 1961.

(000 Metric Tons/Tons)				
	31-10-61	30-9-61	31-10-60	
Hessian Cloth & Bag	17.0 (16.8)	15.6 (15.4)	30.9 (30.5)	
Sacking Cloth & Bag	29.9 (29.4)	29.6 (29.1)	40.1 (39.5)	
Others	8.5 (8.3)	7.2 (7.1)	8.6 (8.4)	
Grand Total	55.4 (54.5)	52.4 (51.6)	79.6 (78.4)	

Profitability Returns to Jute Industry

The going in the jute industry is now good, according to the Indian Central Jute Committee, as ample jute supplies at reasonable prices have restored profitable mill working.

The Committee said in its monthly Jute Bulletin that there was no problem of demand for the mills' monthly production. Gunnies were selling quite as fast as the industry seemed capable of stepping up its output.

The Bulletin, however, noted that the industry's stocks of jute goods, brought down to a low figure by successive phases of production cuts during April-August this year, had failed to cushion the impact of a sudden resurgence of demand. The result was a disturbing upsurge of speculation leading to a squeeze on all ready and near delivery goods.

Although there was a seeming excess of speculation, the Bulletin discounted the notion that the rise of the market could entirely be the work of speculators. It was due

partly to a revival of world trade in the commodities, chemicals and some semi-manufactured products that moved into consumption channels in the bagged form. Quite substantial business had taken place during September-October with the US, Australia, Cuba, Burma and the UK.

Even though volume of genuine trading was nowhere near the quantum changing hands daily in speculative paper deals, the dominant feeling of shortage in the goods market was having an undesirable effect on prices. The latter were not only ruling high, rather too high for the good of the industry, but also tended to fluctuate sharply from day to day.

High and unstable prices, said the Bulletin, were under-mining overseas users' confidence in jute goods and the only way to remedy the situation was to enlarge the supply of ready goods.

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TEA Demand Slackens

In the Export sale held in Calcutta this week, offerings were 73,975 packages. There was less demand than in recent weeks and prices were generally easier. Plain broken and Fannings were quoted up to 15 nP per kilo easier and sometimes more. Medium and best orthodox Assam broken were an irregular feature and were often much easier with a number of withdrawals, mainly plain and medium BOPs. Similar Fannings also declined in prices.

Clean leaf CTCs were generally 20 nP to 30 nP easier with some withdrawals in this category. Cheaper and offgrade varieties were irregular, but were taken up readily at prices up to 20 nP below last rates. Legg-cut Dooars were 10 nP easier. Darjeelings met with less support and were easier. Whole leaf except for the cheaper varieties was a weak feature. The demand for Tippy teas was also limited. Following rates were quoted:—Clean Plain Pekoe Rs 4.10 to Rs 4.30; Plain BP Rs 4.00 to Rs 4.15; Plain Fannings Rs 3.80 to 4.00; Medium Assam CTC B P Rs 4.80 to Rs 5.00; Medium Assam CTC Fannings Rs 4.60 to Rs 5.00; Best Assam CTC BP Rs 5.10 to Rs 5.40 and Best Assam CTC Fannings Rs 5.10 to Rs 5.50.

Meanwhile, the production figures, released by the various producing countries, have shown a mixed trend. The output in South India is slightly higher at 15.9 million pounds in September as compared to 15.1 million pounds in September last year. This puts the total output to the end of September at only to 124.4 million pounds as against 129.7 million pounds in the corresponding period of 1960. Ceylon has produced 26.5 million pounds in September as against 26.3 million pounds. Total output, in the first nine months of the current year, is higher at 339.6 million pounds as against 329.1 million pounds in January/September, 1960.

Production of tea in Indonesia was lower at 7.5 million pounds in July as compared to 7.5 million pounds in July 1960. The total tea output, in the first seven months of the current year, is, however, higher at 57.6 million pounds as against 56.9 million pounds in the corresponding period of last year. In East Africa, production was slightly lower at 3.8 million pounds in August as against 3.9 million pounds. The total East African output of tea, during the first eight months of the current year, is higher at 69.8 million pounds as against 69 million pounds in the corresponding period of last year.

A sharp decline of over two million kilograms is reported in the shipments of tea from Cochin to various parts of the country and overseas during the six-month period ending 10 September 1961 as compared to the figures of shipments for the corresponding period of last year. As against 20,305,283 kgs of tea shipped during April/September 1960, the quantity shipped during the same period this year, amounted to only 18,021,292 kgs.

In the Colombo market, offerings were 7,492,720 pounds. There was a strong general demand with the exception of low-grown teas. At the opening, a useful selection of Dimbula/Dickoya broken teas met with stronger competition at advances ranging from 5 to 15 cents per pound. Best medium broken teas were firm; but other useful liquoring sorts were 5 to 10 cents dearer. Uva teas were irregular following quality; but prices were frequently dear. Low-grown teas were in less demand at irregularly lower rates.

In London auction, offerings were 30,300 packages of tea, including 26,452 packages from North India. The market continued with a strong demand for all descriptions with good quality CTC Assams being well competed for and prices tending dearer. Teas from the Doonars were fully firm, any weakness being for those of orthodox manufacture. Plain teas were sold well at firm rates.

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COTTON Futures Scale New Peak

AFTER a period of nervous selling in the initial stages the Jarilla March contract forged ahead to scale a new peak of Rs 643 per three quintals thanks to the encouraging spot advices, the hectic buying by spinners and investors and the possibility of scarcity in the market arising out of the delayed arrivals of the new crop presumably due to the absence of global quota. The tight supply position in the ready section also favoured the bullish sentiment.

The nervousness in the opening stages was obviously the result of the step taken by the Forward Markets Commission in suspending

the forward trading in the oilseeds market and the denial of the earlier reports of damage to 320F and 216F crop in the Punjab and the contract reacted slightly. However, at lower levels the contract met with some support from the spot houses and from that period onwards it gathered momentum and gained further strength to reach the new high of the season.

Meanwhile the Textile Commissioner has in a press note warned the cotton trade and the textile industry that the Government will not hesitate to adopt any measure to curb the rigging of prices which showed a tendency to pierce the official ceiling. The steps that will be undertaken by the Commissioner include random requisitioning of cotton for mills in areas where the crop has started moving and where the possibility of prices piercing the ceiling looms large. Apart from this the authorities may also resort to requisitioning of cotton from both the mills and the trade irrespective of the contractual obligation of delivery to the mills in cases where the prices ride above the ceiling level. The press note adds that the Textile Commissioner may even order to seal off certain cotton areas to freeze the stocks and regulate the movement of cotton. The Textile Commissioner has expressed grave concern at the malpractice of heavy mixing of the good staple varieties with inferior short staple varieties and called upon the industry and trade not to pay prices higher than the maximum provided.

The Government of India, during the last week end, announced an import quota of 175,000 bales (of 400 lbs each) of 1-1/16" and above from any area. Out of the total quantity, 45,000 bales will be allotted to the mills against their retention quota under the Export Incentive Scheme and the rest will be distributed to the consumers of foreign staple 1-1/16" and above on the basis of their consumption in the previous season. The entire quantity of 175,000 bales will be available for shipment only after 31 December, 1961, but not later than 31 May, 1962.

The spot market at Sewri depicted lively conditions with mill interest being extended to new crop 197/3, Vijay, Digvijay, L147 and CO2. Interest in old crop L147, Laxmi, Digvijay, Kalyan, Wagad and Moglai was also pronounced. The downpour in the Punjab tracts where the crop is at the picking stage has caused serious anxiety of the damage to the crop.

A marked improvement in the prices of Bengal Deshi delivery contract consequent on the renewed enquiries from shippers was the main development in the export section. The sales of that variety as on 28 October totalled 43,700 bales.

The possibility of arriving at some favourable agreement by the six-member Uganda delegation who will visit India this week, has created a

stir in the market. In the meantime the prices of East African cotton have firmed up by nearly ten per cent.

Exports of all varieties of cotton from the United States in 1960-61 season (August-July) totalled 6,857,000 bales of 500 lbs gross. Though the last season's cotton exports was a shade below the previous season's, it has exceeded average exports of 5,297,000 bales per annum during the past five seasons by about 29 per cent or by 1,560,000 bales.

The cotton crop in the Kirghize Republic during the current year, according to official sources, is likely to reach 1,500,000 metric quintals, an increase of about 20 per cent over the previous year. The main factor that contributed to the higher output, as claimed by the Minister of Agriculture, is the increased mechanisation in sowing and reaping of cotton crop on about one-third of the aggregate area under the cotton cultivation. It can be gleaned from the official estimates that the average production from each hectare will amount approximately to 22 quintals of raw cotton which will be tantamount to seven metric quintals of spinning cotton.

Piecegoods.

The Bombay piecegoods market during the week under review evinced a subdued tone. Though the export demand was somewhat maintained, the turnover in the domestic section dwindled into a tiny trickle.

Demand from upcountry centres was far from encouraging. After covering fairly large volume of seasonal goods, North Indian centres, particularly Punjab, preferred to keep away from the market so much so that prices of many of the items slipped down by about two per cent. Demand for sarees, dhoties and coatings failed to flow on an encouraging scale.

According to the consensus the moorat trading will not be on a scale as it was in the previous year. Nevertheless the trade circles feel that the market will gradually pick up within the next fortnight especially with the commencement of the arrival of the new crop.

Moderate business was transacted on the export front. The United Kingdom figured as the prominent purchaser of piecegoods from the market and that destination accounted for a moderate quantum of grey sheetings of wider widths and furnishing fabrics. Sudan was satisfied with small quantity of bleached mull, gadlapat, dhoties and volles. Booking on a small scale of calendared cloth, bleached dhoties and mulls by Ethiopia and Eritrea was reported. Singapore and Australia focussed their attention on the usual varieties though the offtake failed to reach the expected level. Stray business was transacted with Burma. Enquiries from the Continent were directed toward many of the lots available.

Resumption of Futures Trading in Oilseeds

THE Forward Markets Commission has allowed the resumption of futures trading in Groundnut and groundnut oil in all the recognised centres with effect from 6 November on certain conditions. In the first place, trading shall be subject to a maximum of Rs 215 per 250 kg for groundnut and Rs 17.65 per 10 kg in groundnut oil in Bombay, with similar maxima at parity prices in the other recognised centres. Secondly, the outward payments to "longs" shall forthwith be withheld. These measures are imposed with regard to all the current hedge and transferable specific delivery contracts in groundnut and groundnut oil until further orders.

The closure of the market during the whole of last week would appear to have had, on the whole, a salutary effect in arresting the gathering bull movement. Further, the new crop, which is currently estimated by the trade to be much larger than that of last year, has started moving in some parts of the country and, in order to assist the marketing of the same, the Commission has decided to open the recognised forward markets with effect from Monday this week.

Trading started on a dull note on the feeling that the steps taken by the FMC would result in reducing the volume of speculative business. January contract began at Rs 238.62 and eased to Rs 208.50; but moved up again to Rs 209.62 before closing finally at Rs 209.37. The hardening tendency in prices, noticed towards the close, was mainly due to modest short-covering on certain reports that the inflow of the new crop in Saurashtra was being lifted promptly by the crushers in that region and the growers were withholding supplies in the hope of realising higher prices in future. In the ready section, Bold quality was quoted at Rs 44 and Groundnut oil at Rs 18.90.

Trading in the Castorseed section was a dull affair in the absence of fresh incentives. The foreign demand for castor oil continued to be negligibly small. Reports, that the new crop would be substantially larger this year, also induced the traders to be cautious in their commitments. March contract opened at Rs 161 and improved by only 75 nP before ending quietly steady at Rs 161.25. Ready rate was quoted at Rs 32.50 and Castor Oil, commercial quality, at Rs 13.45.

In the Linseed section, trading was nominal. March contract fluctuated between Rs 36.75 and Rs 36.87 and closed steady at Rs 36.81.

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GOLD & SILVER

Price movements on the Bombay Bullion Exchange were confined to narrow limits, thanks to the pressure of arrivals having somewhat abated. According to trade estimates, the average daily offtake in the last few days in gold has improved from 4,000 tolas to 6,000

tolas, thereby lowering the discounts of ready metal over the futures prices from Rs 1.45 to Rs 1.00. Ready rates moved between Rs 123.70 and Rs 123.85, while Sovereign remained firm at Rs 98.25.

In the case of Silver also, the pressure of unrefined metal has remained heavy. The average daily arrivals are placed at 25 bars. The discount of ready metals over futures prices has, however, declined from Rs 1.40 to Rs 1.25 owing to the hopes that the offtake would soon improve. Ready silver (below .996) changed hands at Rs 206.85 and Rs 207.

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SUGAR

Despite festival demand, Sugar prices have been showing an easier tendency. This is mainly due to the fact that mills are still anxious sellers. In the Hapur market, spot delivery is quoted at Rs 107 per bag and mill delivery Sambhaoli (D/29) at Rs 106. In the Bombay market, conditions are somewhat steadier, thanks to an improvement in the offtake of the commodity. However, the weak tendency, which manifested itself in the preceding week in the wake of the quota release, has continued, recording a fall of Rs 1.50 a bag in all the grades.

According to the statement made by the Union Deputy Minister of Food, who led the Indian delegation, to the Conference of the International Sugar Council held in Geneva, India's case for higher export quotas of sugar for 1962 and 1963 have been put forward strongly, both at the Conference and to the Negotiating Committee set up by it. The Conference will meet again by the end of this month or early in December to fix export quotas for the member countries of the Council.

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FOODGRAINS

Price movements in the Hapur Foodgrains market showed a mixed trend during the week under review. Wheat and Gram prices improved further and this was attributed to limited arrivals in the face of good demand. Moreover, stockists were reluctant to part with their stocks on the hope of realising better prices at the tag-end of the season. Peas and Arhar hardened due to good demand from millers. Urad attracted consumer demand.

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CHEMICALS & DYES

Sentiment on the Bombay Dyes and Chemicals markets showed a slight improvement. Turnover, however, was not large due to the proximity of Diwali and the New Year. While dealers were busy with the closure of accounts, buyers and stockists waited for the "moorat" transactions.

Among Chemicals, shortage of goods and a slight increase in demand accounted for better prices in Caustic Soda, with the ICI quality quoting around Rs 50 and the Indian quality at Rs 48. Rongalite was slightly better around Rs 2/10 for the German quality and around Rs 2.50 for other varieties. Bleaching powder was in demand at Rs 74.

Menthol had buyers up to Rs 156 for the Chinese variety on reports of shortage of supplies.

Dyes were in doldrums in the absence of demand. There were expectations that stockists would cut down prices in order to induce buyers enter the market. Among vat colours, blue RSN Japanese variety was quoted around Rs 34. In scarlet RC, the Germany variety was available around Rs 9.50.

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PEPPER

Conditions in the Cochin Pepper market took a slight turn for the better, reflecting improved buying support locally and the absence of sellers. There was, however, no encouraging foreign advice. The rate for the ready position is quoted around Rs 353 and the December position at Rs 344 per quintal.

Reports from Singapore have indicated that Indonesian pepper dealers are negotiating with Russia for the sale of 3,000 tons of Lampung black pepper. A representative of an Indonesian firm has left for Moscow to negotiate the deal and it is believed that the firm has 6,000 tons of pepper, awaiting shipment in Singapore. The Indonesian firm has turned to Russia, because America cannot meet the price for the commodity.

It is also reported that Indonesia will sell about 7,000 tons of pepper on the Singapore market at whatever price it will fetch. Trade circles point out that, if the sale materialises, the local market will upset the balance between supply and demand and thus worsen the situation.

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COFFEE

Coffee trade interests in the UK have welcomed the Coffee Board's open auctions for export quota, due for introduction in January next, in preference to sealed tenders as at present. The Chairman of the Coffee Board, who has returned after a month's tour of the UK and the Continent, has envisaged bright prospects for increased exports of Indian coffee, the quality of which has found general appreciation everywhere on the Continent. It is expected that French coffee interests will show more interest in Indian coffee should the French Government relaxes import restrictions.

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There has been a fall of about Rs 10 per kg in the prices of Cloves in Bombay during the past few days. The sudden fall is attributed to reports that the newly-formed New United Spices Company has been given a quota worth about Rs 6.30 lakhs for distribution among the members.

Owing to short supply, the price trend in cloves has hitherto remained steady. Sentiment has been aided by the consistent improvement in the rates of cinnamon. But, with the change in the supply position now, the price trend is expected to remain downward. A section of the trade, however, feels that the actual distribution of the imported material may be delayed. In that event, the fall in prices may be checked.

RUBBER

According to reports from London, rubber producers in Malaya and other countries have protested at the British and US Governments' decision to alter the arrangements for sales from the natural rubber stockpiles. Till now, sales by both Britain and the USA have been regulated according to the price. But, under the new arrangements, certain quantities have been decided upon which will be sold. The price of natural rubber, already seriously depressed by competition from synthetic rubber, has fallen to its lowest level for several years.

Rubber supply, offered at the Rubber Exchange, Djakarta, is reported to be decreasing lately following the Government's regulations aimed at diminishing competition between private and State exporters. Under the new regulations, the Exchange market is no longer functioning freely since the Government was to stabilise the local price in favour of the State trading companies. The brokers' activities have been curbed and only direct transaction from the producers to the exporters is allowed.

Meanwhile, the producers, who are not dealing in the export trade, are obliged to sell their products to the State companies. Business circles, however, say that, following such regulations, both State and private exporters have already found it difficult to make timely despatch of their merchandise.

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TIN

On the London Metal Exchange, Tin prices have started to rise rapidly again over the past week or two. The market, which in January this year was only £780 a ton, had risen to just over £990 by early September, when the US Government announced that it was applying to Congress for the release of the metal from the strategic tin stockpile. This brought the prices back sharply to around £940 a ton.

No decision about the stockpile releases, however, is likely until early next year and, in the past fortnight, the market has recovered by over £30. A large deficit of tin continues, as there has been no change in the statistical position. Traders consider a premium on near-by supplies. Nobody knows how much metal remains in the hands of the speculative operators or when reserves, built up in Congo, are likely to become freely available.

There is a general feeling that, unless the US Congress agrees to release a part of the massive American stockpile early next year, a serious shortage of the metal will develop in the new year.

On the Bombay market, too, conditions in the Tin section remain firm due to the absence of offerings, higher London and Singapore advices and better reports from the ready section.

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OILS & OILSEEDS

The groundnut oil and groundnut exchange in Madras officially closed business after the Forward Market Commission's directive and opened only on Monday last. Tuesday was a holiday due to Deepavali. The market conditions

were easier last week and it was due to the timely action by the authorities to close the transactions for a week to prevent speculation. Prices came down in the case of oil. When the market opened the price of ground oil was quoted at Rs 178.55 per quintal. The price of groundnut kernels (new harvest) remained at Rs 67 per 80 kgs, during the middle of last week. It also came down to Rs 65 per 80 kgs. on Monday last.

Arrivals of groundnut in the city were at 100 to 120 tons daily of new peanut crop mainly from adjoining districts of the City. Due to Forward Market Commission's careful watching, rainy conditions and uncertainties of the groundnut oil price only restricted trade could be noted in the market.

Calcutta interests showed avid interest in ready groundnut oil stocks. Last week very substantial sales of groundnut oil took place for Calcutta to which place sizeable quantities were shipped at a higher level of quotations. Groundnut oil arrivals were from the Andhra Pradesh, mainly from Vizianagaram, Warangal, Guntur, Kamamatham and Bezvada. Rainy season prevented quick dispatch from that side to Madras for Calcutta dealers to round off already committed transactions. Even then spot oil was quoted at Rs 179.00 per quintal. During the middle of last week, the quotation substantially remained around this figure though latterly it declined by a rupee or thereabout per quintal.

In Southern markets arrivals of kernels were interrupted by intermittent rains. South and North Arcot district centers reported free availability of goods. The price of groundnut however declined by about Rs 6 per bag.

The price of gingelly seed was steady at Rs 72 per bag.

Groundnut oil in upcountry markets remained unofficially at the same rates as quoted last week. At Guntur it was at Rs 410 per candy of 500 lbs, at Vridhachalam at Rs 395, at Nandyal at Rs 390, at Villipuram at Rs 396, at Cuddappah at Rs 395, at Pollachi at Rs 380, at Tanjore Rs 390 and at Salem Rs 385.

As for groundnut the rate was Rs 68 per 80 kgs at Guntur, Rs 64 at Vridhachalam and Villipuram at Rs 67 at Cuddappah and Pollachi and Rs 72 at Salem.

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HIDES & SKINS

Cow hide prices were too high this week. With the result buyers hesitated to make any deals. Also arrivals into the market were not much. This high price is ascribed to the high quotations for raw skins. In the c.i.f. section also poor dealings were reported. Only inquiries for fifts of high quality were noted on the basis of 44d for 8/8½ lb and 54d for 5/5½ lb.

There was no change in tanned cow calf skin market. Here also there were poor arrivals. In tanned buff calf, while there was no change in quotations, 'sizable shipments' to US were reported. Also fair business was reported in tanned goat skins. Contrary reports were received about tanned sheepskins trade. In high quality commodity of this variety, some business materialised.

Company Reports

Lower Profit for Champarun Sugar

The decline in sales from Rs 2.02 crores to Rs 1.63 crores is reflected in the working results of the Champarun Sugar Company Limited for the year ended 30th June 1961. The net profit, before providing for Depreciation and Taxation, is lower at Rs 10.58 lakhs as against Rs 11.56 lakhs for the preceding year.

In respect of allocations, the Depreciation amount is raised to Rs 1.70 lakhs from Rs 1.75 lakhs. A sum of Rs 60,000 (nil) is provided for General Reserve. Taxation provision is lower at Rs 3.75 lakhs against Rs 4.00 lakhs and Rehabilitation Reserve at Rs 1.54 lakhs against Rs 3.00 lakhs. The dividend is reduced from Rs 1.50 to Rs 1.20 per share, subject to deduction of tax.

The total quantity of cane crushed is higher at 7,888,183 maunds against 5,880,080 maunds and sugar manufactured amounted to 730,009 maunds against 551,373 maunds. In this connection, the directors state that the company's estates have continued to produce cane both for crushing and seed purposes. Cane plantings for the current season in the areas serving the company's factories have been on an increased scale as compared to last year.

Secretaries:—British India Corporation Ltd.				
Year ended June	1961	1960	1959	
	Rs.	Rs.	Rs.	
Cane Crushed (mds)	7,888,183	5,880,080	5,789,443	
Sugar (mds)	730,009	551,373	569,720	
Sales	16,256,425	22,026,882	20,308,938	
Stocks	13,784,689	6,643,426	7,128,253	
Net profit	1,058,350	1,155,972	1,355,174	
Taxation	375,000	400,000	500,000	
Depreciation	173,000	175,000	175,000	
Reserve Fund	60,000	...	...	
Development Re-bate Reserve	84,644	36,405	1,944	
Other Funds	154,000	263,595	398,356	
Div. A.Mt. Ord.	216,000	270,000	270,000	
Carry Forward	18,674	27,968	16,996	
Div. % Ord.	12T	15T	15T	
Div. % Ord.	12T	15T	15T	

Synopsis of balance sheet as on the last day of June.			
Liabilities.	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid-up	1,800,000	1,800,000	1,800,000
Share Premium	210,000	210,000	210,000
Capital Reserve	2,935,651	2,047,000	1,887,000
Reserve Fund	1,500,000	1,440,000	1,440,000
Other Funds	809,739	995,757	708,304
Loans Secured	9,961,069	3,121,965	4,219,363
Loans unsecured	24,498	17,984	14,727
Taxation Provn.	528,920	652,519	497,586
Debts	2,940,483	1,369,340	1,708,360
Carry Forward	18,674	27,968	16,996
Total	20,729,034	11,682,533	12,502,336

Assets.			
	1961	1960	1959
	Rs.	Rs.	Rs.
G. Block	8,685,573	8,473,277	8,498,942
Depreciation	5,925,607	6,452,904	6,337,829
Block (net)	2,759,966	2,020,373	2,161,113
Capital Exp. in progress	45,391	72,947	28,855
Stores	1,257,534	1,267,574	1,213,558
Stocks	13,784,689	6,643,426	7,128,253
Outstandings	295,922	204,468	385,734
Do More than 3 months	125	...	...
Mis. Deposits and Advances	2,281,988	1,252,882	1,192,761
Investments	36,600	36,600	36,600
Cash	266,819	184,263	355,462
Total	20,729,034	11,682,533	12,502,336

Better Results of J. K. Business Machines

Despite a decline in sales from Rs 59.31 lakhs to Rs 52.75 lakhs, J. K. Business Machines Limited has reported a net profit of Rs 7.84 lakhs for the year ended 31st March, 1961 as against Rs 3.99 lakhs, thanks to various amounts being written off and transferred.

In respect of allocations, the Depreciation amount is slightly higher at Rs 1.19 lakhs against Rs 1.17 lakhs, apart from providing a sum of Rs 4.89 lakhs (nil) for General Reserve. No provision is, however, made for Development Rebate Reserve against Rs 35,000. The dividends, both on the Ordinary and Preference shares, have been passed over again.

The directors state that, on account of severe restriction on imports and keen competition in exports, there was a substantial fall in the turnover of the Import and Export sections, which have been largely compensated by increased turnover of the indigenous products.

Chairman:—Board of Directors.				
Year ended March	1961	1960		
	Rs.	Rs.		
Sales	5,275,189	5,930,806		
Stocks	1,397,265	1,065,606		
Raw Materials	497,563	398,858		
Stock in progress	330,183	158,646		
Net profit	783,964	226,547		
Depreciation	119,003	116,852		
Reserve Fund	48,230	...		
Development Rebate Reserve	...	85,000		
Carry Forward	55,820	119,911		
Div. % Ordinary	...	nil		
Div. % Preference	...	nil		

(Annual General Meeting on 27-11-61).			
Synopsis of balance sheet as on the last day of March.			
Liabilities.	1961	Assets.	1961
	Rs.		Rs.

Capital P'up:		G. Block	3,605,809
4½% C. Pref.	487,500	Depre'n.	748,025
5% C. Pref.	700,000		
7½% C. Pref.	200,000	Block (net)	2,859,784
Ordinary	800,000	Stores	847,548
Share Premium	500,100	Stocks in progress	330,184
Reserve F'd.	703,630	Raw Materials	623,337
Other F'ds.	28,881	Stocks	1,397,265
Loans Secured	1,888,030	Outstandings	814,114
Loans unsecured	...	Do More than 6 months	116,626
Debts	558,663	Mis. Deposits and Advances	165,608
Carry F'd.	1,636,585	Investments	22,396
	55,820	Cash	382,347
Total	7,559,209	Total	7,559,209

Travancore Sugars Pay Less

The Travancore Sugars & Chemicals Limited has reported a net profit of only Rs 8.80 lakhs for the year ended 30 April 1961 as against Rs 12.60 lakhs for the previous year, reflecting the increased cost of raw materials and labour. Sales are lower at Rs 1.18 crores against Rs 1.64 crores.

Due to lower profits, allocations have been reduced:—Depreciation from Rs 3.11 lakhs to Rs 3.02 lakhs and Taxation from Rs 4.60 lakhs to Rs 4.82 lakhs. Capital Reserve is, however, raised to Rs 29,000 from Rs 24,000. No provision is made for General Reserve against Rs 50,000. The dividend on the Ordinary shares is reduced from 10 to 7½ per cent, subject to deduction of tax.

The subscribed and paid-up capital is Rs 45 lakhs against which General Reserve is shown at Rs 4 lakhs; Share Premium Account at Rs 6.50 lakhs and Capital Reserve at Rs 1.20 lakhs. Gross block amounts to Rs 71.92 lakhs; total depreciation to Rs 36.49 lakhs and the net block to Rs 35.44 lakhs.

Mg. Agents: Parry & Co., Ltd.			
Year ended April	1961	1960	1959
	Rs.	Rs.	Rs.
Cane Crushed Tonnes	118,281	119,273	...
Sugar Tonnes	10,502	9,891	...
Sales	11,796,097	16,445,015	13,051,937
Stocks	4,451,658	2,983,843	4,443,120
Raw Materials	376,314	462,475	419,520
Stock in Progress	68,757	62,763	64,650
Net profit	879,505	1,259,840	1,065,394
Taxation	282,275	460,000	285,000
Depreciation	301,795	310,938	307,705
Reserve Fund	...	50,000	50,000
Other Funds	29,000	24,000	16,000
Div. Amount:			
Ordinary	225,000	300,000	300,000
Preference	97,500	97,500	107,143
Carry Forward	68,170	124,235	106,833
Div. % Ord.	7½T	10T	10T
Div. % Pref.	6½T	6½T	5T

Synopsis of balance sheet as on the last day of April.			
Liabilities.	1961	1960	1959
	Rs.	Rs.	Rs.
Capital P'up:			
5% T.C. Pref.	1,500,000	1,500,000	1,500,000
Ordinary	3,000,000	3,000,000	3,000,000
Share Premium	650,000	650,000	650,000
Capital Reserve	120,000	91,000	67,000
Reserve Fund	400,000	400,000	350,000
Other Funds	820,000	910,000	1,000,000
Loans Secured	1,719,102	...	748,933
Loans unsecured	81,507	154,747	150,365
Taxation Provn.	1,435,336	1,063,061	1,278,609
Debts	2,658,582	2,571,998	2,266,262
Carry Forward	68,170	124,235	106,833
Total	12,452,697	10,465,041	11,118,002

Assets.			
	1961	1960	1959
	Rs.	Rs.	Rs.
G. Block	7,192,482	6,910,952	6,737,434
Depreciation	3,648,613	3,356,498	3,049,960
Block (net)	3,543,869	3,554,454	3,687,473
Cap. Exp. in progress	10,035	38,926	29,137
Stores	920,653	921,148	815,432
Stocks in Progress	68,757	62,763	64,650
Raw Materials	376,314	462,475	419,520
Stocks	4,451,658	2,983,843	4,443,120
Outstandings	1,034,946	653,582	800,240
Do More than 6 months	11,273	22,595	...
Mis. Deposits and Advances	1,777,837	753,218	375,925
Cash	257,355	1,012,037	282,505
Total	12,452,697	10,465,041	11,118,002

For the Investor

INVESTMENT GOSSIP Outlook for Equities

It is not surprising that the stock market is currently in a buoyant mood. For, there has been an important favourable influence in the shape of the Government decision on the recommendations of the Estimates Committee on LIC investments. Ever since this august body had recommended that the investible funds of the LIC should be entirely diverted to Government loans, the stock market has been perturbed. The deep concern of both investors and operators over this proposal stemmed from the apprehension that sizable funds that are now available to the stock market would be denied to it as the LIC is the largest single investor in industrial shares. More than the denial of a regular flow of investible funds to the stock market, the proposal, if accepted would have undermined investor's confidence in the words of Authority as Government spokesmen had made it quite clear at the time of the nationalisation of life insurance that a portion of the funds of the LIC would be made available for investment in the stock market. The LIC has since come to play an important role in the stock market and more often than not the latter's trend is being influenced by LIC buying or lack of it. The Estimates Committee's proposal therefore was a bolt from the blue and marketmen were most anxious to know Government's reaction to it. The long time taken by Government to announce its decision on the proposal deepened the anxiety of the market. It is therefore with a sigh of relief that the market received the news that Government has decided in favour of status quo as far as LIC investments are concerned. It is believed that now that it has been decided that the LIC should continue to look after the investment of its funds, it will begin to take increased interest in the stock market hereafter.

Even otherwise, the market has been in a constructive frame of mind these past few days. Presumably, operators have been encouraged to take an optimistic view by some recent developments. Although the increase in the selling price of cement, has not evoked spontaneous enthusiasm, it has nevertheless given an

indication that the industry's difficulties have received consideration. This raises the hope that favourable decisions will be made as regards the selling price of paper, a matter that has been referred to the Tariff Commission.

It is, however, doubtful, if equity prices will be able to make any further progress upward—already at the moorat session, though the undertone has been steady, there has not been much fresh buying. For one thing, there is the opinion of the Union Finance Minister that there is need for a restraint on dividends and for higher taxation. The speech in which this was explained by Mr Morarji Desai was made a few days ago but at that time it was brushed aside in the prevailing enthusiasm. But second thoughts may engender caution. While it is not to be denied that industrial expansion will be taken a big step forward during the Third Plan, the investor will also want to know how the new and old industrial enterprises will work in the coming one or two years. This is governed, among other things like raw materials, etc; by an adequate availability of power coal and transport. Knowledgeable circles fear that acute shortages in these may develop quite early during the current Plan period.

NEW ISSUE NOTES

Hindusthan National Glass

THE Hindusthan National Glass Manufacturing Company, Limited, incorporated in 1946, has been granted a consent to the issue of bonus shares of the value of Rs 9 lakhs on capitalisation of its Reserves to that extent. The company is manufacturing bottles and tumblers. Its existing paid-up capital is Rs 25 lakhs, divided equally in equity and preference shares. The bonus shares will be issued in the proportion of two bonus shares for every five shares held.

Firestone Tyre

Firestone Tyre and Rubber Company of India (Private), Limited, Bombay, has a paid-up capital of Rs 20,000, all in equity shares of Rs 10 each and entirely held by the American Company, Messrs Firestone and Rubber Company, Akron, Ohio, USA. It has been granted consent to issue bonus shares of the value of Rs 1,09,80,000.

WHY TAKE CHANCES?



In what you do every day, you are taking many chances. For example, take the things that you buy in the market. Are you always sure of their quality? Do you get good value for the money you spend?

And yet, you can be sure if you know that the goods you buy have been made to a given standard. Standardization benefits not only you, the consumer, but also the producer, the distributor and indeed, the country as a whole.

The Indian Standards Institution has prescribed standards for industrial as well as consumer goods. To manufacturers producing to relevant standards, ISI grants licences to apply on their goods its certification mark which is the guarantee of quality. The next time you buy anything, don't take a chance; look for the ISI mark.

INDIAN STANDARDS INSTITUTION

NEW DELHI - BOMBAY - CALCUTTA - MADRAS - KANPUR
ISI—2.61

Oriental Fire

The Oriental Fire & General Insurance Company, Limited, Bombay, has been granted consent to the issue of further capital of Rs 35 lakhs in equity shares of Rs 5 each for consideration other than cash. The shares will be offered to the shareholders of National Fire & General Insurance Company, Limited and the Asiatic Government Security Fire & General Insurance Company, Limited, for the purpose of amalgamation of the two companies, after the scheme of amalgamation has been sanctioned by the High Court.

Investa Machine Tools

Investa Machine Tools & Engineering Company, Limited, Bombay, have been granted consent to the issue of further capital of Rs 20 lakhs in equity shares of Rs 100 each for cash, at par. The proceeds will be used to finance expansion scheme.

NOCIL

A new Rs 15 crore petro-chemical project will be undertaken by the National Organic Chemical Industries Limited, which has been registered as a separate company for the purpose. It will have an issued capital of Rs 9 to Rs 10 crores. The technical collaboration agreement has been finalised with a West German firm and it has been approved by the Central Government. The foreign collaborator will participate substantially in the capital of the new company. Of the issued capital, the public will be offered a portion according to the normal formula recommended by the Government. The foreign exchange component of the cost of the project is likely to be about 50 per cent of the initial issued capital of Rs 9 to Rs 10 crores, that is about Rs 5 crores. Negotiations for foreign exchange loans are being carried on with two or three agents in Europe and the USA on terms acceptable to the Government of India. All arrangements for loans, the signing of the

agreements and other necessary formalities are expected to be concluded by March or April next year.

Schrader-Scovill Duncan

Schrader-Scovill Duncan Limited has finalised the details of allotment of the company's recent public issue of 84,028 equity shares, which was over-subscribed by 22.28 times. The allotment has been made by ballot in regard to applications for 100 shares; and 50 per cent of these applicants will be allotted ten shares each. Applicants for 200 shares have been allotted 10 shares each, while the allotments in other cases are:—15 against 300 shares applied for; 23 against 400/600 shares; 40 against 700/1,000 shares; 50 against 1,100/1,400 shares; 75 against 1,500/2,500 shares; 100 against 2,600/3,000 shares; 125 against 3,100 shares; 150 against 4,000 shares; 175 against 5,000 shares; 200 against 5,100/5,600 shares; 225 against 6,500 shares and 277 against 10,000 shares.

Hindustan Twyford

Hindustan Twyford Limited has proposed to make the first call of Rs 25 per share on the holders of preference shares whose names appear in the company's register as on 21 October, 1961. The first call of Rs 25 per share is payable on or before 30 November.

Selected Satgram Collieries

With reference to the company's recent issue of 20,500 equity shares of Rs 100 each to the existing shareholders as rights at par, which has been over-subscribed, the directors have, in consultation with the approval of the Stock Exchanges of Bombay and Calcutta, allotted the 20,500 equity shares on 1 November on the following basis:—Right and renunciation shares allotted in full; applications for additional shares up to 50 shares allotted in full; and applications for additional shares above 50 shares allotted "pro rata" on equitable basis, having regard to the holdings of the applicants. Allottees will have to pay to the company Rs 25 per share as allotment money before 31 December, 1961.

*

INVESTMENT NOTES

Tata Chemicals

The Ordinary shares of Tata Chemicals Limited have been in favour during the past few days on the reports that the company will be raising additional capital and offering the new shares at par to the existing shareholders. It is now announced by the managing agents that an agreement has been concluded with the Bombay Mineral Company to take it over as a going concern with the issue of 5.2 lakh equity shares in Tata Chemicals, at par. The acquisition of the business of this company is expected to improve the earning capacity of the Tata Chemicals Company.

Zenith Steel

It is learnt that the Zenith Steel Pipe Limited has been making satisfactory progress with regard to the construction of the factory. According to present indications, the factory will come into operation in the second quarter of 1962. The company has received an industrial licence for the manufacture of sockets. It is hoped that, with the additional foreign exchange of the order of Rs 3.50 lakhs agreed to be made available by the ICICI, it will be possible for the company to undertake this additional line of manufacture. The ordinary shares of the company have been a steady feature on the Bombay Stock Exchange, at Rs 13.

*

INVESTMENT BRIEFS

West Coast Paper Mills Limited has proposed a higher dividend of Rs 7.50 per share, taxable, for 1960-61 as against Rs 6.00 per share, taxable, for the preceding year.

Parkside Estates Limited has declared a final dividend of 15 per cent, making a total of 22½ per cent, taxable, for the year ended 30 June, 1961 as against 27½ per cent, taxable, paid for 1959-60.

Hemalatha Textiles have raised the dividend from 4½ to 8 per cent, subject to tax, for the year ended 30 June, 1961.

Arthala Tea has again passed over the dividend for last year.

Great Eastern Shipping Corporation has proposed a gross dividend of 78 nP per share for the year ended 30 June, 1961. This works out to a net dividend of 72 nP as against Re 1.00 paid for the previous year.

Tractors (India) Limited has declared a taxable dividend of Rs 3.25 per share for the year ended 30 June, 1961 as against a taxable dividend of Rs 3.00 per share previously.

*

STOCK EXCHANGES Profit-Taking Easily Absorbed

Watch-Dog Writes:

TRADING in stock markets continues to remain patchy and support has been selective. There is a tendency to book profits at the best levels on the feeling that prices have already touched very high levels. With the result, *moorat* trading on Tuesday generally lacked the cheer and the usual spurt of activity. But significantly enough, shares on the cash list have been active.

The Calcutta Stock Exchange provided a few firm features despite intermittent profit-taking.

On the Bombay Stock Exchange, trading for the Samvat year 2,018 started well with the turnover on a large scale than in the previous year. There was, however, an undertone of caution, which seemed to restrain operators from extending their commitments.

Active conditions were seen on the Madras Stock Exchange where, favoured textile and miscellaneous shares improved on further demand.

CALCUTTA

Friday Evening.

THE local stock market started the week on a confident notes; and both the speculative and investment counters scored further gains over the week-end levels due to renewed buying support. It looked as if the market was preparing ground for a cheerful *moorat* session on Tuesday when, at as is well-known, trading would give one an idea about the future trend of share values.

It was thought that, with the decision of the Government not to take over the investment function of the LIC, the Corporation would now support the market more freely. Again, there was a general feeling that, if anything worse would befall the market, it was unlikely before the next election. Above all, it was the report of encouraging corporate performance that accounted for the upsurge of buying, which was helpful in moulding the sentiment of the operators.

Contrary to expectations, the special *moorat* session on Tuesday lacked the cheer and the usual spurt of activity. This was mainly due to the general feeling that prices had already reached very high levels. There was, therefore, a tendency to book profits at the recent high levels. Investors, too, diverted their attention to only those shares with growth prospects. There was also an anxiety to maintain the present levels rather than enlarge the commitments.

Thus, the post-Diwali session witnessed only restricted activity. Whatever transactions done, were of a squaring-up nature. It was, however, encouraging to note that the scarcity of scrip and the regular absorption by investors pushed up the prices of a few selected shares, resulting in profit-taking at the higher levels being easily absorbed.

The Gilt-edged section was devoid of interest. Sellers were seen in most issues and, with buyers reserved, prices developed a sagging tendency. Enquiry from institutional investors also declined due to the onset of the busy season. The borrowing programmes, announced by several Corporations at attractive rates of interest, were also a contributory factor. 3 per cent 1986 Conversion Loan opened lower of Rs 72.18 and after touching a fresh low of Rs 71.90, improved towards the close to Rs 72.05.

Bank shares came in for selective enquiry on the hope that profits might show an improvement during the current year. Punjab National were supported up to Rs 19.81 from Rs 19.69 with United Commercial quoting around Rs 94.50.

A halt was cried to the steady rise in the prices of Jute shares, noticed during the past few weeks. Apart from the fact that the upswing in values in recent weeks was considered to be steep, support from investors was still conspicuous by its absence. Most of the share were subjected to profit-taking on the feeling that the mills might take some more months to wipe off the losses incurred during the early part of the year.

Birlas were at one time taken up to

Rs 30.25 from Rs 29.62 (Rs 28.94); Ganges up to Rs 12.69 from Rs 12.12 (Rs 12.62); Howrah up to Rs 21.25 from Rs 21.12 (Rs 21.12); Nuddea up to Rs 68.50 from Rs 66 (Rs 62.25) and New Central up to Rs 19 from Rs 18.37 (Rs 18.75). Anglo-India were, however, maintained at Rs 200 and so also Barnagore at Rs 145. Figures shown within brackets were the closing rates for the week.

Although Coal shares turned steadier in sympathy with the general trend of the market, turnover remained restricted in the absence of any stimulating news. Burrakur were pushed up to Rs 19.44 from Rs 18.75 due to speculative activity, while Central India steadied up to Rs 11.94 from Rs 11.75 and East Indian to Rs 32.87 from Rs 32.44. Western Bengal moved narrowly between Rs 9.06 and Rs 9.31 and South Karanpura between Rs 8.25 and Rs 8.37.

The uncertain outlook for the marketing of the commodity and the reports of a further decline in auction prices induced some selling in Tea shares. Brooke Bond were on offer at Rs 15.62 to Rs 15.69; Gohpur at Rs 12.50 to Rs 13 and Tezpur at Rs 17.19 to Rs 17.25.

Sugar shares were practically neglected in view of the uncertain conditions prevailing in the commodity market. The only exceptional feature were Dyer Meakins which forged ahead to Rs 38.50 from Rs 36.56 due to persistent rumours of the possibility of a bonus issues. Champaman remained very steady at Rs 18.87 despite the dividend being reduced. Raza/Buland were rather quiet at Rs 10.75 against Rs 10.94.

Despite intermittent profit-taking, Textile shares continued to present a firm front, thanks to the cheerful conditions prevailing in the piece-goods market. Cawnpore had buyers up to Rs 10 from Rs 9.25 and J. K. Rayon up to Rs 20.94 from Rs 20.12. Elgins, after touching a new peak level of Rs 24.87 from Rs 24.50, receded at the close to Rs 24.06 due to profit-taking. Kesoram developed a reactionary tendency to Rs 31.37 from Rs 32.50 due to lack of fresh support.

Engineering shares were generally influenced by the speculative activity in Indian Irons which, in turn, were subjected to settlement considerations on Thursday. Against the previous week-end closing of Rs 25.04, Indian Irons opened better at Rs 25.12 and advanced further to touch Rs 25.22 during the *moorat* session. After reacting at one time to Rs 24.96, the scrip closed finally at Rs 25.10. TEXMACO advanced at one time to Rs 20.05, due to heavy bear-covering, finishing at Rs 19.90. Guest, Keen, Williams were almost maintained at Rs 40.37 with Binani Metal hardening further to Rs 12.56 from Rs 12.12. J. K. Steel met with business at Rs 22.62 to Rs 22.94; Jessop at Rs 20.75 to Rs 21.15 and Marshalls at Rs 3.87 to Rs 4.06.

Miscellaneous issues showed a mixed trend. Indian Aluminium were an outstanding feature of the week's trading and the scrip forged ahead to Rs 38.62 from Rs 36.81 due

11 November 1961

to persistent rumours of a right issue at an early date. Dunlop Rubber were keenly sought after up to Rs 38.25 from Rs 37, closing finally at Rs 38.25. Goodyear were enquired up to Rs 40.62 from Rs 39.37; Sirpur Paper up to Rs 17 from Rs 16.50; J. K. Synthetics up to Rs 14.19 from Rs 13.81; Jay Shree Tea up to Rs 26.75 from Rs 20.25; Indian Cable up to Rs 36.75 from Rs 36.44; Rallis India up to Rs 163 from Rs 157; Hindustan Motor up to Rs 20.36 from Rs 19.94; Rohtas up to Rs 16.72 from Rs 16.50; Orient Paper up to Rs 38.50 from Rs 37.90 and Shree Gopal up to Rs 26.87 from Rs 26.50.

Among others, British Paints changed hands at Rs 27.50 to Rs 27.62; Indian Copper at Rs 4.86 to Rs 4.93; BIC at Rs 9.56 to Rs 9.87; Isaacs Holden at Rs 18.87 to Rs 19.19; NICCO at Rs 38.35 to Rs 38.50; Sone Valley at Rs 5.06 to Rs 5.31; Phillips Carbon at Rs 19.75 to Rs 20.06 and General Tyres at Rs 6.87 to Rs 7.31.

*

MADRAS

Post-Diwali business in Madras Stock Exchange was brisk. Both the textiles and the miscellaneous counters recorded good business. Sugars were quiet. Plantings were featureless, while public utilities commanded attention in stray cases. Chemical shares as usual came in for good investment support.

Government Securities:—Madras Government 4 per cent 1967 was quoted at a lower rate of Rs 98.30. The same Government's 4 per cent 1971 was available at the unaltered rate of Rs 98.52. Andhra Government 4½ per cent 1972 was at Rs 98.20.

Banks:—Canara Bank improved to Rs 84.71, there were buying in Indian Bank at the unaltered rate of Rs 181.00. Indian Overseas Bank was lower by a rupee and a half at Rs 195.00. Punjab National Bank was quoted at Rs 20.00 and the State Bank of Mysore was listed at Rs 170 and that of the State Bank of Travancore was marked at Rs 125.00.

Electrics:—Negapatam improved to Rs 10.60 and Salem-Erode to Rs 13.75. Karaikal remained at Rs 9.20. Tinnevely-Tuticorin was at the marked rate of Rs 11.50 and West Coast was at Rs 14.00.

Sugar and Breweries:—Cauvery gained at Rs 117.50. Deccan was bought at a lower rate of Rs 12.27. Kothari remained at Rs 8.30. Travancore went down to Rs 6.69 and United Breweries was marked at Rs 104.00.

Plantings:—Blue Mountain was unchanged at Rs 3.16. Chembra was at Rs 3.75. Cochin Malabar was at Rs 7.45. Coffee Lands went up to Rs 18.12 and Consolidated Coffee also moved up to Rs 22.20. Cowcoody had declared a 15 per cent f.t.d. and quoted at Rs 4.65. Kalasa was at Rs 5.80. Kalpetta improved to Rs 12.05. Kil Kotagiri was listed at a higher rate of Rs 5.05. Manar was lower at Rs 2.10. Manimala was the same at Rs 8.75. Neelamalai had declared a 7½ per cent dividend and quoted at Rs 4.44. Nelliam-

pathy was five nP higher at Rs 2.55. Nonsuch was quoted at Rs 28.25. Nilgiri was at Rs 8.65. Ouchterlony was marked at Rs 3.65. Periakaramalai went up by a single nP at Rs 3.69. Rajagiri was ten nP higher at Rs 20.10. TR & T was available at Rs 11.20. Other scrips remained at the listed prices.

Textiles:—Anglo-French registered a decline of Rs 3.50 and quoted at Rs 146.00. Bangalore Woollen was quoted at Rs 233.00 and Buckingham was at Rs 253.50. Cannanore was one point higher at Rs 176.00. Coimbatore Cotton did not change at Rs 199.00. Coimbatore Spinning was available at Rs 64.50. Dhanalakshmi went up to Rs 254.00. Lakshmi was the same at Rs 170.00. Loyal gained a little at Rs 50.75. Madura also moved up to Rs 40.40 with keen buyers at this. Mettur was the same at Rs 388.00. Premier gained Rs 20 and was quoted at Rs 330.00. Radhakrishna was bought at Rs 40.50. Rajalakshmi was the best buy today at Rs 105.00. Ranga Vilas improved to Rs 51.50. South India Viscose

gained fifty nP over last week's rate and was available at Rs 191.50. Travancore Rayon was quoted at Rs 44.50.

Miscellaneous:—Aluminium Industries were better at Rs 23.80. Andhra Cement was bought at Rs 9.35. Ashok Leyland improved and was bought at Rs 9.25. Dalmia Cement registered an increase of ten nP over last closing and was available at Rs 12.85. There was buying in India Cements at Rs 6.66. Indian Steel Rolling Mill also commanded inquiries at Rs 12.20. Kirloskar Electric was lower at Rs 15.75. Madras Rubber was bright at Rs 20.00. Mandya National Paper was at Rs 8.50. Mettur Chemical was on demand at Rs 14.70. Mysore Paper was better at Rs 13.00. Premier Fertiliser was available at Rs 7.65. Rallis was better at Rs 161.00. Textool remained at Rs 180.00. Travancore Cements was at Rs 8.60. Tube Supplier was on par at Rs 10.00. Tube Investments was lower at Rs 282.00. W I Plywoods was quoted at Rs 216.00.

Facts & Figures

RESEARCH

Detergents from Surplus Sugar

As a result of research at Britain's Tropical Products Institute in London, sugar now being produced in excess of domestic needs can be made into detergents as good as, and in some ways better than, petroleum-based products. Sugar-producing countries can now convert their surplus production into detergents in cheap and simple plant and so save imports of conventional products.

These sugar detergents are better than the petroleum products in several ways. They can be completely broken down in sewage treatment, so that they neither give rise to foam problems in sewage works and rivers nor prevent the re-oxidation of the river water. They are edible, even nutritious, so that they can be used without trouble for washing vegetables and fruit before packing them for the market. They can be used also with benefit in diets to help sick people with certain ailments.

Dr G. R. Ames, of the Tropical Products Institute, talking about his work on producing new forms of sugar-based detergents, said that until recently these substances had mainly been made by reacting sugar with a fatty acid to give a product which was not very soluble in water—a defect which restricted its use as a domestic detergent. Dr Ames has evolved a method for making soluble products by introducing a second simple acid into the sugar molecule. He is now working on

methods for making new soluble detergents which will contain a greater proportion of sugar to fatty acid.

Insoles from Leather Waste

A process for the manufacture of leather boards from tanned leather shavings and trimmings discarded in shoe factories and tanneries has been developed at the Central Leather Research Institute, Madras. The boards can be used as insoles for shoes.

About 3,000 tons of leather trimmings available annually are discarded as waste. It is estimated that nearly Rs 25 lakhs worth of leather boards can be produced from it.

Details of the new process are given in the current issue of Vigyan Pragati Hindi monthly of the Council of Scientific and Industrial Research.

OXIDISING SALTS

Another article deals with the production of oxidising salts which are used, among other things, for decorative finish on fittings, hardware, instruments, electrical appliances and fans. These salts are at present imported.

The method described, developed by the National Physical Laboratory at New Delhi, is simple and economical and can be followed by small-scale industry. The required raw material sulphur, caustic soda and caustic potash, are available in abundance in the country.

LOK SABHA

20 New Bills

A bill to facilitate introduction of correspondence courses under the aegis of the University of Delhi is among the 20 new bills to be introduced by the Government in the forth-coming session of the Lok Sabha commencing on November 20, 1961. One other bill defines the duties and powers of the Comptroller and Auditor-General of India.

The Criminal Law is to be amended to make the production, circulation, etc. of documents resembling currency notes an offence under the Law. The Institute of Technology Bill will be introduced to constitute each of the Indian Institutes of Technologies, Kharagpur, Bombay, Madras and Kanpur, as a body corporate and make provisions for co-ordinating their activities. The Indian School of Mines (Dhanbad) Bill, is intended to declare the Indian School of Mines, Dhanbad, an institute of national importance.

CREDIT INFORMATION BUREAU.

The Reserve Bank of India (Amendment) Bill will be introduced to amend the parent Act to permit the establishment of a Credit Information Bureau and for certain other purposes. The Laws relating to Wealth Tax, Gift Tax and Expenditure Tax are also to be amended. The other bills to be introduced are: Sugar (Regulation of Production) Bill; the Telegraph Wires (Unlawful Possession) Amendment Bill; the Indian Railways (Second Amendment) Bill; the Indian Succession (Amendment) Bill; the Indian Tariff (Amendment) Bill; the Iron, Ore Labour Welfare Fund Bill; the Drugs (Amendment) Bill; the Air Corporations (Amendment) Bill; the Atomic Energy Bills; the Vishva-bharati University (Amendment) Bill, and the State Financial Corporations (Amendment) Bill.

The business before the Lok Sabha also includes discussion on the international situation, tenth report of the Union Public Service Commission, Supplementary Demands for Grants (General) for 1961-62, Supplementary Demands for Grants (Railways) for 1961-62, and the Demands for Excess Grants (Railways) for 1959-60.

The Proprietors of Indian Patent No. 56043 "Compressed Gas Containers for Fire Extinguishers" desire to conduct negotiations for the grant of a manufacturing licence with respect to or for the disposal of the abovenumbered Patent.

Any interested should apply to:

EDWARD EVANS & CO.
53-64 Chancery Lane,
Chancery House,
London, W.C.2.

INDEX NUMBERS OF SECURITY PRICES (1952-53=100)

Week ended	29-10-60	21-9-61	28-10-61
Government and semi-Government securities—All-India			
Total	100.8	101.1	101.1
Government of India	100.6	101.0	101.0
State Governments	102.1	102.1	102.0
Municipal, Port Trust, etc.	100.0	99.3	99.3
Debentures of Joint Stock Companies—All-India			
Total	100.7	101.3	101.3
Preference shares—All-India			
Total	85.2	82.4	82.4
Variable dividend industrial securities—All-India			
Total	100.1	101.0	102.0
Agriculture and Allied Activities			
Total*	167.3	161.9	162.0
Tea Plantation	155.0	154.6	154.5
Coffee Plantation	201.8	166.6	166.7
Rubber Plantations	168.2	170.8	170.4
Mining and Quarrying: Total	149.0	162.3	162.3
Coal	113.9	118.9	118.4
Other Mining	173.1	192.0	190.7
Processing and Manufacturing:			
Total	178.5	195.5	196.9
Processing & Mfg. (Food stuffs, Textiles Etc., Total*)	179.3	206.1	207.0
Sugar	189.9	150.4	157.8
Cotton Textiles	147.1	182.1	183.8
Wool Textiles	87.3	83.8	87.7
Wool & Woollen	976.0	1164.1	1172.4
Processing & Mfg. (Metals, Chemicals Etc., Total*)	187.5	196.7	197.7
Iron & Steel	149.3	155.7	157.1
Transport Equipment	381.8	389.8	392.8
Machinery Other than Transport and Electrical	141.7	160.0	162.2
Basic Industrial Chemicals	204.6	213.0	214.0
Processing and Mfg. (Others): Total*	205.8	204.2	203.4
Aluminium	160.0	160.7	161.6
Other Industries: Total*	141.3	147.4	148.7
Electricity Generation and Supply	215.3	204.8	205.4
Trading	107.2	111.8	111.4
Shipping and other Transport	82.0	85.8	85.6
Construction	111.4	120.3	120.4
Financial Total	103.7	94.5	92.8
Construction	295.9	294.5	295.8
Financial Total	172.3	203.4	205.8
Bank	192.7	229.6	232.8
Insurance	131.1	153.5	154.1
Investment Trusts	88.9	89.5	80.1

Variable dividend industrial securities—Regional			
Bombay	170.1	189.0	180.7
Calcutta	153.7	166.7	166.7
Madras	185.4	198.3	199.8
Other	218.1	239.0	240.9

*Including "Miscellaneous."
Including "Edible and Vegetable oils."

SHORT-TERM MONEY RATES

(Per cent per annum)

	28-10-60	20-10-61	27-10-61
Call Money—			
From Banks—			
Bombay	4.48	3.94	4.66
Calcutta	4.57	3.49	4.08
Madras	3.09	3.79	4.75
Deposits at notice of 7 days—			
Bombay	2.00		
Calcutta	3.00		
Madras	↑		
Fixed Deposits—			
3 Months—			
Bombay	3.50		
Calcutta	3.48		
Madras	3.50		
6 Months—			
Bombay	3.50	3.75	3.75
Calcutta	3.31	3.75	3.75
Madras	3.46	3.75	3.75

*No Transaction.

BULLION PRICES

Week Ended	4-11-60	27-10-61	3-11-61
	Ra. nP.	Ra. nP.	Ra. nP.
GOLD—			
Spot—			
Highest	116 00	124 85	123 50
Lowest	114 80	123 50	122 85
Average	115 36	124 06	122 77
1st Settlement—			
Highest	116 00	125 65	124 75
Lowest	114 75	124 50	124 06
Average	115 52	125 08	124 28
SOVEREIGN—			
Average	89 92	96 92	97 58
SILVER—			
Spot—			
Highest	195 00	206 90	207 20
Lowest	193 75	205 40	206 50
Average	194 80	206 18	206 77
1st Settlement—			
Highest	195 80	208 15	208 45
Lowest	194 00	205 70	207 75
Average	194 97	207 08	208 04

GOVERNMENT OF INDIA TREASURY BILLS

Week ended	28-10-60	20-10-61	27-10-61
Amount offered	2.00	...	2.00
Amount tendered	2.00	...	2.00
Amount sold by tender	2.32	...	2.00
Of which against maturing Treasury Bills	...	...	...
Intermediate Treasury Bills sold	...	90	1.30
Total sales	2.22	90	3.30
Average rate of discount for auction sales	2.565	...	2.500
Sold in favour of Reserve Bank of India	233.64	167.78	197.45
Total amount outstanding	1,137.21	1,014.03	1,017.98

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From To	
Belgium	Fcs. to Rs. 100	10.3 1042	31-10-61
France	"	103.30 103.40	28-10-61
Switzerland	"	103.40 103.20	31-10-61
Netherlands	Gulden to Rs. 100	90.80 90.70	31-10-61
W. Germany	Mks. to Rs. 100	75.60 75.50	31-10-61
Italy	Lire to Rs. 100	84.00 83.90	31-10-61
"	"	130.15 130.20	28-10-61
"	"	130.15 130.10	31-10-61
Denmark	Kronor to Rs. 100	130.15 130.10	31-10-61
Norway	"	144.70 144.60	31-10-61
"	"	149.60 149.50	30-10-61
"	"	149.50 149.40	31-10-61
Sweden	"	108.50 108.60	31-10-61
Japan	Yen to Rs. 100	108.50 108.60	31-10-61
U.S.A.	Ra. to \$ 100	76.25 76.21	2-11-61
"	"	475.75 475.75	31-10-61
"	"	475.75 475.50	1-11-61
"	"	475.50 475.50	2-11-61
Canada	"	463.75 464.00	28-10-61
"	"	464.00 463.00	31-10-61
"	"	463.00 462.25	1-11-61
"	"	462.25 462.75	2-11-61
"	"	462.75 462.50	3-11-61

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	28-10-60	20-10-61	27-10-61
Forward Contracts—			
Purchases	£ ('000)	730	150
Sales	Rs. ('00,000)	97	20
Deliveries—			
Spot Transactions—			
Purchases	£ ('000)	...	...
Sales	Rs. ('00,000)	100	1,345
Against forward contracts—			
Purchases	£ ('000)	13	1.79
Sales	Rs. ('00,000)	1,000	820
"	Rs. ('000)	1.33	1.69
"	Rs. ('00,000)	...	...
"	Rs. ('00,000)	...	...

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	4-11-60	27-10-61	3-11-61
	Price Ra. nP.	Yield %	Price Ra. nP.
3½% 1961	99.65	3.46	99.80
3½% 1962	99.31	3.66	99.80
3½% N.P.B. 1967	99.25	3.63	99.80
3½% Dev. 1970-75	89.10	4.35	90.79
3½% 1974	99.00	3.85	99.55
3½% (Con.) 1986 or later*	73.94	4.05	72.72

*Running yield.

INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS

(Base: 1952-53=100)

Group and Sub-Group	7-10-61	30-9-61	9-9-61	8-10-60
Food Articles—				
Cereals	112.9	120.7	121.34	122.4
Pulses	102.9	102.7	104.0	107.0
Fruits & Vegetables	89.0	88.5	89.9	94.7
Milk & Ghee	140.0	144.7	149.3	110.3
Edible oils	119.2	113.2	117.5	110.6
Fish, Eggs & Meat	148.3	150.4	153.1	154.0
Sugar & Gur	135.2	135.2	139.8	123.7
Others	119.0	122.6	121.6	134.8
Liquor and Tobacco	170.1	184.3	168.7	169.3
Tobacco	99.5	99.5	100.0	105.5
Fuel, Power, Light & Lubricants	96.0	96.0	96.5	103.7
Industrial Raw Materials	121.5	121.4	121.5	119.9
Fibres	145.8	137.6	137.8	145.5
Oilseeds	127.0	127.0	127.4	151.9
Minerals	150.4	153.8	156.0	149.6
Others	91.8	91.8	94.8	97.9
Manufactures	127.7	127.4	125.3	125.2
Intermediate Products	125.6	125.9	125.3	123.5
Finished Products	110.9	110.5	111.3	129.4
Textiles	123.1	123.5	122.7	122.8
Cotton	123.1	124.3	123.1	125.5
Wool	128.2	128.2	127.9	131.4
Silk & Rayon	114.7	117.5	112.9	122.8
Metal Products	123.1	123.1	123.1	110.1
Chemicals	118.6	126.9	119.4	101.9
Oil cakes	147.1	147.1	147.1	146.9
Machinery & Transport Equipment	111.9	111.9	112.0	105.0
Others	144.3	144.2	143.4	119.1
All Commodities	113.0	113.6	113.5	112.9
"	131.3	131.3	130.9	116.0
"	123.5	124.4	124.6	123.7

* = Estimated.

† = Revised.

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rs.)

	3-11-61	27-10-61	4-11-60
LIABILITIES:			
Capital Paid-up	13,86.36	38,48.06	13,77.76
Notes in Banking Dept.	1984,26.18	1882,25.43	1808,29.95
Notes in Circulation	1918,12.54	1920,73.49	1822,07.71
ASSETS:			
A Gold Coin & Bullion	117,76.03	117,76.03	117,76.03
(a) In India	...	...	...
(b) Outside India	...	...	...
Sterling Securities	116,86.07	116,86.07	123,00.89
Total of A	234,62.10	234,62.10	240,76.92
(B) Rupee Coin	124,64.89	127,25.22	129,18.10
Rupee Securities	1558,85.55	1558,86.17	1452,02.69
	1918,12.54	1920,73.49	1822,07.71

BANKING DEPARTMENT:

	3-11-61	27-10-61	4-11-60
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	50,00.00	50,00.00	40,00.00
National Agricultural Credit (Stabilisation) Fund	6,00.00	6,00.00	5,00.00
Deposits—			
(a) Central Govt.	62,85.87	64,78.35	74,52.07
(b) Other Govt.	17,65.73	20,34.40	10,30.22
(c) Banks	74,16.81	86,37.26	108,80.36
(d) Others	146,41.57	155,58.51	92,31.45
Bills Payable	21,38.83	20,60.59	21,18.69
Other Liabilities	21,40.97	21,09.93	21,31.71
	484,89.68	500,74.04	453,54.50
ASSETS:			
Notes	13,86.36	38,48.06	13,77.76
Rupee Coin	2,70	2,35	2,37
Subsidiary Coin	3,49	3,37	6,50
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	25,21.82	23,14.88	7,68.60
Balances held abroad*	20,53.49	28,33.15	18,26.99
Loans & adv. to Govt.	63,96.60	62,37.59	34,95.88
Other Loans & Adv.	141,81.83	129,53.00	122,74.79
Investments	200,84.19	200,80.82	243,27.71
Other Assets	18,59.20	18,00.82	12,73.90
	484,89.68	500,74.04	453,54.50

(1) The item "Other Loans and Advances" included Rs. 7,76,50,000 advanced to scheduled banks against advance bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA (In 000's of Rupees).

	Week Ended		
	28-10-60	20-10-61	27-10-61
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	20,42.05	21,89.76	20,59.30
(ii) other demand liabilities	778,43.95	824,63.17	832,08.11
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	16,29.14	18,31.28	20,53.32
(ii) Other time liabilities...	1127,95.33	1118,57.22	1120,71.24
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities ...	10,16.48	9,68.38	8,15.80
(ii) Time Liabilities ...	...	10,60.49	10,51.00
Borrowings in India from the R. B. I. ...			
Cash in India ...	16,62.91	12,84.00	6,48.60
Balances with the Reserve Bank of India ...	48,62.03	52,62.07	50,53.28
Balances with other banks in current account in India	95,93.68	76,45.55	81,40.64
Monies at call and short notice in India ...	15,77.16	15,24.08	15,58.46
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts ...	31,69.27	47,34.95	46,43.00
Advances in India ...	689,30.17	612,89.14	624,93.36
Unpaid Bills Purchased and Discounted in India ...	959,41.67	1064,07.68	1050,26.11
Foreign Bills Purchased and Discounted in India ...	102,47.80	132,72.68	138,51.95
	48,17.43	46,38.36	46,55.62

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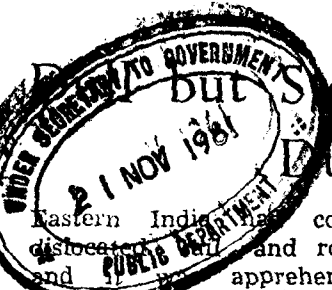
Indian Finance

INVESTOR'S SUPPLEMENT

Conditions in the stock market remained steady but dull during October. With a large number of uncertainties in the investment situation, bulls were reluctant to extend commitments but bears were found to be not very active. The hesitation of bears to hammer down values had evidently stemmed from the fact that a number of companies were on the threshold of expansion and diversification of activities. Moreover, corporate news continued to be good. A feature of the trading during the month was that investment support was forthcoming throughout the period for selected shares as well as selected groups of shares. It was the scrip on the forward list that was rather dull with price movements confined to narrow limits. Operators were evidently influenced to adopt a cautious approach to the market by the decision to impose a uniform margin on carry-over business, the Pusa holidays on Lyons Range, the dislocation to traffic and damage to crops caused by the recent floods in Eastern India and the continued coal, power and transport shortage.

The first meeting of the Presidents of the Stock Exchanges, the body that has been charged with looking after the interests as well as the orderly working of stock exchanges in the country, had decided that a uniform scale of margin should be made applicable. The measure envisages a graded scale of carry-over margins ranging from 2 to 50 per cent, depending on the quantum of carried forward business in all the cleared shares from one settlement to another. In determining the margin the value of the membership card and the security deposit of a member will be taken into account. This was the only measure decided upon. The AICC session at Madurai was another factor that called for caution but the final outcome of the session in terms of resolutions was not very disturbing. The AICC had approved the election manifesto as expected but marketmen derived some comfort from the fact that an amendment seeking to put a ceiling on urban property had been defeated.

The fact that the Calcutta stock exchange remained closed for nearly half the month was a powerful restraining influence on trading during the month. With one of the principal stock exchanges in the country remaining closed for a fortnight, operators elsewhere were naturally cautious. A further important adverse influence was the continued anxiety about the supply of coal and power to industrial enterprises and the inadequacy of the transport facilities. The floods in



Steady Conditions Prevail During October

Eastern India and road traffic and apprehended that industrial production might be hampered by the delay in the movement of basic materials to the factories.

If bull operators lacked enthusiasm, it was partly because of the approaching general elections in the country. Although the Congress election manifesto has been approved by the AICC, there are the election speeches to

PRICE TRENDS DURING OCTOBER, 1961.

	Opening Rs.	Highest Rs.	Lowest Rs.	Closing Rs.
FORWARD LIST:				
Indian Iron	24.38	24.78	24.16	24.54
TEXMACO	16.90	19.00	16.90	18.55
Orient Paper	36.70cd	36.70cd	36.15cd	36.50cd
Shree Gopal	26.25	26.75	26.25	26.50
Rohas	16.56cd	16.31cd	15.94cd	16.06cd
Dunlop Rubber	53.87	55.37	53.75	53.00
Hindustan Motor	18.81	20.25	18.72	20.19
Indian Cable	31.13cd	31.13cd	30.81cd	30.06cd
Indian Aluminium	35.5	35.75	35.06	35.38
Indian Copper	4.78	4.95	4.71	4.82
Howrah Jute	20.25	21.37	20.25	21.12
Burrakur Coal	18.31	18.50	17.94	18.37
GILTEDGED:				
3% 1986 Conversion	72.90	73.25	72.50	73.00
BANKS:				
Punjab National	18.62	20.00	18.50	20.00
United Commercial	90.50	91.50	90.50	91.00
TEXTILES:				
Cawnpore	9.12	9.25	9.00	9.25
Elging	22.12	22.25	21.09	21.94
J. A. Rayon	18.87	20.19	18.87	19.69
JUTES:				
Anglo-India	192.00	199.00	192.00	198.00
Biras	20.00	20.00	20.00	21.94
New Central	17.00	17.31	16.75	17.25
COALS:				
Bengal	364.00	365.00	354.00	354.00
TEAS:				
Brooke Bond	N.T.	N.T.	N.T.	N.T.
Hasimara	31.62	31.62	30.37	31.12
Hanapara	120.00	120.00	110.00	110.00
Tezpur	16.00	17.12	15.69	17.00
SUGARS:				
Carew	13.12	13.50	13.12	13.50
Cawnpore	13.12	13.12	13.12	13.19
Champuram	N.T.	N.T.	N.T.	N.T.
Dyer meadon	35.00	36.37	35.00	36.37
ENGINEERING:				
Jessop	19.87	21.25	19.81	21.00
L. A. Williams	39.94	41.00	39.94	40.12
J. K. Steel	21.06	22.94	20.25	22.69
Jay Engineering	21.37	21.87	21.31	21.87
MISCELLANEOUS:				
Alkali Chemical	38.37	38.50	37.75	38.25
Associated Battery	30.75	31.12	30.87	30.87
Binani Metal	11.87	12.25	11.87	12.19
Brush Paints	27.25	27.44	26.75	27.44
Goodyear	38.00	39.06	37.75	38.75
Indian Oxygen	39.15	39.15	39.12	39.12
India Steamship	7.34	8.12	7.69	7.72
Isaac Holden	19.44	19.75	18.94	19.12
Jay Shree Tea	17.94	18.50	17.81	18.50
Kesoram	29.12	32.12	28.81	31.87
NICCO	37.25	38.00	36.69	38.00
Phillips Carbon	19.00	20.06	19.12	19.81
Sirpur Paper	15.94	16.87	15.81	16.0
Tilghur Paper	34.50	35.87	34.50	34.82
Union Carbide	51.25	51.25	50.75	50.87

N.T.—No transaction.

reckon with. Above all, the stringency in the money market coupled with a number of new issues in the offing discouraged extension of commitments.

However, the uncertainties in the investment situation seemed

to affect only the forward list. Cash shares, atleast those that were backed by good corporate news and growth prospects, met with good investment support. Sectionwise, textile shares were in good shape almost throughout

the month having been eagerly sought after. The revival of interest in textile shares could be traced to optimistic reappraisal of dividend prospects. Offtake of cloth in the domestic market was reported to be quite satisfactory for some months and indications were that export performance of the industry would also show considerable improvement. While textile shares received sustained attention, jute shares on Lyons Range were also developing an improved undertone with selected shares in demand. There was a growing belief that the jute industry had left its adverse period behind atleast for some time. Indications were quite good for profitable working what with the abundant supply of raw jute at reasonable prices coupled with the revival of foreign interest. There was a squeeze in ready jute goods the prices of which as a consequence were much higher than those in the forward delivery positions. Mills were thus enabled to do simultaneous business on a profit. The fact that mills had begun to show some profit after sustaining considerable loss during the past six months or so seemed to have impressed both operators and investors. Moreover, the jute goods industry has embarked upon a policy of progressive increase of its production. Jute mills reverted to a 48 hour week from the middle of the month and there were indications toward the end of the month that further steps would be taken to increase production by the unsealing of a portion of the looms remaining out of commission.

Elsewhere, the market ruled dull. Coal shares were not active presumably in view of reports of the accumulation of stocks at pit-heads. Teas were a dull market most of the time but recorded some improvement toward the close. Earlier listlessness was due to apprehensions about overproduction of Northern Indian tea but with the improvement in the prices obtained at auctions later in the month, sentiment in the section steadied up. It was not surprising that sugar shares were depressed as marketmen seemed to think that under the new sugar policy, profits would be adversely affected. While engineering shares were steady, the miscellaneous section showed a number of firm spots on sustained investment enquiry. Bank shares were in demand throughout the month with most of them displaying a steady trend. The improvement in sentiment in the section was presumably due to expectations of improved earnings. The Gilt-edged section ruled listless with enquiry confined to few loans.

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Deprecia- tion	LIQUID ASSETS									
	October 1961 Rs. p.p.	October 1960 Rs. p.p.			Rs.	Rs. 000	General Rs. 000				Others Rs. 000	Carry over from Rs. 000	Rs. 000	Rs. 000	Rs. 000	Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Balances Rs. 000	Others Rs. 000
Amara	11 00	11 62	10	6,000	4,922	1,594	21	10 274	15,213	5,616	289	10.94	3,877	109	247					
7% Cum. preference	82 00	89 50	100	1,000																
5% Debentures	134 00	155 00	100	1,000	700	940	222	7,099	7.7.7	4,911	293	5,535	2,255	172						
Alexandra	79 00	83 00	100	900																
7% Cum. preference	9 00	101 00	100	3,000		544	117	7,787	14 102	10,160	210	7,417	923	456						
5% Debentures	61 00	65 01	100	1,500																
Alliance	196 00	211 00	100	4,921	5,000	3,371	314	22,421	28,086	18,494	5,807	17,203	7,253	433						
Anglo India	84 00	81 06	100	4,000																
7% Cum. preference	168 01	151 00	100	4,000	1,396	1,419	46	7,558	14,666	8,352	365	7,612	4,070	19	19					
4% Debentures	68 00	66 18	100	1,000																
4% R. Cum. preference	53 03	58 33	100	1,500																
4% Debentures			1000	1,500																
Bally	250 00	113 50	100	2,000	2,000	1,454	28	6,511	14,613	7,761	644	4,796	1,161	540						
7% Cum. preference	91 03	53 50	100	2,000																
Banagore &	141 00	118 00	100	275	361	431	92	261	1,614	1,065	17	544	276	249						
5% Cum. preference	85 00	34 00	100	200																
Bombay	141 00	141 00	100	2,800	1,399	1,448	78	2,720	10,053	5,848	114	3,712	1,092	12						
7% Cum. preference	81 01	81 00	100	700																
Bombay	81 01	11 05	10	4,500	1,375	1,317	133	14,610	7,048	4,085	6	4,845	16,268	888	7					
5% R. C. P.	51 00	61 00	100	1,000																
5% Debentures			1000	1,000																
4% Debentures			1000	1,000																
Bharat Jute	6 12 N	6 12	21	1,500	255	11	-3,624	4 185	1 323	303		571	596	112	17					
Birla	27 91	26 61	10	9 16	5,500	23,172	53	21,819	73,466	22,636		7,842	9,853	4,827	352					
7% C. P. T.	84 50	88 00	100	2,364																
5% R. C. P.	8 14	89 00	100	10,114																
Bombay	142 00	122 00	100	3,600	1,521	1,251	31	4,841												
7% Cum. preference	86 50	90 00	100	900																
Caledonian	141 00	136 00	100	1,800	2,444	307	30	873	8,460	4,912	70	2,39	434	12						
7% Cum. preference	81 01	80 00	100	1,000																
Chandigarh	131 00	107 50	100	5,916		8,218	137	5 5 5	21,454	12,166	205	6,10	3,624	57	575					
Chennai	16 47	14 06	10	3,856	1,451	3,629	7	2,384	12,221	6,216	233	5,261	739	11	73					
7% Cum. preference	91 50	97 50	100	1,000																
Chennai	11 44	13 11	10	3,015	3,200	754	39	7,930	12,098	6,667	795	5,805	4,031	213	231					
7% Cum. preference	89 00	87 00	100	500																
5% Debenture			500	1,069																
Chennai	9 47	11 31	10	2,400		900	-309	3,296	8,212	6,831	8	4,401	2,058	38						
6% Cum. preference	61 00	71 00	100	800																
7% Cum. preference	70 00	84 00	100	800																
Colombo	105 00	124 00	100	3,149	806	663	10	3,808	11,014	6,967	488	4,338	1,902	11	923					
7% Cum. preference	81 01	80 00	100	1,500																
5% Debentures			1,000	1,771																
Colombo	165 10	142 00	100	2,800	1,638	2,547	16	1,700	9,799	5,128	90	4,088	344	9						
5% Cum. preference	69 25	64 35	100	500																
Empire	19 50	16 31	10	1,500	2,550	1,312	70	5,375	11,403	7,473	937	3,488	2,208	129						
7% Cum. preference	74 30	76 00	100	1,000																
5% Debentures			500	886																
Fort Gloster	370 00	311 00	100	2,100	5,637	2,723	72	20,941	34,170	16,904	209	15,598	3,411	595	102					
Ordinary R.		283 75	50	2,100																
7% Cum. preference	108 00	104 00	100	1,400																
5% Cum. preference	62 00	64 00	100	700																
5% Debenture			100	1,502																
Fort William	30 17	24 19	10	2,100	2,000	113	248	9,554	13,543	8,235	116	6,991	2,418	166	17					
7% Cum. preference	80 88	105 50	100	1,000																
Ganga	11 75	10 87	10	8,432	500	17	56	12,294	22,467	14,800	23	11,202	2,659	348						
8% Cum. preference	99 60	110 00	100	608																
General Indus. Society	35 00	38 00	10	1,080	2,550	886	14	7,434	9,804	5,306	78	5,158	2,186	38						
Gowanus	45 00	360 00	100	2,400	5,080	2,186	82	17,012	27,415	18,106	4,412	12,590	2,814	206						
6% Cum. preference	80 75	73 50	100	2,650																
Hastings	113 00	119 00	100	4,000	3,905	5,010	376	8,244	14,502	8,277	4,629	8,019	4,898	259						
6% Cum. preference	79 00	83 00	100	2,500																
Hongkong	16 00	17 25	10	1,680	650	1,876	38	3,756	8,349	5 08	1,201	3,928	1,140	65						
10% Preference [t]	9 95	10 19	10	1,176																
Hongkong	21 12	21 37	10	6,562	3,900	363	98	18,979	22,518	14,523	466	13,610	3,748	393	1,255					
7% Cum. preference	86 45	92 00	100	1,750																
7% A. C. P.	86 45	92 00	100	2,900																
5% Debentures			71	5,250	2,800	1,010	163	20,755	31,843	17,768	1,460	13,776	9,979	687						
Hongkong	20 12	21 50	100	4,000																
7% Cum. preference	91 50	92 00	100	4,000																
India	15 56	15 25	123	8,730		2,179	494	7,783	17,480	10,024	3,333	4,201	4,019	142						
Kamohatty	119 00	154 00	100	2,400	1,530	1,170	40	11,306	28,049	14,058	353	9,363	2,584	644	2,345					
8% Ordinary	127 00	134 00	100	1,920																
6% Cum. preference	65 00	76 00	100	1,600																
5% Debentures				1,304																

NAME	Managing Agents/ Agents/Secretaries	Loans		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents' Commission Rs. 000	Year ended	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	DIVIDEND %		
		Hessian	Sacking								Latest	First previous	Second previous
Kankarrah ...	Jardine Henderson Ltd. ...	1,239	288	24,305	36,658	5,486	50	12-60	614	2,601	Nil	Nil	Nil
	Ord. ...										Nil	Nil	Nil
	4% C. P. ...										Nil	Nil	Nil
	4% R. C. P. ...										Nil	Nil	Nil
	5 1/2% Debentures ...										Nil	Nil	Nil
Kalwa ...	McLeod & Co. Ltd. ...	394	309	8,773	18,063	3,772	164	6-60	1,800	1,683	15 1/2	14 1/2	12 1/2
	7% C. P. ...										15 1/2	14 1/2	12 1/2
Khardah ...	Anderson Wright Ltd. ...	914	616	19,675	34,305	9,839	265	3-60	3,041	(p) 2 49	20 1/2	20 1/2	18 1/2
	6% C. P. ...										20 1/2	20 1/2	18 1/2
Kinnison ...	F. W. Heiglers & Co. Pri. ...	672	578	26,205	40,737	10,636	219	3-61	2,955	3,470	20 1/2	20 1/2	18 1/2
	7% C. P. ...										20 1/2	20 1/2	18 1/2
	5% Debentures ...										20 1/2	20 1/2	18 1/2
Lanadowne ...	Bird & Co. Private ...	579	352	15,147	22,449	5,355	17	3-61	401	1,161	Nil	Nil	Nil
	7% C. P. ...										Nil	Nil	Nil
Lawrence ...	Bird & Co. Private ...	484	356	3,080	5,341	...	63	3-61	1,251	1,174	15 1/2	15 1/2	14 1/2
	7% C. P. ...										15 1/2	15 1/2	14 1/2
	5 1/2% B. C. P. ...										15 1/2	15 1/2	14 1/2
Mahabir ...	Agrawal Brothers & Co. ...	28	123	2,873	5,166	1,384	30	9-59	252	118	6 1/2	Nil	Nil
	Directors ...			1,944	3,223	613		9-53	212	-256	Nil	Nil	Nil
Maheswari Devi ...	Directors ...	612	396	18,494	36,303	2,510	...	3-60	2,714	2,942	1 1/2	10 1/2	17 1/2
Magna ...	Directors ...										1 1/2	10 1/2	17 1/2
Naihati ...	Directors ...	493	322	7,332	15,204	3,789	...	3-60	1,130	(i) 732	Nil	Nil	Nil
	7% C. P. ...										Nil	Nil	Nil
	4 1/2% R. C. P. ...										Nil	Nil	Nil
	5 1/2% Debentures ...										Nil	Nil	Nil
Naskarpara ...	Howrah Trading Co. Private ...	333	92	4,675	8,154	276	43	10-59	516	277	3 1/2	2 1/2	2 1/2
	4% Debentures ...										3 1/2	2 1/2	2 1/2
National ...	Directors ...	573	279	8,121	12,256	1,160	...	10-59	1,759	(b) 846	10 1/2	7 1/2	7 1/2
	7% C. P. ...										10 1/2	7 1/2	7 1/2
Nallimarla ...	McLeod & Co. Ltd. ...	100	216	7,619	12,114	4,218	...	7-60	(v) 722	(m) 1,341	7 1/2	7 1/2	10 1/2
	6% C. P. ...										7 1/2	7 1/2	10 1/2
	4 1/2% Deb. ...										7 1/2	7 1/2	10 1/2
New Central ...	Sahu Jain Ltd. ...	10,39	7,26	44,963	66,363	6,429	313	3-60	(h) 10,399	(a) 4,266	15 1/2	15 1/2	15 1/2
	7% C. P. ...										15 1/2	15 1/2	15 1/2
Northbrook ...	Bird & Co. Private Ltd. ...	214	353	15,143	26,219	6,459	377	3-61	4,201	(n) 3,418	20 1/2	20 1/2	18 1/2
	5 1/2% C. P. ...										20 1/2	20 1/2	18 1/2
	4% Deb. ...										20 1/2	20 1/2	18 1/2
Nuddee ...	Macneill & Barry ...	644	446	22,285	31,706	7,173	85	3-61	1,937	2,412	6 1/2	8 1/2	6 1/2
Pranchand ...	R. J. Roy Bro. Private Ltd. ...	364	240	285	1,782	...	25	4-59	(u) 139	-604	Nil	Nil	Nil
Pranchand ...	McLeod & Co. Ltd. ...	238	162	6,531	10,696	2,542	50	7-60	721	(a) 1,162	8 1/2	11 1/2	6 1/2
Rameshwari ...	Hindustan Invest Corpn. ...	...	304	5,229	10,141	2,057	60	3-60	627	745	Nil	Nil	Nil
	6% C. P. ...										Nil	Nil	Nil
Reliance ...	Jardine Henderson ...	924	352	...	1,352	...	50	3-61	475	846	Nil	Nil	Nil
	7% C. P. ...										Nil	Nil	Nil
	5% Deb. ...										Nil	Nil	Nil
Sree Ambica ...	Bagaria More ...	703	208	15,080	24,947	3,589	89	3-59	1,110	1,024	6 1/2	5 1/2	5 1/2
	7 1/2% C. P. ...										6 1/2	5 1/2	5 1/2
Suresh ...	Hind Inv. Corpn. ...	201	200	4,820	9,896	391	110	12-59	1,265	1,039	25 1/2	15 1/2	15 1/2
	7% C. P. ...										25 1/2	15 1/2	15 1/2
Union ...	Bird & Co. Private Ltd. ...	758	568	14,350	21,102	4,487	68	3-61	1,098	2,586	6 1/2	25 1/2	20 1/2
	7% C. P. ...										6 1/2	25 1/2	20 1/2
	4 1/2% Deb. ...										6 1/2	25 1/2	20 1/2
Waverley ...	McLeod & Co. Ltd. ...	306	159	...	1,007	...	56	5-60	507	423	25 1/2	25 1/2	20 1/2
	5% C. P. P. ...										25 1/2	25 1/2	20 1/2
	3 1/2% Debenture ...										25 1/2	25 1/2	20 1/2

(a) After transferring Rs 275,000 from General Reserve.

(b) After transferring Rs 125,000 from Dividend Equalisation Reserve and Rs 30,311 from Capital Reserve.

(c) After transferring Rs 72,950 from Development Rebate Reserve.

(d) After transferring Rs 200,000 from Stores and Spare Parts Reserve and Rs 100,000 from Debenture Redemption Reserve.

(e) After transferring Rs 6,300 from Contingency Reserve and Rs 2,09,700 from Dividend Equalisation Reserve.

(f) After transferring Rs 45,000 from General Reserve and writing back Rs 104,280 being excess provision for depreciation.

(g) After transferring Rs 550,000 from General Reserve.

(h) After transferring Rs 2,883,218 from General Reserve No. 1.

(i) After transferring Rs 100,000 from General Reserve and writing back Rs 90,000 being liability in respect of Inter-state Sales Tax.

(j) Included Rs 30,000 transferred from contingency Reserve.

(k) After writing back Rs 163,430 from Development Rebate Reserve.

(l) After transferring Rs 10,000 from General Reserve and Rs 100,000 from Debenture Redemption Reserve.

(m) After writing back Rs 85,000 from Development Rebate Reserve; and after transferring Rs 9,75,000 from Machinery Renewal Reserve.

(n) After transferring Rs 500,000 from Taxation Contingencies Reserve.

(o) After transferring Rs 120,000 from Contingency Reserve.

(p) After transferring Rs 8,33,375 from General Reserve.

(q) After writing back Rs 100,000 being excess provision for taxation.

(r) After writing back Rs 9,000 from provision for depreciation and including Rs 108,227 being dividends forfeited.

(s) After transferring Rs 7,00,000 from Reserve No. 1.

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

(u) After writing back Rs 1,00,000 from provision against jute stocks as jute contracted for.

(v) After transferring Rs 1,00,000 from General Reserve and writing back Rs 30,000 being over provision for Inter-state Sales Tax.

NAME	Market Quotations as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Deprecia- tion	LIQUID ASSETS				
	October 1961	October 1960			General	Others	Carry forward				Invest- ments	Stocks and Stores	Out- standing	Cash Balance	Others
	Rs. np.	Rs. np.			Rs.	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Kankarrah ...	82 00	77 50	100	3,000	6.0	344	-1,478	8,360	17,803	11,938	203	71.4	1,174	261	1,209
45 Ordinary ...	82 50	64 00	100	2,400											
6 1/2% Cum. preference ...	75 25	92 00	100	1,000											
4 1/2% R. C. P. ...			100	423											
5 1/2% Debentures ...			100	1,269											
Kelvin ...	161 00	141 00	100	2,800	4.00	5.6	121	3,806	15,165	10,330	849	4,676	1,914	617	
7% Cum. preference ...	9 00	8 50	100	1,000											
Khardah ...	17 12	8 5	10	5,400	1,900	476	74	14,754	21,695	13,219	473	11,438	2,960	156	
5% C. P. ...	76 01	70 01	100	908											
Kinnison ...	158 00	154 5 1/2	100	5,946	2,866	1,874	62	12,805	20,21	13,378	2,363	12,493	5,267	121	
10% Cum. preference ...	85 45	83 0 1/2	100	1,500											
5% Debentures ...			1000	2,500											
Lanadowne ...	105 00	99 00	100	2,448	959	272	-354	7,607	10,823	7,138	362	6,585	1,711	14	45
7% C. Preference ...	91 00	91 5 1/2	100	1,500											
Lawrence ...	170 00	12 0 1/2	100	2,800	612	801	55	9 2	6,577	4,223	414	461	593	2,938	
7% Cum. preference ...	67 45	63 0 1/2	100	500											
5 1/2% B' cum. preference ...	66 57	60 1 1/2	100	1,000											
Mahabir ...	85 00 N	85 00	100	1,078		5	59	2,181	2,105	1,589		2,070	243	542	
Maheswari Devi ...			100	1,319		421	-501	1,044	1,741	1,494	551	992	440	15	
Magna ...	12 62	12 00	10	8,165		3.4 4	5	16,000	27,041	15,568	26	10,523	5,186	507	
Naitbat ...	82 00	61 0	100	2,999	1,199	2,237	-390	3,171	16,480	9,860	151	4,731	1,666	137	161
7% cum. preference ...	98 00	91 0	100	750											
4 1/2% R. C. P. ...	80 00	68 50	100	1,000											
5 1/2% Debentures ...			1000	2,500											
Nankarpara ...	8 94	12 1 1/2	10	2,000	1,151	20	9	4,548	3,649	2,659	5	1,566	1,164	4,512	
5 1/2% Debentures ...			1000	500											
National ...	19 75	23 25	10	3,500	2,321	1,974	20	2,705	5,805	1,763	100	4,525	1,134	227	
7% C. P. ...	81 80 1/2	9 00	100	500											
Nallimarla ...	10 50	12 00	10	2,625	2,575	661	43	5,899	6,866	3,212	635	5,270	2,538	472	233
5% Cum. preference ...	76 00	76 0	100	500											
4 1/2% Debentures ...			500	500											
New Central ...	17 25	23 44	10	17,042	7,915	14,818		70,196	93,093	13,654	1,817	27,165	3,817	1,089	
7% Cum. preference ...	92 00	91 0	100	3,300											
Northbrook ...	8 75	26 50	10	1,680	3,186	2,007	32	8,446	13,011	7,730	469	8,136	4,912	11	34
5 1/2% Cum. pref. ...	66 43	70 00	100	1,500											
4% Debentures ...			100	2,000											
Nuddas ...	54 00	45 00	50	6,680	3,350	778	108	11,6 5	22,360	11,932	442	8,144	3,311	235	
Omchand ...			100	3,996			-4,142	1,915	6,201	4,620	76	41	20	48	
Presidency ...	5 31	5 12	5	2,500	750	391	21	4,351	10,618	7,593	334	3,116	1,461	8	
Rameshwari ...	7 56	9 25	10	2,000		43	21	2,319	3,396	1,206	72	2,676	127	18	
6% Cum. preference ...	8 75	9 62	10	700											
Reliance ...	6 21	6 50	10	4,950		200	-2,812	1,951	12,488	6,731	195	1,003	493	1,322	
7% C. P. ...	83 00	80 00	100	2,040											
5% Debentures ...			1000	2,500											
Shree Ambica ...	22 67	24 50	10	3,000	975	209	70	9,520	12,450	9,165	1,378	4,450	5,333	361	
7 1/2% Cum. preference ...	92 00	92 00	100	1,170											
Sewah ...	21 00	22 19	10	1,400	1,180	80	64	4,243	7,257	5,250	1,445	2,614	808	93	
7% Cum. pref. ...	93 50	101 00	100	1,000											
Union ...	169 00	167 00 1/2	100	3,599	2,406	1,388	9	3,639	9,319	5,519	1,237	5,233	2,457	92	
7% C. P. ...	71 35	84 00 1/2	100	600											
4 1/2% Debentures ...			1000	1,200											
Waverley ...	3 87	3 56	1	250	185	335	144	684	5,487	4,554	60	283	353	1,769	
5% Cum P. P. ...	40 0	39 50	50	750											
3 1/2% Debenture ...			500	1,000											

INDUSTRIALS

NAME	MARKET QUOTATION AS ON THIS LAST DAY OF		Paid-up per Share	Paid-up Capital Rs. 000	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities Rs. 0	Gross Black Rs. 000	Depreciation Rs. 000	LIQUID ASSETS.				
	October 1961 Rs. p.p.	October 1960 Rs. p.p.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Investments Rs. 000	Stocks & Stores Rs. 000	Outstandings Rs. 000	Cash Rs. 000	Others Rs. 000
	O. n. p.	O. n. p.			Ra.	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
WESTERN AND CENTRAL INDIA															
Aromatic Chemicals	242 50	216 25	100	8,500	2,900	2,738	20	1,521	18,707	6,576	2,343	8,983	3,226	294	...
5% Ist C. P.	80 00	95 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% 2nd R. C. P.	81 00	85 00	100	500	...	...	...	...	...	...	...	...	...	...	...
6% 3rd C. P.	75 00	75 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Amar Dychem	297 50	426 25	100	5,598	...	110	30	6,047	7,467	1,127	421	5,890	1,684	233	38
6% R.C.P.	101 00	98 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Anil Starch Products	...	...	100	2,909	101	2,393	47	10,086	11,863	4,989	6	5,631	3,418	183	...
5% C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Associated Cement	169 50	145 50	100	190 623	13,708	92,146	42	144 506	421 40	167 069	11 10	105 490	47 559	18 894	...
Assorted Stone Indust	21 16	22 00 N	10	1,850	1,100	71	6	2,416	1,411	795	1,1	1,537	2,192	1,136	9,567
6% C. P.	100 00 N	100 00 N	100	200	...	...	...	...	...	...	...	...	...	...	...
Atul Products	...	...	100	20,000	...	3,908	73	39,70	35,614	10,540	10,245	10,695	4,512	7,055	...
Automobile Products	11 76	...	10	1,700	...	113	-918	21,425	14,365	3,475	...	12,698	3,61	79	...
Ordinary at Rs 7½	...	...	74	1,2 30	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	100	28,00	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Bagalkot Cement	7 88	9 12	10	8,427	...	66	2	15,124	22 610	3,188	8	2,575	1 071	68	466
Bharat Line	4 76	7 64	10	10,000	6,876	3 289	-711	18 29	49 9 2	20 517	6,221	2, 65	7 2 1	20 1	2,335
Bombay Burma Trading	...	...	2500	250	5, 96	34,164	67	22,798	56,339	22,111	11,027	11, 05	15,702	5,189	1,075
Old Shares	629 00	573 50	125	8,923	...	...	...	...	...	...	...	...	...	...	...
New Shares	216 25	202 50	50	4,206	...	...	...	...	...	...	...	...	...	...	...
Bombay Cycle	27 50	31 25	20	1,600	410	530	32	1,4 3	1,021	450	482	1,591	1,156	269	...
Bombay Gas	...	...	41	4,000	576	2,1 2	48	4,20	8 9 9	4,706	3,664	1, 75	1,342	262	...
Bombay Potteries & Tiles	273 00	190 00	100	1,418	20 1	955	10	1,459	3,3 8	1,552	10	50	512	2,352	...
61% C. P.	7 00	75 00	100	113	...	...	...	...	...	...	...	...	...	...	...
41% C. P.	61 50	60 00	100	863	...	...	...	...	...	...	...	...	...	...	...
Bombay Safe Deposit	375 00	405 00	200	240	64	...	1	168	584	427	261	...	17	37	...
Bombay Uganda Co.	58 00	49 00	80	1,596	270	...	31	6 3	266	148	1	2,310	59	14	...
W. H. Brady & Co.	430 00	3 6 25	180	4,500	2,700	4,481	265	7,209	1 217	560	6,143	5 45	5 4 8	1 075	...
Barma Shell	...	...	100	138 20 1	90,000	20 284	11,398	53, 07	256,907	94,5 8	...	20,779	16,331	161,955	2,483
51% Debenture	...	...	...	80,000	...	...	...	...	...	...	...	...	...	...	...
Calcutt Oil	...	...	100	45,000	...	16 92 1	24 1 2	57 2 48	145,449	21,980	...	8,122	31,492	187	...
54% Debt	...	...	...	20,000	...	...	...	...	...	...	...	...	...	...	...
Coal Tyres	2 5 00	225 00	50	11,430	...	13	...	1 9 7	812	15	...	7 0	684	875	1,305
G. Chari & Co.	19 00	19 00	100	400	630	510	6	15 18	25 5	1 7 3	1	1 45	1 1 4	60	...
Colour Chem	372 50	337 50	100	100 00	900	1 4 1	30	4,716	11 1 8	1 5 4 5	...	3,0 3	3 5 2	917	43
Creuscent Iron	...	...	20	574	35	102	7	870	1,480	504	...	651	50	10	10
G.G. Dandekar Mca. Works	...	...	100	399	70	128	1	766	1,191	638	278	12 2	271	540	...
Partly Paid Ord	...	...	50	248	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Delhi Safe Deposit	10 00 N	10 00 N	10	1 4	82	25	1	389	441	105	359	2	93	138	...
O day P.P.	7 00 N	7 00 N	7	37	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	100 00	100 00 N	100	2 10	...	...	...	...	...	...	...	...	...	...	...
Dona Invst.	11 52	10 28	25	2,500	81	...	3	240	19	6	2,638	...	76	...	...
Dharamsi M. Chemical	99 00	248 25	50	1,369	2,020	797	44	6 5 1	7 7 7	3,610	56	3,472	3,774	1	108
Digvijay Cement	185 00	162 00	100	13,44	3,050	2,442	49	19,519	41,540	16,841	8,991	8,450	3,773	136	833
% R. C. P.	76 50	82 00	100	7,994	...	...	...	...	...	...	...	...	...	...	...
Empire Dyring	70 00	52 00	15	900	410	356	31	1,415	2,241	1,659	190	320	659	1 358	...
Eastern Shipping Corpn.	...	...	100	82,000	1,450	6,697	-361	42,685	85 39	22,661	6,428	73	13,279	30, 9	19,863
Estrela Batteries	64 50	60 00	90	1,497	5 5	103	18	3,505	3,856	2,453	4	3,002	2,158	129	...
5% C. P.	35 00	35 00	90	997	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Shipping	13 80	16 16	10	9,000	6,495	15,127	132	54,313	85,180	21,553	80	56	5,046	18,758	...
54% R. C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Greaves Cotton & Co.	179 50	169 00	100	13,506	3,400	1,612	44	24,826	2,126	706	15,875	13,295	31,062	2,605	...
5% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
G. for Rayon	48 75	41 50	10	25 0 0	17,500	6,447	2,081	23,340	64,253	41 224	45	22,470	4,314	37,837	748
6% R.C.P. A	105 00	101 50	100	15,000	...	...	...	...	...	...	...	...	...	...	...
0% R.C.P. B	...	...	100	76	...	...	...	...	...	...	...	...	...	...	...
Hind Cycles	102 00	105 50	100	3,107	700	730	-933	8,715	12,561	7,969	4	6,703	4,189	79	...
5% T.R.C.P.	65 00 N	65 00 N	100	500	...	...	...	...	...	...	...	...	...	...	...
5% T.R.C.P.	75 00 N	75 00 N	100	790	...	...	...	...	...	...	...	...	...	...	...
5% T.R.C.P.	25 00 N	25 00 N	25	48	...	...	...	...	...	...	...	...	...	...	...
6% T.R.C.P.	84 00	100 00 N	100	2,0 10	...	...	...	...	...	...	...	...	...	...	...
Hindustan Aluminium	13 84	...	1	1,500	...	...	...	...	...	...	...	...	...	...	...
Hindustan Electric Co.	171 25	110 40	100	4,000	300	114	57	6 5	317	...	...	...	6 4	14	...
6% C. P.	53 00	80 00	100	1,9 8	...	...	...	12,34	6,224	2,191	236	8,743	5,518	290	1,100
Hindustan Lever	52 50	45 28	10	55,700	4,132	6,8 7	20,969	62,200	57,710	28,419	3	68,875	16,116	30,333	...
Indian Cement	75 00	25 00	10	152	100	79	5	129	142	...	...	...	...	...	...
Indian Vegetable Products	135 50	151 00	100	2,117	276	465	5	1,796	2,714	2,09	178	...	41	101	...
Indus. Cr & Invest Corp	22 00	69 50	100	50,000	3,300	3,980	77	120,305	255	166	67,745	2,300	1,580	67	...
Industrial Investment	74 10	79 00	100	9,999	...	2,006	4	3,409	21	17	14,929	...	60,854	46,674	...
Investa Machine Tools	139 00	...	100	1,500	...	27	5	2,400	2583	652	...	2,557	432	12	...
41% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Jaispur Metals	145 01	140 00	100	19 6	100	811	7	7 453	4 86	1 920	245	7,198	1,364	570	2
6% C. P.	52 00	56 00	100	800	...	...	...	...	...	...	...	...	...	...	...
Delmar	45 00	45 00	10	200	...	...	...	...	...	...	...	...	...	...	...
4% Debenture	...	...	...	1,000	...	...	...	...	...	...	...	...	...	...	...
Jyoti	182 50	163 00	100	4,000	300	1,436	10	7,508	6,092	1 67	197	5 695	3,128	14	...
Kamani Metals	...	...	10	2,000	60	260	5	5 9 5	9,662	3,6 7	503	4,157	560	114	...
3 % C. P.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5 % Debenture	...	...	100	1,110	...	...	...	...	...	...	...	...	...	...	...
Kemp & Co.	302 50	375 00	20	1,200	350	288	47	1,656	2,744	1,420	12	1,441	737	20	...
Khojilwe Ferro Alloys	70 50	98 50	50	4,749	...	...	...	...	...	...	...	...	...	...	...
7 % R. C. P.	94 50	...	75	2 5 1	...	...	...	...	...	...	...	...	...	...	...
Kirloskar Brothers	54 50	61 00	25	3,000	6,969	1,021	12	8 059	10,587	5,917	1,858	8,111	3,970	554	...
Kirloskar Oil Eng.	38 00	20 44	10	2,500	775	666	12	11 475	6 011	2,394	50	7 062	3,273	290	1,708
Ordinary Partly Paid	...	...	5	578	...	...	...	...	...	...	...	...	...	...	...
Kulich Industries	91 00	102 00	100	12 81	500	2,817	6	0 0 91	4 8 3	1 8 8	16 7	1 4 8	2 48	...	...

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS					
	October 1911	October 1910			General	Other	Carry Forward				Investments	Stock & Stores	Out Standing	Cash	Others	
	Rs. np.	Rs. np.														Rs.
WESTERN AND CENTRAL INDIA (Contd.).																
Machinery Manfrs. Corpn.	...	...	100	1,907	...	267	22	11,664	14,512	6,383	20	5,703	3,744	111	4	
4% Cum. preference	...	...	100	1,395	...	...	...	...	...	...	...	...	...	...	...	
44% C.P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...	
Malwa Vanaspathi Chems.	...	...	10	3,134	...	...	...	...	...	...	...	...	...	...	...	
6% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...	
Man. Industrial Corpn.	125 00	1 00 00	...	3 0 0	...	78	40	3,173	4,682	1,674	2	3 3 0	1,356	116	...	
4% C.P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...	
T. Maneklal Manufacturing	615 50	625 00	100	1,000	100	235	17	3,255	2,398	811	8	914	1,583	525	...	
National Elec. Industries	55 00	89 00	50	1,408	1,65	9 4	11	3,301	2,637	1,126	316	2,196	2 0	15	...	
44% C.P.	80 00 N	80 00 N	100	542	...	...	...	...	...	...	...	...	...	...	...	
National Machy. Manfrs.	...	...	100	25,240	...	304	1,020	23,087	23,088	9,935	...	20,662	7,700	96	2	
National Newspaper & Paper	...	...	10	8,701	...	402	9,861	16,126	5,919	14,181	...	20,662	7,700	96	2	
National Rayon Corpn.	551 00	472 50	100	24,111	4,900	15,427	4	22,49	134,290	6,453	160	17,800	2,105	5,000	4,140	
Ordry Party P. 11	...	...	80	6,331	...	...	...	...	...	...	...	...	...	...	...	
5% Cum. Preference	69 50	61 00	100	17,425	...	...	...	...	...	...	...	...	...	...	...	
51% Debentures	...	...	...	150,000	...	...	...	...	...	...	...	...	...	...	...	
Palampur Veg. Products...	...	...	10	1,500	...	...	847	3,375	2,757	...	10	193	84	4	28	
54% C.P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...	
Pioneer Magnesia Works...	...	...	100	1,100	1	6	2	60	1,456	817	3 7	311	985	213	2	
Poison Ld.	172 00	151 50	100	2,690	1,000	1,461	30	1,853	6,397	1,804	3	2,352	9 5	944	...	
6% C.P.T.	76 00xd	76 70	10	2,000	...	...	...	...	...	...	...	...	...	...	...	
Polhem	191 50	23 00	50	4,000	1,200	806	28	3,853	5,881	1,197	5	4,089	1,000	3,313	...	
7% T.R.C.P.	41 50xd	47 80	50	3,090	...	...	...	...	...	...	...	...	...	...	...	
Praga Tools	...	...	50	11,000	...	243	24	1,653	9,608	5,210	7	7,900	2,400	800	455	
Premier Automobiles	156 75	171 00	100	21,733	1,973	6,390	479	75,116	39,061	19,368	466	70,494	10,538	2,529	...	
Radio Lamp Works	...	...	10	25 00	7	20	1	13,100	1,300	604	2,500	6,005	6,800	502	...	
Ordn. Partly Paid	...	...	50	605	...	...	...	...	...	...	...	...	...	...	...	
5% C.P.	...	...	101	7 8	...	...	...	...	...	...	...	...	...	...	...	
Deferred	...	...	10	173	...	...	...	...	...	...	...	...	...	...	...	
Raymond Wool n	119 00	102 50	100	7,500	1,238	740	57	15,075	10,006	8,175	2,299	12,408	3,567	464	107	
5% C.P.	...	...	10	2,500	...	...	...	...	...	...	...	...	...	...	...	
Santex chem Indus	...	...	50	1,62	...	42	9	2,345	2,534	375	3	1,491	740	94	...	
5% C.P.	...	...	50	511	...	...	...	...	...	...	...	...	...	...	...	
Sahe Biscuits	100 00 N	100 00 N	100	473	...	237	29	1,640	3,067	969	1	586	527	178	...	
Partly Paid	50 00 N	50 00 N	50	511	...	...	...	...	...	...	...	...	...	...	...	
7% R.C.P.	94 20	94 20	100	500	...	...	...	...	...	...	...	...	...	...	...	
5% C.P.	...	...	20	112,799	4,621	111,525	-1,613	188,242	350,781	95,113	88,388	3,113	56,715	29,790	20,860	
Shanerrilla Food Products	...	...	100	1,700	...	...	-1,665	4,008	4,049	616	32	552	294	14	13	
5% C.P.	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...	
Shivraj r yndicate	54 2	66 00	10	1,000	2,000	5,487	5	8,897	10,210	3,800	302	5,400	3,600	22	172	
16 56	18 40	10	2,855	3,047	3,09	35	32 1	65,32	18,73	150	13,136	4,400	346	2,319	...	
6% R.C.P.	87 60	17 00	100	7,000	...	...	...	...	...	...	...	...	...	...	...	
Supreme Industries	102 50	165 00	100	622	...	273	3	1,197	845	239	57	1,105	719	30	...	
5% C.P.	60 00	7 00	10	462	...	...	...	...	...	...	...	...	...	...	...	
Tata Chemical	17 36	16 24	10	25,172	526	2,508	7	28,857	49,341	18,053	1,878	19,797	6,431	886	5,690	
5% Cum Preference	86 0	80 70	100	2,500	...	...	...	...	...	...	...	...	...	...	...	
5% Debentures	...	...	25	7,007	2,000	3,528	29	53,636	31,196	16,591	1,256	36,400	17,952	4,108	1,862	
Tata Oil Mills	77 00	74 20	100	2,980	...	...	...	...	...	...	...	...	...	...	...	
44% C.P.	60 10	6 00	250	1,355	2,016	1,004	1	761	7,446	4,150	6	1,118	67	2 0	...	
United Salt Works Ind	...	...	100	2,500	3,700	1,030	425	1 1 681	10,705	2,430	1,532	66,454	62,295	3,627	112	
Volta	313 00	263 25	100	2,500	...	...	...	...	...	...	...	...	...	...	...	
Western India Match	215 01	213 00	100	27,500	11,100	6,600	42	21,941	46,008	19,100	304	18,000	10,913	9,300	1,060	
Western India Veg.	117 00	102 50	100	1,700	...	...	...	...	...	...	...	...	...	...	...	
West coast Paper	81 01	1 7 00	100	14,050	...	4,500	53	26,805	51,890	4,257	...	10,465	2,804	414	459	
6% C.P.	61 00	110 00	100	9,000	...	...	...	...	...	...	...	...	...	...	...	
Zindu Pharmaceutical W.	102 50	112 50	100	1,500	...	397	4	1,950	2,527	1,085	412	1,200	1,221	49	...	
6% C.P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...	
NORTHERN INDIA																
Alkali & Chemical	39 25	32 12	10	30,997	1,800	7,350	140	25 6	57,440	9,228	22	12,405	6,011	330	1,995	
5% Cum. Preference	66 75xd	99 00	100	3,100	...	...	...	...	...	...	...	...	...	...	...	
All India Finance & Com.	...	...	100	300	...	53	18	1,889	...	53	27	151	...	31	...	
Ordry	...	...	110	128	...	...	...	...	...	...	...	...	...	...	...	
7% C.P.	15 81	18 25	10	6,250	4,000	17,759	133	1,144	43,623	11,417	1,562	5,423	4,614	2,600	2,321	
Aluminium Corpn.	88 10	90 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...	
5% Cum. preference	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...	
5% Cum preference	65 45	75 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...	
5% Debentures	...	...	1000	2,000	...	...	...	...	...	...	...	...	...	...	...	
5% Debenture	...	...	10	5,125	19,25	3,83	-14,14	152,86	160,85	53,32	36,36	85,91	25,33	140	...	
Amrit C. Banaspati	...	...	10	1,600	...	...	...	...	...	...	...	...	...	...	...	
6% C.P.	...	...	10	2,450	...	...	...	...	...	...	...	...	...	...	...	
6% R.C.P.	...	...	1	100	...	...	...	...	...	...	...	...	...	...	...	
Deferred	...	...	10	2,000	350	1,173	31	7,205	84	56	5,189	...	6,336	11	4,194	
Anderson Wright	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...	
44% C.P.	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...	
5% Debentures	...	...	10	3,000	2,504	1,470	223	7,907	3,708	2,630	745	5,159	2,022	1,151	...	
Anand Brothers	23 37	19 00	10	5,400	50	3,88	22	10,985	17,87	2,250	7	5,100	4,004	17	13	
Ashoka Cement	...	...	24	4,250	...	...	...	...	...	...	...	...	...	...	...	
54% Debentures	...	...	10	4,314	1,054	259	-99	7,384	15,145	8,105	534	3,460	3,707	1,122	...	
Assam Bengal Cement	4 44	5 00	10	471	...	...	...	...	...	...	...	...	...	...	...	
Deferred	6 62	1 06	500	2,498	...	...	...	...	...	...	...	...	...	...	...	
4% Debentures	...	...	10	3,000	1,050	708	198	1,681	3,932	2,088	6	2,484	2,100	78	175	
Assam Match Co.	25 12	16 57	3	1,400	...	1,950	-275	1,056	3,104	1,649	2	2,317	700	58	12	
Assam Saw Mills	...	...	10	3,000	...	...	...	...	...	...	...	...	...	...	...	
Assam Sillimanite	9 65xd	12 50	10	2,000	1,000	2,685	153	3,030	10,572	4,222	4,279	794	1,545	700	...	
Associated Hotels	5 00	7 00	100	2,167	...	...	...	...	...	...	...	...	...	...	...	
7% C.P.T.	55 25	50 00	1000	2,000	...	...	...	...	...	...	...	...	...	...	...	
44% Debentures	...	...	1000	5 0	...	...	...	...	...	...	...	...	...	...	...	
61% Debentures	...	...	10	892	...	...	3	924	742	191	1,293	216	796	16	4	
Associated Mining	8 17xd	8 62	50	500	...	...	...	...	...	...	...	...	...	...	...	
5% C.P.	27 50	26 10	1	410	...	...	...	...	...	...	...	...	...	...	...	
Deferred	4 45xd	5 01	10	3,628	625	1,804	15	8,672	6,535	1,24	1	6,936	1,009	1,408	...	
Atlas Rycle Industry	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...	
6% RCP	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...	

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVED AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS					
	October 1961	October 1960			General	Others	Carry Forward				Investments	Stocks & Shares	Out Standing	Cash	Others	
	Rs. ap.	Rs. ap.			Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	
NORTHERN INDIA (Continued)																
Dallapour Paper	41 87	58 50	25	5,721	2,550	1,761	331	20 613	27,654	21 586	2,447	5,905	6,884	10,789	716	
5% R.C.P.P.	112 00 N	117 00	100	1,000												
Balmey Lawrence & Co.	274 00	212 00	100	8,001	7,373	1,668	575	19,155	7,991	4,174	7,949	6,726	18,268	612		
Baranor Ck	16 00	14 56	10	1,200	800	50	-55	1,118	3,808	3,412	7	1,766	867	48		
Bathystic & Co.	0 91	0 95	10	2,000			16	-60	493	186	2	735	462	49		
5% C. P.	19 00	23 00	10	1,000												
Bihar Rice Mills	2 50	1 95	10	1,692			-370	21	758	512	843	10	21	179		
Bengal Assam Steamship	125 00	70 00	100	2,000	650	8,661	21	2,456	123 6	2,150	154	59	2,260	1,453		
7% C. P.	41 80 N	52 00	60	350												
Bengal Chemicals	105 00	110 00	100	5,121	2,120	3,175	1,390	6,843	14,757	7,189	1,692	5,446	6,352	918		
7½% C. P.	11 69	11 00	100	900												
4½% C. P.	60 50	66 00	100	1,191												
5% Debentures			100	1,500												
Bengal Hindu	44 62	41 94	10	1,20	2,250	280	180	1,031	3,774	3,181	6	1,316	2,371	772		
B-nell Paper	97 00	94 00	25	4,500	4,627	902	141	10, 32	26,773	17,779	13	8,436	5,294	326		
7% C. P.	46 50	51 00	50	200												
7½% A. C. P.	98 00	91 00	100	400												
6½% B' R. C. P. T.	59 43	63 00	100	2,000												
4½% Debentures			500	84												
Bengal Potteries	6 87	6 73	24	5,523	873	1,105	2	14,243	16,125	6,322		6,118	5,673	67		
Ordry P. Pad			1													
Bengal Timber	14 00	15 25	100	600			-961	395	567	567	64	5	256	9		
1½% C. P.	7 10	7 75	100	300												
Bhagwati Pressing	4 87	5 25	10	400	165	6	3	161	972	262	75		75	175		
5% C. P.	28 00 N	35 00	100	300												
Bharat Carbon & Ribbon			10	9 0	200	100	4	4,495	2,012	504	86	3,185	1,621	43		
6½% C. P.			100	380												
7½% B' C. P.			100	200												
Bhat Commerce	27 75	19 12	10	5,000		168	-45	546	5,901	96		958	651	853		
5% c. p.	100 00	100 00	100	3,000												
Bharat Nidhi	8 94	10 17	10	14,777		1,323	28	9,107	69	50	16,728	10	13,577	90		
6½% c. p.	44 61	52 50	100	5,369												
Bharat Starch & Chemical	8 06 N	8 06	10	1,000	378	210	-1406	5,514	3,834	2 6 5	38	3,588	863	90		
Bhartu Company	45 01	24 25	100	2,100	2,100		9	79				12,92	8,9	69		
Birds Investment	12 81	13 44	10	2,800	227	63	55	4,803				6,418		3,654	47	
5½% C. P.	58 00	51 50	100	2,400												
Bisra Stone Lime	44 01	17 00	10	1,000	3,960	1,266	59	8,990	9,272	4 5 8	70	2,679	7,194	300	345	
Britannia Biscuits	54 75	31 87	10	4,597	6,520	849	284	7,522	14,897	1,008	157	4,594	6,596	581		
4% Cum. preference	8 24 N	9 30	13	15												
5½% Debentures				1,050												
dr. Burma Petroleum (£)			40	561		182	1	249				747		54		
Be. Ceylon Corporation			10	3,500	2,500	6,185	3	2,306	9,940	3,724	1,710	5,960	3,219	141		
6% Cum. Part. Pref.			5	1,750												
British India Corporation	9 75	7 12	5	32,500	4,000	15,541	334	20,674	30,084	23,394	12,788	39,598	21,088	795		
5% Cum. preference	109 00	110 00	100	8,100												
Brushware			10	100		170	167	5	38	743	2 3	179	167	45	74	
Burma Lime	8 50	7 25	10	200		75	20	3	201	614	250	102	16	124	22	
Partly Paid			5	63												
5% Debentures			1000	60												
Calcutta Chemical	17 62	15 25	10	971	960	2,040	151	3,217	3,296	1,477	2,204	2,305	1,713	787		
7% C. P.	75	8 75	10	200												
4½% C. P.	5 75	21 25	10	337												
Calcutta Credit Corpn.	13 15	42 50	10	1,001	1,250	75	15	9,025	2,419	482	65	4,363	5,585	98		
6% C. P.	34 50 N	29 00	100	200												
5½% F. C. P.	21 50 N		100	785												
6% Debentures			10	6,500	100		152	2,996	1	1	11,616		3,069	1,163		
Calcutta Gas Co.	4 70	4 70	100	3,000												
5½% R. C. P. T.	52 14 N	57 50	1000	3,000												
1% Debentures																
Calcutta Investment Co	45 00	43 70 N	100	5,500	2,350	412	36	3,111	1,808	672		5,062	5,177	34		
Cal. Landing & Shipping	13 66	12 00	10	625	240		21	1,208	1,922	1,326	147	27	1,191	13		
Calcutta S. Is Deposit	7 37	7 01	10	742	14	105	3	467	1,406	149	46	128	15			
4½% Debentures			1000	65												
Calcutta Steam Navign.	12 37	15 12	10	1,260	574	873	109	1,793	7,708	4,654		243	1,247	5		
Cambay Invt	94 00nd	100 00	100	2,100	90	2,174	29	2,082	2	1	4,904		1,458	23		
Camperdown Pressing	101 00	100 00	100	430	85	2	12	110	689	495	280		14	151		
Cherra Chhatak R-power.	4 70nd	4 80	5	475		409	4	659	1,244	1,075	626	145	691	15		
Chroston Mica Indusa	10 94	11 44	10	3,000	1,000	4,064	247	11,262	7,409	1,649	4,679	5,071	9,955	13		
5½% Cum. preference	45 50	49 50	100	3,000												
Deferred share	7 50	5 50	5	1,500												
4½% Debentures			1000	1,500												
Clive Building	143 34nd	150 60	150	1,500	269	1,095	143	555	4,910	822	539		280	174		
Management Shares			500	1,503												
4½% Debentures			10	1,503	1,000	477	252	3,978				18,876	5 8	13		
Clive Row Invt.	8 12	8 37	10	13,880	2,000	5,238	97	26,088	28,575	8,634	10,723	3,700	651	1,369		
Dalmia Cement	12 31	11 12	10	16,593												
Ordry Partly Paid	1 87	2 44	24	6												
6% Cum preference	2 81	8 31	10	6,158												
De errnd	2 12	2 32	1	500												
Darjeeling Ropeway	6 25nd	7 75	10	248	25	35	2	69	499	262	18	50	37	5	12	
1% Debentures			500	100												
Delhi Flour Mills	14 00 N	15 00	10	560	1,000		51	1,715	3,974	2,754	521	656	1,880	19		
7% Cum. preference			100	90												
7½% Debentures			500	500												
7½% Debentures			500	330												
Dhansadhwa Chem. Works	122 75	180 00	100	6,449	4,900	889	-111	35,374	16,928	6,731		9,345	2,399	123	30,147	
6% R. C. P.	51 00		100	4,704												
Duncan Brothers	152 00	104 00	100	9,000	7,500	3,780	426	11,262	3,100	1,216	20,262	354	8,378	5,590		
4% Cum. preference	53 40	51 75nd	100	1,500												
Dunlop Rubber Co.	55 00	41 25	10	30,000	43,288	14,600	2,513	51,627	103,909	40,120	423	59,292	42,174	887	2,847	
6% Cum. preference	108 50	111 50	100	3,000												
6% Cum. Pref. Tax	78 00	82 00	100	4,000												
6½% Debentures			100	20,435												

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)												
East India Hotel	Oberoi Hotels Private	125	228	639	...	...	3-59	80	16	nil	nil	nil
Eastern Investments	Bird & Co. Private Ltd	...	...	1,943	...	6	12-60	1,848	1,673	14	14	9
Eastern Manfg. Co.	McLeod & Co. Ltd.	19.22	19.19	78.33	3.73	1.10	12-54	10.44	2.25	7	3	3
Electric Construction	Directors	1,195	9,599	11,869	8,413	...	11-60	1,356	4.8	10	5	10
Frank Ross	Directors	238	3,846	4,175	1,176	...	2-60	84	65	4	4	4
Fraser & Co.	Directors	...	...	1,335	...	...	3-61	1,130	271	4	4	4
French Motor	Mg. Director	2,385	44,596	47,666	7,574	...	3-60	1,776	1,683	20	12	12
Ganges Rope	Macneil & Barry Ltd.	1,522	4,842	7,947	...	94	3-60	(a) 279.4	867	17	17	15
General Inv. & Trust	Bird & Co. Private	...	...	52	...	4	2-61	37	29	5	5	3
Gillanders Arbuthnot	Directors	3,694	13,721	23,514	3,113	...	3-60	849	2,555	5	5	6
Gladstone Lyall & Co.	Directors	2,130	...	6,014	1,439	...	10-59	6.1	209	5	5	4
Godfrey Phillips	Directors	2,920	6,814	41,381	6,758	...	12-60	4,548	3,023	5	5	6
Great Eastern Hotel	B. P. R. Syndicate	...	...	6,515	326	53	3-60	867	725	6	6	6
Hindustan Building	Directors	...	...	73	73	...	7-59	94	291	4	4	4
Hindustan C. E. Corp.	K. C. Thapar & Brothers	986	3,518	5,567	2,614	...	7-60	300	706	4	4	4
Hindustan Housing	Debari	36	272	212	1,663	5	3-59	68	1.6	1	3	3
Hindustan Ice	R. N. Jhun Jhun Wale	40	1.21	2.69	...	18	9-54	65	37	4	4	4
Hindustan Motors	Birla Brothers Private	11,762	...	217,726	5,759	1,874	3-60	21,890	11,666	5	5	6
Hindustan Pilkington	Talukdar Law & Co Private	276	3,68	6,69	408	...	10-58	1,717	1,150	6	6	6
Hindustan Woollen	Directors	1,072	95,530	96,839	1,413	...	3-60	150	124	2	2	1
Hooghly Flour	Shaw Wallace & Co.	591	10,606	12,554	569	78	11-59	721	634	40	40	40
Hooghly & Ganges Hyd.	B. N. Elias & Co.	78	4	1.53	...	...	6-54	43	1.08	2	2	5
Imperial Tobacco	Directors	...	...	371,190	95,536	...	3-60	34,278	35,314	6	6	7
India Genl. Navigation & ...	Kilburn & Co. Private	...	...	3,555	...	...	12-59	(b) 269	211	4	4	4
India Linoleum	Hindustan Investment	351	1,941	3,618	904	...	3-60	1,135	698	15	15	10
India Paper Pulp	Andrew Yule & Co. Ltd	3,637	9,790	22,128	1,178	284	3-61	4,173	5,74	15	15	10
India Steamship	Lionel Edwards Private	7,837	60,646	84,633	...	56	3-60	(a) 307,497	(a) 15,623	10	10	10
Indian Aluminium	Directors	13,297	...	112,477	25,901	...	12-60	28,524	23,430	15	17	7
Indian Cable	Directors	14,852	58,030	95,391	27,509	...	3-61	16,959	16,352	22	22	15
Indian Cooper & ...	Gillanders Arbuthnot & Co.	...	2,313	3,012	707	93	12-60	1,308	1,102	27	27	18
Indian Oxygen	Directors	11,446	33,225	64,552	11,487	...	9-60	14,318	11,940	15	15	10
Indian Plastics	Directors	1.26	5,296	8,210	1,672	...	3-61	502	360	10	10	10
Indian Rubber Manfr.	G. S. Moulton & Co Private	...	...	...	...	34	3-56	3,68	1,80	5	5	5
Indian Wood Products	Gill. Arbuthnot & Co.	676	1,760	5,250	3,213	160	9-60	1,502	1,161	30	25	25
Indo Burma Petrol	Steel Bros. & Co. Limited	3,182	2,172	12,734	1,315	738	12-60	13,165	7,492	30	25	20
Investment & Finance	Directors	...	...	138	...	...	2-61	116	93	7	7	7
J. K. Comm. Corp. Ltd.	Directors	...	...	4,54	...	...	6-55	5,49	2,22	5	5	5
J. K. Investment Trust	Directors	...	...	6,93	...	...	6-55	5,86	4,47	8	8	8
Jaipur Udyog	B. Ordary	2,955	28,052	53,624	4,535	...	3-60	7,530	5,205	3	3	3
James Wright	Directors	127	4,345	6,848	457	...	12-57	(b) 31	23	4	4	5
Jardine Henderson	Directors	2,675	123,338	132,956	1,822	...	3-61	2,576	2,857	7	7	5
Jenaval (1929) Ltd.	Directors	2,411	16,614	22,428	8,961	...	12-60	1,860	657	4	4	4
Jenson & Nicholson	Directors	4,173	10,113	21,700	6,005	...	12-60	1,177	975	6	6	6
John Paterson	Khatian Corp. Private	31	476	654	23	5	3-60	46	50	2	2	2
Kalyanpur Lime & Cement	Directors	49	32	94	...	...	3-54	14	32	4	4	4
Kangra Valley Slate	Directors	23	...	197	19	...	6-60	5	4	4	4	4
Karnapura Development	Bird & Co. Private Ltd.	407	...	1,305	98	42	12-60	431	410	15	15	15
Kattowill Bullen & Co.	Directors	...	...	2,193	123	...	12-60	(a) 182,489	1,046	11	11	5
Kishore Trading Co.	Directors	4	...	213	...	...	12-59	150	74	4	4	4

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	PUBLIC DEPARTMENT 1-1-9-3-0				
	October 1961 Ra. nP.	October 1960 Ra. nP.			General Ra. 000	Others Ra. 000	Carry Forward Ra. 000				Invest- ments Ra. 000	Stocks & Stores Ra. 000	Outstand- ings Ra. 000	Cash Ra. 000	Others Ra. 000
NORTHERN INDIA (Continued)															
East India Hotel			10	4,655			9	54	2,950	39		27	41	147	3,296
6% C.P.			100	1,249											
Eastern Investments	143 00	137 00	100	5,126	5,920		349	2,457			16,350			2	
5% Cum. preference	67 44	69 94	100	2,500											
Eastern Manufacturing Co.			100	850	5,00	3,70	10	16.10	28.71	19.24	1	17.29	5.21	1.09	35
5% Cum. preference			100	200							24	8,952	3,913	34	5
Electric Construction	14 06	14 50	10	3,147	900	283	27	10,776	3,552	1,470					
Frank Ross	2 94	3 31	6	495		57	2	930	239	140			1,176	443	42
4% Cum. preference	45 15	60 0	100	275											
Fraser & Co.	14 06	13 00	10	605	200	457	54	1,474	612	1			392	27	
French Motor	34 10nd	41 00	20	3,000	400	2,108	182	10,099	3,852	1,504	938	7 57	3,971	959	
Ganges Rope	216 50	214 00	100	1,400	400	948	71	3,180	3,798	2,268	5	2,565	1,882	18	
General Inv. & Trust			75	225	26	30	5	73			550			7	
5% Cum. preference			100	100											
6% Cum. Pref. Tax			100	100											
Gillanders Arbuthnot	14 25	12 12	100	6,500	2,300	1,324	171	27,052	3,058	1,591	11,559	3,326	18,989	2,707	1,800
5% R. C. P. T.	55 7nd	54 00	100	2,500											
Gladstone Lyall & Co.			100	4,000	775	162	25	5,764	9 5	567	3,854	1,535	4,868	163	1,375
6% C. P. T.			100	1,417											
Godfrey Phillips	21 75	24 25	100	4,000		509	1,338	9,079	7,896	4,435		6,878	5,490	137	
5% C. P. T.	57 00	55 50	100	3,000											
Great Eastern Hotel	218 00	250 00	250	3,000	1,000	811	21	1,177	8,865	4,329	2	429	833	208	
Hindustan Building	3 62	3 69	10	1,500	52		8	677	8	3	1,376		915	20	920
4% C. P.			100	1,000											
Hindustan C. E. Corp.			10	380		239	13,582	6,359	1,698	13	6,040	1,416	43	620	
5% c. p. p.			100	254											
Debari			5	31											
Hindustan Housing			75	1,916	300	6	2,391	30	4	1,088	1,698	1,763	37		
Hindustan Ice	1 05 N	1 05	5	1,000	45	1.00	3.57	1.73	22.57	10 00		31	1.33	21	13
5% Debentures			1000	500											
Hindustan Motors	21 19	19 47	10	49,613		4,951	363	29,070	73,656	32,548	1,448	36,835	11,153	27,708	
4% R. C. P.	1 4 10	141 00	50	32 4											
Hindustan Pilkington	25 37	27 00	10	8.6.0	700	5	102	2,343	9,649	2,659	9	1,892	511	1,719	
Hindustan Woollen			10	3,497		46	5	1,777	1,066	1,066	9	1,892	511	1,719	
Hoare Miller	6 13	7 00	10	3,520	2,100		5	13,713	3,011	740	2,603	1,436	13,007	459	
Hooghly Flour	19 75	21 25	10	600	325	105	25	1,59	1,65	1,34	2,603	1,436	13,007	459	
Hooghly & Ganges Hyd.	5 50	7 25	10	800	54	86	7	1.62	15.50	4.70	5,92	10	1,21	6	
4% R. C. P.	49 50		100	400											
4% Debentures				300											
Imperial Tobacco	11 87	11 50	10	151,600	46,500	45,394	2,477	28,855	113,166	28,877	7,754	103,554	47,950	31,269	
India Genl. Navigation & ...	62 00	58 50	£ 10	656	170	1.0.2	4	1,914	5,778	3,679	31	644	984	319	3
6% C. P.	77 00	61 50	£ 10	244											
India Linoleum			100	2,500	2.00	3	38	1,385	3,775	2,692		1,302	2,173	27	
Indo Paper Pulp	18 00	19 81	10	8.20	1,900	6.53	69	4.15	21.5.9	134	5,790	51	1.9.6		
Indo Steamship	7 72	10 31	10	24,750	14,000	19,299	4,076	154.2.8	226.8.2	49.6.5	1,351	363	20,494	11,226	
5% R. C. P.	71 00	81 50	100	2,500											
Indian Aluminium	35 6	28 17	10	39,854	6,500	18 4.4	4,991	41,854	97,954	35,356	13	32,954	17,168	3,635	28,160
5% R. C. P.	69 00	70 00	100	4,000											
6% Debenture				30 100											
Indian Cable	35 06	34 12	10	23,578	10,500	12,419	4,873	31,079	31,793	15,414	792	36,727	34,904	4,714	
5% C. P. P.	31 75	30 50	10	1,288											
5% Debentures				9,180											
Indian Copper & ...	4 82	4 48	25h	1,371	1.98	46	1.9	2,441	3,614	2,081	424	1,533	2,372	513	
Indian Oxygen	34 12	31 25	10	20 0	8,714	4,157	1,378	39.5.7	59,968	24,806	446	16,000	16 4.0	3,815	2,823
Indian Plastics	8 07	10 81	10	2,988		1.6	4	4,573	5,489	2,121		4,184	2,341	28	
3% C. P.	35 0nd	46 00	100	2,250											
Indian Rubber Manfrs.	17 10	18 25	10	828	5.00	53	63	4.1	16.75	9.50	4	615	794	5.85	
5% C. R. P.	73 00	71 00	100	828											
Indian Wood Products	31 62	27 50	10	2,000	1,800	498	123	2,353	2,270	1,896	2	3,851	536	2,016	
Indo Burma Petrol	27 51	21 56	10	10,000	5,894	19 464	46	17.37	10,660	5,537	25,674	5,362	8,262	16,375	
7% C. P. T.	62 00	67 00	100	5,000											
Investment & Finance			100	50	149	117	26	123							
5% C. P.			100	200							1,307		2	6	
4% C. P.			100	200											
J. K. Conml. Corp. Ltd.			10	2,080	822	3		48 15	29	41.7			3,546	4	
J. K. Investment Trust			700	7,008	25.50	46	7	40.23	2	1	11.50		1,578	803	
B. Ord.			25	250											
Jaipur Udyog	12 00	12 15	10	20,000	500	4,462	144	49,643	79,862	19,221	58	13,076	5,390	171	
5% C. P. T.	34 00	37 00	100	7,500											
James Wright	2 75	1 56	5	588	38	53		877	300	73	581	458	530	7	
6% C. P.	19 35 N	19 75	50	130											
Debari	0 43	0 69	1	117											
Jardine Henderson	64 5nd	61 00	100	20,000	6,900	512	510	53,649	4,377	1,715	51,780	1,822	27,186	68	
5% C. P. T.	51 50nd	7 00	100	5,000											
Jawaharlal (1929) Ltd.	9 25	7 17	10	7,200	1,440	148	10	8,746	4,774	2,739	6	9,491	5,404	604	
Jenson & Nicholson			10	3,250	1,850	813	595	9,980	6,390	3,552	88	6,289	9,607	214	
7% R. C. P.			100	2.5.9											
John Paterson	2 00nd	2 50	10	529	10	22	13	301	500	104	17	109	336	17	
Kalimpong Ropeway	1 50	2 25	10	450	65		1.28	1.38	5.97	2.63	9	1.34	39	134	
Kalyanpur Lime & Cement	106 00	103 00	100	6,425		3,351	416	11,201	16,681	3,851	52	2,472	3,838	241	2,102
7% P. T.	80 00 N	80 00	100	400											
6% 2nd Pref.	100 50 N	100 50	100	1,575											
Kangra Valley Slate	89 00 N	89 00	100	158	72	62		49	299	157	2	22	96	66	
Karnapura Development	17 25	16 69	10	1,500	2,100	584	255	4,961	4,505	1,224	1,859	149	2,980	1,715	
Founders			100	4,000											
Karlwell Bullen & Co.	178 00	137 00nd	100	2,000	2,400	755	213	6,139	3.9	54	9,532	123	6,630	68	
5% C. P. T.	51 12	51 65nd	100	2,000											
4% C. P.	48 10	50 20nd	100	1,000											
Kishore Trading Co.	65 50nd	71 00nd	100	2,000		2,633		1,061	3	1	5,075		666	1	

NAME	Managing Agents/ Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER SHARE		
								Latest	Previous	Latest	Previous	Second
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
NORTHERN INDIA (Continued)												
Kumardhubs Fireclay	Bird & Co. Private Ltd.	5,954	2,930	16,316	1,758	213	12-60	2,710	2,367	18 T	18 T	12 T
54% R.C.P.T.										48 T	51 T	5 T
Kumum Products	East India Development Co.	75	39,531	43,774	5,945	81	3-60	374	1,232	21 T	27 T	5 T
54% R.C.P.T.										51 T	51 T	5 T
44% Debentures										nil	nil	nil
Macfarlane & Co.	Cotton Agents Private	428	1,283	2,216	590	20	3-60	-129	-20	nil	nil	nil
7% C.P.										nil	nil	nil
Deferred										104 T	8 T	7
Macneil & Berry	Directors	6,902	9,060	23,155			3-61	5,370	4,759	51 T	51 T	5 T
54% C.P.T.										51 T	51 T	5 T
5% Debentures										27 T	27 T	21 T
Martin Burn	Directors	9,214	67,781	86,231	19,707		9-60	8,722	8,630	6 T	5 T	5
5% C.P.										8 T	5 T	5
9% Convertible Notes										15 T	15 T	12 T
Marwar Trading Corp.	Directors			102			12-59	67	-13	15 T	15 T	12 T
McLeod & Co.	Directors			30,842	1,010		12-60	2,032	2,050	4 44 T	5	5
5% 1st C.P.T.										6 44 T	5	5
5% 2nd C.P.T.										10 T	10	7 T
Deferred										10 T	10	7 T
Convertible Notes										25 T	25 T	17 T
Metal Box Co.	Directors	22,123	60,922	99,232	31,161		3-61	14,083	12,657	6 T	6 T	6
6% R.C.P.T.										6 T	6 T	6
Metal Corporation	Directors		8,838	10,025	5,686		3-60	1,266	587	nil	nil	nil
5% C.P.T.										nil	nil	nil
54% Debentures										nil	nil	nil
Midnapore Zaminidary	Andrew Yule & Co.	67		158		9	4-59	-215	-124	nil	nil	nil
18 T										5	5	5
Maradabad Water Supply	Noorulla Ghazanfarulla	529	2,596	5,537	818	22	10-58	321	186	nil	5	15
C & E. Morton India Ltd.	Cotton Agent, Private			1,346			6-60	7,88	3,94	4 T	5	15
Motor & Genl. Finance	Gupta & Sval Ltd.	78					6-55			10	10	10
10% 1st C.P.										7	7	7
7% 2nd C.P.										7	7	7
7% 3rd C.P.										25 T	20	20
National Insulated Cables	Asso. Indust. Development Co.	2,211	19,601	34,914	3,607	7-6	3-60	7,502	3,908	15 T	15 T	12 T
51% Debentures										15 T	15 T	12 T
National Pipes & Tube	Asso. Indust. Dev. Co.	1,207	7,500	10,202	2,317	231	9-60	2,370	2,002	5 T	5 T	5 T
54% R.C.P.T.										13 T	10	10
National Rolling	Asso. Indust. Development			14,189	902	298	6-60	3,130	1,532	13 T	10	10
National Rubber	Directors	2,851	13,222	20,206	4,397		12-59	1,067	88	8 T	6	10
6% C.P.										6	6	6
National Tobacco	B. N. Elias & Co. Private	7,157	75,692	96,444	10,262	638	12-60	6,561	6,635	16 T	1 T	11
5% R.C.P.T.										5 T	5	5
44% R.C.P.T.										4 T	4	4
4% Debentures										nil	nil	nil
New Bharat Vanijya	Directors	46	3,550	2,781	2,721		5-60	577	-147	nil	nil	nil
44% C.P.										6 T	5	5
New India Investment	Ramdukt Ramkissondas	6	1,347	1,954	3,531	40	12-59	501	258	6 T	5	5
Oceanus Steel & Co.	Directors	1,643		3,846			12-59	1,603	1,728	12 T	8 T	8 T
6% C.P.T.										6 T	6	6
Orient Paper	Birla Brothers Private Ltd.	10,612	34,769	76,413	6,222	1,073	3-61	19,293	18,494	27 T	22 T	15
54% C.P.										27 T	22 T	15
54% C.P.T.										7 5 T	7 5 T	5 T
54% Debentures										5 T	5 T	5 T
Orissa Cement	Dalmin Agencies Private	4,896	15,818	42,695	4,576		12-60	10,895	7,458	1 T	1 T	13
44% C.P.										5 8 T	4 T	4 T
Orissa Minerals	Bird & Co. Private Ltd.	4,645		11,075	941	220	6-60	2,890	2,869	36 T	36	23
Philips India	Directors	9,210		55,900			12-60	8,159	6,909	12 T	1 T	8 T
Port Shipping	Andrew Yule & Co.	1,727	747	2,927		12	12-60	48	45	nil	nil	nil
Publicity Society	Directors	248	36	1,184			3-60	478	32	70 T	37 T	50
Punjab Minerals	Bird & Co. Private Ltd.	5	19	27			9-60	-5	-4	nil	nil	nil
R. B. Rodda	Director	123		1,730	499		3-60	405	182	16 T	6	6
Rallis India	Directors	6,041	160,272	183,493	17,384		8-60	5,122	2,85	4 T	nil	nil
6% C.P.T.										4 T	6 66 T	6 66 T
Raliance Firebrick	Directors	1,998	1,698	6,602	352		2-58	1,150	1,080	2 T	2 T	20
Raliance Industries	Sahu Jan Ltd.	16,754	129,753	162,446	42,118		3-61	12,432	21,505	10 T	20 T	15
7 to 9% C.P.										10 T	20 T	15
44% C.P.										5 52 T	4 T	4
6% Debentures										6 T	5	5
6% Debentures										6 T	5	5
Sahu Properties	Directors	4		140			12-59	60	107	6 T	5	5
6% Debentures										8 T	8 T	8
Scientific Instrument Co.	Directors	4,912	20,314	35,818	6,819		9-60	4,450	3,344	6 5 T	5 T	5 T
San Raleigh	Directors	9,358	56,109	75,916	17,390		12-60	6,493	6,222	15 T	15 T	10
Shaw Wallace & Co.	Directors									6 6 T	6 T	6
6% C.P.T.										1 T	1 T	1 T
Shiva Jute Press	Kedarnath Mohanlal	28		17			6-58	60	21	1 T	1 T	1 T
Shree Gopal Paper	K. Ch. Thaper & Bros. pri.	4,979	26,409	46,890	2,091	759	12-60	(a)11,632	10,187	1 T	1 T	1 T
6% C.P.P.										1 T	1 T	1 T
7% R.C.P.										9 10 T	10 T	7
54% Debentures										nil	nil	nil
Smith Steamtreat	Directors	2,053	12,595	17,196	5,203		6-60	1,181	1,042	2 T	2 T	15
10% Pref. Cum. as to 7%										10 T	14 25	10
Sonakunda Baling	Bird & Co. (Pak) Ltd.	344	186,39	200,88	52,00	6	2-55	-2,50	-2,32	nil	nil	nil
8% C.P.										nil	nil	nil
5% C.P.										nil	nil	nil
State Valley Port Cement	Directors			14,440	2,27		12-59	94	1,106	5 T	5 T	5 T
Star Co.	Directors			198			3-60	119	7	5 T	5 T	5 T
Star Paper Mills	Bejaria & Co.	1,489	5,629	10,792	223	87	9-59	(a)1,242	1,574	5 T	5 T	5 T
3% C.P.										5 T	5 T	5 T
3% R.C.P.										6 T	6 T	6 T
7% R.C.P.										7 T	7 T	7 T
Star Trading & Inv.	Bejaria & Co.			25			6-59	-6	-25	7 T	7 T	7 T
Straw Products	J. K. Agents Private Ltd.	1,201	4,258	8,812	2,690	79	12-59	(a)1,766	(a)1,011	1 T	1 T	1 T
Suma Stone & Lime	Directors	829	1,236	3,833	8		12-60	677	478	27 T	20 T	15 T

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	October 1961	October 1960			General Rs. 000	Others Rs. 00	Carry Forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
	Ra. ap.	Ra. ap.													
NORTHERN INDIA (Continued)															
Kumardhubs Fireclay	18 4 N	20 25	10	3,000	628	347	33	9,823	12,681	6,621	397	5,474	5,402	20	...
54% R.C.P.T.	58 20	49 00	100	400	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	...	2,400	...	...	...	...	...	...	...	...	...	...	...
Kumum Products	10 00	2 25	10	900	...	378	33	5,360	4,828	2,880	13	4,495	1,781	339	...
54% R.C.P.T.	64 00 N	64 00	100	800	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Macfarlane & Co.	7 56	3 75	5	834	...	10	-140	1,545	871	631	153	1,213	802	18	...
7% C.P.	...	...	100	309	...	...	...	...	...	...	...	...	...	...	...
Deferred	1 81	0 97	1	66	...	...	...	...	...	...	...	...	...	...	...
Macneil & Berry	93 00xd	94 00xd	100	15,000	5,000	3,959	327	7,378	12,156	2,180	24,323	1,333	10,478	2,645	...
54% C.P.T.	51 57	56 75	100	10,800	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	7,500	...	...	...	...	...	...	...	...	...	...	...
Martin Burn Limited	26 81	26 50	10	14,646	8,008	3,456	260	66,384	5,724	1,819	19,675	20,194	52,510	778	2,518
5% C.P.	8 00xd	9 10	100	6,000	...	...	...	...	...	...	...	...	...	...	...
4% Convertible Notes	...	...	500	835	...	...	...	...	...	...	...	...	...	...	...
Marwar Trading Corp.	149 50	187 00	100	525	...	1,926	3	141	...	...	2,043	...	517	15	...
McLeod & Co.	198 00	2 2 50	100	4,000	3,800	4,080	219	13,796	3,196	1,364	26,385	1,021	7,114	542	...
5% 1st C.P.T.	47 78	56 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% 2nd C.P.	59 25	62 00	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Convertible Notes	...	...	100	4,500	...	...	...	...	...	...	...	...	...	...	...
Metal Box Co.	58 62	43 75	10	16,100	11,500	6,775	2,886	30,354	36,154	14,023	405	32,802	13,195	2,079	...
6% R.C.P.T.	80 67xd	87 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Metal Corporation	11 12	10 41	100	5,000	...	1,043	-1,442	6,882	11,854	6,682	15	7,587	570	39	...
5% C.P.T.	99 06	88 00	100	7,000	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Madnapore Zamindari	11 00	12 57xd	85	8,645	...	...	-2,085	2,165	100	47	51	...	5,410	3,210	...
Micardabad Water Supply	5 25	4 41	10	446	...	5	1	123	733	286	1	36	55	2	9
C. & E. Morton (India) Ltd	...	...	10	885	150	262	20	1,946	2,746	1,626	70	1,789	87	117	...
Moor & General Finance	...	...	25	250	11,00	4,00	10	70,63	63	24	11,42	26	82,39	1,60	...
10% C.P.	...	...	20	100	...	...	...	...	...	...	...	...	...	...	...
7% 2nd C.P.	...	...	10	275	...	...	...	...	...	...	...	...	...	...	...
7% 1st C.P.	33 00	28 50	10	9,000	8,000	5,757	86	24,014	10,946	5,135	8	15,304	23,429	1,136	...
54% Debentures	...	...	2,000	1,000	...	...	...	...	...	...	...	...	...	...	...
National Piles & Tubes	27 94	18 37	10	3,000	2,000	312	43	3766	5,044	2,690	7	5,380	2,404	40	...
44% R.C.P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
National Rolling	21 33	17 81	10	4,000	1,500	1,519	131	4,195	8,322	3,577	3	449	2,086	62	...
Natural Rubber	4 82	10 11	10	4,997	400	510	15	10,213	3,367	10	7,894	3,213	661	151	...
4% C.P.	73 00	69 00	100	945	...	...	...	...	...	...	...	...	...	...	...
National Tobacco Co.	11 31	20 56	10	7,997	6,000	5,755	934	18,783	15,041	8,118	91	28,611	6,634	2,78	...
5% R.C.P.	69 07	70 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
44% R.C.P.	62 00	61 50	100	1,998	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
Nar. Haver Vanijayi	7 0	4 00	10	1,500	...	...	22	686	4	2	...	2,721	484	1	...
44% C.P.	75 00	66 75	50	1000	...	...	...	...	...	...	...	...	...	...	...
New India Investment	44 50	41 50	75	2,332	1,000	102	45	1,065	5	4	4,012	...	384	140	...
Octavus Steel & Co.	...	...	100	5,000	3,300	3,102	334	5,671	1,036	361	8,649	...	8,898	185	...
6% C.P.T.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Orent Paper	16 57xd	41 40	10	14,882	4,700	30,496	180	25,597	103,098	37,573	2,267	15,868	15,30	2,690	1,995
54% R.C.P.	...	...	100	12,000	...	...	...	...	...	...	...	...	...	...	...
54% R.C.P.T.	59 50	63 00	100	6,000	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
Orissa Cement	14 94	13 6	10	22,500	1,000	6,912	52	31,350	56,266	22,408	1,096	15,129	12,444	227	2,581
44% C.P.	...	...	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Orissa Minerals	45 12xd	37 62	10	2,000	1,455	4,400	111	7,396	6,891	2,826	4,342	2,25	5,420	1.5	104
Philips India	32 50	27 94	10	22,000	446	5,162	61	21,860	2,674	6,670	247	21,949	17,911	1,948	436
Port Shipping	10 37	11 06	10	1,408	370	74	-284	1,122	2,886	1,577	5	143	175	4	...
Publicity Society	23 57xd	15 00	4	246	151	313	122	1,314	145	189	70	1,544	534	...	...
Punjab Minerals	...	...	10	300	...	...	-140	23	159	7	...	...	...	...	...
R. B. Rodia	2 20	5 00	10	650	200	52	1	528	18	57	46	1,087	702	72	...
Relia India	141 00	174 00	100	122,500	500	100	449	17,616	7,039	3,389	8,630	18,552	14,501	2,917	...
5% C.P.T.	61 51	59 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...
Reliance Firebrick	23 01	23 01	10	600	318	1,121	37	4,079	3,716	2,569	1,088	952	2,741	152	...
Reliance Industries	16 16xd	7 3xd	10	4,881	20,700	4,700	536	68,891	150,825	67,634	16,222	57,519	17,786	1,727	...
7% 2nd C.P.	103 94	117 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
44% C.P.	52 50	58 01	100	8,477	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	9,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	12,200	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	2 59	2 69	5	750	...	360	1	239	...	...	1,649	...	199	10	...
5% Debentures	...	...	500	...	...	...	...	...	...	...	...	...	...	...	...
Scientific Instrument Co	22 56	25 37	10	7,100	1,45	1,29	4	14,91	1,71	...	72	5,80	18,27	116	...
Sci. Reich	144 00	148 00	100	3,000	1,750	3,811	117	3,44	27,613	7,219	854	20,76	3,367	1,69	...
5% C.P.	22 53	24 41	10	7,500	3,300	2,378	514	52,853	14,012	3,761	17,983	19,997	5,111	194	...
5% Wallace & Co.	61 50	70 25	100	7,500	...	...	...	...	...	...	...	...	...	...	...
5% C.P.T.	...	...	100	450	110	10	3	85	975	5,2	20	30	178	6	...
Shree Int. Press	...	...	10	12,000	4,075	10,364	57	32,607	61,60	16,051	4,510	14,564	4,94	1,171	1,788
Shree Gopal Paper	6 50	25 12	100	750	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	101 50	92 00	110	7,400	...	...	...	...	...	...	...	...	...	...	...
7% R.C.P.	97 00	190 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	1,000	600	865	99	4,687	2,440	1,505	302	5,203	1,343	448	...
Smith Stanistat	15 41	14 56	50	500	...	...	...	...	...	...	...	...	...	...	...
10% Pref. cum. a to 7	63 12	69 62	50	600	5,02	16,73	-5,67	6,025	38,53	13,27	...	54,01	7,79	77	...
Sonakunda Bahine	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
8% C.P.	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
3% C.P.	...	...	5	7,500	1,415	475	...	6,596	22,510	15,876	106	6,282	239	473	214
Sone Valley Port Cement	71 00xd	80 00	100	1,040	762	478	31	317	446	...	1,700	...	421	...	...
Ster. Co.	11 10	11 12	10	6,000	450	389	6	9,541	7,736	4,704	107	9,503	5,584	1,209	2,876
Ster. Paper Mill	15 40	73 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	65 70xd	93 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
5% R.C.P.	65 50	93 00	100	2,100	...	...	...	...	...	...	...	...	...	...	...
1% R.C.P.	65 50	93 00	100	500	...	...	-143	716	...	...	...	...	...	...	...
Ster. Trading & Invst	...	...	25	500	3,400	6,46	44	4,612	11,849	2,452	981	3,613	1,919	6,061	339
Straw Products	9 16	11 50	10	1,500	...	...	...	...	...	...	...	...	...	...	...
Sutra Stone & Lime	14 25	22 25	10	484	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended Rs. 000	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest	Previous	Second prev.
NORTHERN INDIA (Continued)												
Lake Water Oil	Andrew Yule & Co. Ltd.	875	6,079	7,037	2,832	34	10-60	426	292	30T	2T	15
Titagarh Paper Mills	F. W. Heiglers & Co. Private Preltd. Ordinary	15,398	56,912	95,566	4,519	434	3-61	(a20) 0,873	11,597	21T	21T	25
	8% C. P.									11T	13T	10
	4% C. P.									5-5T	10-5T	8
	5% Debentures										5-5T	4
Tungabhadra Industries	Cotton Agents Private Debentures	753	32,847	35,296	4,219	19	9-59	1,151	676	nil	nil	nil
Union Co.	Directors			339			3-60	123	117	3T	4T	nil
Union Carbide	Directors	10,732	41,039	70,947	24,314		12-9	15,502	10,553	1T	1T	14
United Flour	Shaw Wallace & Co. Ltd.	511	8,498	10,410	361	68	11-59	662	525	52T	37T	40
Walford Transport	Directors Field Ordinary	1,402	29,941	27,818	4,494		12-60	1,309	953	3T	21T	14
										2T	15T	12
SOUTHERN INDIA												
Aluminium Industries	Seshasayee Brothers Pri.	2,178	29,100	34,072	7,460	39	3-60	4,770	3,355	18T	12T	12
Amrutnagar	R. N. Brothers	139	1,789	3,154	81	56	3-61	541	321	7T	35	35
	7% C. P.									7T	7T	7
Andhra Cement	Andhra Engineering Co. Pri.	1,013	4,012	9,134	264	95	12-59	1,716	(a17) 1,670	10T	7T	10
	6% C. P.									6	6	6
Andhra Scientific Co.	Srimanth Industrials Pri. Ltd.	902	1,062	2,893	1,177	59	6-60	599	345	6T	nil	6
	5% C. P.									6T	4	5
Ashok Leyland	Directors	2,753	523,476	57,798	17,115		12-19	5,502	3,913	8T	6	6
Aspinwall & Co. (Trav.)	Directors	876	2,874	4,504	716		1-61	138	85	7T	4T	nil
Aspinwall & Co.	Directors	1,862	5,687	10,437	1,653		12-60	840	(b 546)	7T	17T	6
	6% C. P.									(c 66T)	17T	6
Asso. Industrial En g.	Ganion Dankerley	52		7,077	1,405		3-60	313	524	6T	9	9
Bangalore Printing	Directors Second Ordinary	221	180	503	183		12-59	57	84	10T	10	10
Bany & Co.	Directors	1,425	7,125	7,662	334		12-59	3,045	2,384	10	10	10
Central Scientifics	Guru Agencies Private	88	630	1,054	178	11	3-59	112	100	10	10	10
	6% C. P. P									8	8	8
Coimbatore Chem. & Fert.	Venus & Co.			8,92		5	3-55	11	15	5	7T	nil
Enfield India	Directors	948	6,544	8,219	2,216		12-59	659	492	5T	nil	nil
	7% R. C. P.									7	7	6
Fertilisers & Chemicals	Seshasayee Bros. Private	5,069	10,027	23,958	4,409	388	12-59	6,272	5,983	6T	4	nil
Forest Industries	Seshasayee Bros.	107	1,175	2,489	153		3-58	871	1,159	nil	nil	nil
General Papers Ltd.	Gany & Co.	52	2,385	2,980	879	41	3-59	365	303	12T	12T	nil
India Cements	Essen Pri. Ltd.	3,135	23,196	36,468	825	321	3-61	9,564	(a28) 7,104	12T	11T	16
	7% C. P.									7T	7T	7
Investment Trust of India	Kothari Mehta & Co., Pri. Ltd.			85		5	9-60	46	54	5	5	5
Jessore Mining	R. S. Indus'l Corp.	64	1,114	5,76	7,17		6-55	108	100	10	6	51
Kirloskar Elec	Kirloskar Associates	2,218	15,512	21,826	2,694	237	6-59	2,476	2,128	11T	7T	7T
Madras Indus'l Invt. Corp.	Directors			3,005			6-60	(a5) 1,000	(a) 616	3T	3	3
	4% Debentures											
Madras Safe Deposit	Kubhar & Sons	16		63		1	6-61	24	20	5T	6T	5
Madras Vanaspathi	Kubhar Vanaspathi				4		4-58	(141)	(153)	nil	nil	nil
	Ordinary									nil	nil	nil
	5% C. P.									nil	nil	nil
Marikar (Motors)	H. O. L. Marikar & Sons Pri	231	9,822	10,289	1,005	18	3-60	340	153	10T	9	9
	6% C. P.									8-4T	6	6
McDowell & Co.	Directors	231	3,478	4,038	1,222		12-59	(a) 476	388	3T	20	24
	6% C. P.									8,57T	6	6
Mettur Chem & Indus. Corp.	Seshasayee Bros. private Ltd.	1,388	6,607	13,389	696	158	3-61	2,957	2,303	12T	11T	8T
	6% C. P.									6T	6T	6
	5% Debentures											
Modern Housing	Directors	28		1,670			6-60	24	-5	nil	nil	nil
	6% C. P.									nil	nil	nil
Mysore Chem & Fert	Directors	562	3,750	5,852	395		3-61	834	1,012	10T	11T	5
Mysore Chem. Manfrs.	Directors	140	2,030	2,829	320		3-61	522	619	20T	21T	20
	6% C. P.									7-7T	7T	6
Mysore Chrome	Directors			464	165		6-58	-25	-37	nil	nil	nil
Mysore Coffee Curing	Directors	89	428	812	111		12-59	282	371	14T	12	10
Mysore Elec. Industries	Directors	1,069	5,900	7,773	316		3-61	1,119	1,021	20T	2T	15
Mysore Glass & Enamel	Directors			581	26		3-61	18	53	11T	6	nil
Mysore Indus. & Test Lab.	Directors	419	620	1,934	269		3-60	341	349	14T	12	12
Mysore Lams	Directors	296	561	1,916	146		3-60	275	312	20T	16	15
	4% C. P.									4T	4	4
Mysore Match	Directors			20	8		6-56	3	10	nil	nil	nil
Mysore Paper	Directors	2,368	8,126	14,131	196		3-60	2,311	1,644	15T	12T	10
Mysore Stone Ware Pipes	Mysore Indus'l Develop. Co.			1,213	107		3-60	252	368	14T	10	10
Mysore Tobacco	Directors	460	1,303	2,114	131		3-60	230	311	11T	12T	12T
Mysore Veg. Oil	Directors	106	2,690	1,598	109		6-60	98	137	20T	10	6
Opale Glass Works	S. P. Opale & Co.	1,774	3,274	7,204	311	55	12-60	521	638	11T	8T	4
Parry & Co.	Directors	9,042	60,805	76,236	12,858		9-59	2,153	1,868	nil	nil	nil
	5% C. P.									5T	5	5
Parry's Confectionery	Parry & Co.	1,320	6,873	11,198	2,696	123	3-60	1,189	850	30T	20	20
Parry's Confectionery	A. & Harvey	1,813	5,473	9,849	263	119	6-60	1,442	1,814	1T	15T	10
Radio & Electricals	Directors	41	1,047	1,454	2,226		12-59	238	259	7T	7T	7
Radio & Electricals Manfrs.	Iyer & Co. Ltd.	1,103		7,504			3-60	2,410	2,211	2T	16	16
	7% 'A' C. P.			14,623	2,645		3-61	504	473	14T	14T	6
	6% C. P.									0T	10T	7
Ruby Rubbers	Ruby Industries Private	120	2,222	2,588	1,140	17	6-59	265	226	7-8T	8-5T	6
	8% C. P.									6T	9	9

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	October 1961	October 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standings	Cash	Others
	Rs. 100	Rs. 100			Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
NORTHERN INDIA (Contd.)															
Lake Water Oil	20 25	15 8Tcd	10	600	450	4 9	125	3,975	446	173	7	2,832	2,144	382	...
Taggarh Paper Mills	34 62	3 94	10	11,205	4,893	30 217	140	49,112	95,599	49,218	1,000	28,791	29,526	659	2,352
Preltd. Ordinary	3 50	3 64	21	437	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	107 00	11 00	100	1,150	...	...	...	...	...	...	...	...	...	...	...
14% Cum. preference	72 08	73 50	100	1,500	...	...	...	...	...	...	...	...	...	...	...
14% Debentures	...	...	...	10,000	...	...	...	...	...	...	...	...	...	...	...
Tungabhadra Industries	8 12	...	10	3,059	...	30	56	6,607	6,869	1,760	25	5,400	56	163	...
5% Debentures	...	...	...	1,503	...	...	...	...	...	...	...	...	...	...	...
Union Co.	76 00	80 00	100	1,250	728	807	113	2,115	40	18	3,251	...	2,370	15	...
Union Carbide	10 87	5 75	10	20,000	5,000	6,555	4,361	39,012	38,512	9,512	313	26,312	7,375	8,411	3,010
United Flour Mills	3 00	47 00	10	500	9	361	10	1 37	562	18	...	461	9 0	906	...
Walford Transport	1 31	2 75	1	841	1,4 0	1,087	161	5,089	1,315	551	127	5,061	2,340	746	...
Preltd. Ordinary	2 56	2 44	1	210	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA															
Aluminium Industries	23 78	22 85	10	8,100	2,070	1,981	1 3	24,6 0	13,872	5,451	84	14,480	12,574	950	379
Amrutnagar	...	...	100	250	175	158	5	1,117	871	164	17	304	4 4	454	...
7% C. P.	118 17	130 0Tcd	110	300	...	...	...	...	...	...	...	...	...	...	...
Andhra Cement	9 50	9 70	10	7,102	350	399	23	8,717	16,052	6,938	594	4,807	2,320	41	...
6% Cum. preference	92 74	111 80	100	249	...	...	...	...	...	...	...	...	...	...	...
Andhra Scientific Co.	1 75	11 00	10	800	...	129	17	2,219	1,547	709	...	1,281	1,2	32	...
5% C. P.	7 04	12 50	10	200	...	...	...	...	...	...	...	...	...	...	...
Ashok Lavaland	9 23	8 2	5	24,679	650	1,914	20	19,413	22,070	6,077	101	17,500	9,500	84	...
Aspinwall & Co. (Trav.)	4 10	4 75	10	1,000	...	451	...	684	511	353	60	881	1,000	76	...
Aspinwall & Co.	6 45	7 0	10	3,588	...	1,077	19	4,722	3,604	1,800	481	1,125	587	411	...
5% C. P.	7 17	7 62	10	214	...	33	10	...	...	...	...	...	...	...	...
Asso. Indusl. & Engrs.	82 10	84 50	100	2,495	...	...	11	2,270	321	179	442	2,090	2,555	71	...
Bangalore Printing	13 95	14 30	10	316	183	108	7	151	783	454	50	232	17	82	...
Second Ordinary	...	...	10	31	...	...	...	...	...	...	...	...	...	...	...
Bisny & Co.	303 00	196 00	100	10,000	3,650	1,300	439	10,684	3,628	1,881	21,177	399	2,485	264	...
Central Scientifics	6 45	7 25cd	5	150	161	70	7	158	128	66	10	180	251	92	...
5% C. P. P.	4 78	5 25	5	151	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Chem. & Fert	...	...	25	139	...	...	...	339	1,45	29	1	3,11	21	30	...
Enfield Industries	11 50	15 20	10	1,499	...	353	5	2,432	4,801	718	...	2,664	411	62	...
6% C. P.	91 00	95 10	100	1,000	...	...	...	...	...	...	...	...	...	...	26
Fertilisers & Chemicals	9 32	10 10	10	34,598	...	1,462	1,955	30,424	51,306	28,026	2,575	10,560	6,890	2,068	23,059
Forest Industries	2 69	3 04cd	21	1,992	...	...	-210	1,627	613	438	...	374	1,163	1,747	...
General Papers Limited	10 07	12 12cd	10	750	300	166	6	490	121	43	46	878	616	89	4
India Cements	6 65cd	7 20	5	22,445	3,000	3,872	119	28,686	46,664	13,335	990	9,127	13,832	3,988	...
7% Cum. preference	84 10	88 50	100	3,135	...	...	...	...	...	...	...	...	...	...	...
Invst. Trust of India	63 00	70 50	100	1,000	...	221	4	90	...	...	1,212	...	7	37	...
Jaypee Minims	...	...	...	400	24	11	40	10,94	6,35	1,63	36	887	4,10	...	...
Kirloskar Elec	15 80	13 10	10	3,371	12 2	1,214	4	8,100	7,808	3,665	...	6,789	3,113	3 3	172
Madras Indust. Invst. Corp.	...	...	1000	1,211	2 0	210	5	45,159	22	11,440	2	31,338	11,6 6	83	...
42% Debentures	41 70	44 14	80	158	...	...	...	...	107	122	...	...	...	...	...
Madras Safe Deposit	16 10	15 00	100	1,500	...	10	...	2,817	3,943	...	100	...	20	37	...
Madras Vanaspathi (a.s.)	...	...	10	143	...	...	-1,234	...	...	...	...	58	9	1	61
Ordinary	50 00	17 20	100	7 4	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	61 5cd	11 00	50	7 4	450	...	14	2,020	291	29	89	1,013	1,697	294	...
Marikar (Motor)	52 1cd	43 95	50	218	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	0 15	43 25cd	10	600	390	30	149	1,591	1,486	667	137	1,326	615	194	...
McDowell & Co.	80 00	94 10	100	410	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	14 50	12 65	10	8,300	422	2,214	16	2,517	15,617	8,157	1,440	3,925	4,493	921	...
Mettur Chem. & Indl. Corp	9 40	90 5	10	2,000	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	100	1,155	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	1,550	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	10	1,792	...	...	-1,240	141	622	241	231	265	888	202	5
Modern Housing	...	...	100	1,277	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	10 00cd	10 60	10	2,481	715	331	9	2,511	5,551	4,351	39	1,581	1,412	1,351	...
Mysore Chem. & Fert	22 4Tcd	27 50	10	1,000	200	255	145	2,748	1,271	670	226	2,224	1,241	61	...
Mysore Chem. Manuf.	7 81	8 43	10	200	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	10	491	90	...	-206	40	634	16	1	215	135	9	...
Mysore Chrome	14 00cd	14 50	10	799	52	194	1	1,231	75	49	83	560	1,45	21	...
Mysore Coffee, urine	212 00	172 60	...	1,750	130	740	3	18	1,614	710	...	2,039	1,110	48	...
Mysore Electric, nitro.	...	...	10	31	5	39	3	13	421	217	...	172	19	77	...
Mysore Glass & E. amil	7 80cd	8 00	5	918	76	500	5	1,132	810	471	633	96	140	...	...
Mysore Indusl. & Test Lab	2 5Tcd	26 25cd	10	656	535	381	3	691	1,239	7 5	...	1,111	910	6	7
Mysore Lamp	5 9 cd	6 31	10	250	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	11 89	8 6cd	10	499	...	...	-1,30	...	...	...	84	...	97	20	30
Mysore Match Co.	16 45	28 6Tcd	10	2,500	1,250	2,013	52	5,333	15,221	10,391	16	3,504	2,120	390	...
Mysore Paper	14 16	14 15	10	600	100	206	7	395	1,132	7 3	155	246	470	106	...
Mysore Stoneware Procs.	9 40	14 05	0	1,000	180	111	1	714	1,919	1,183	188	521	518	97	...
Mysore Tobacco	...	...	8	270	114	76	3	690	311	398	255	21	317	239	...
Mysore Veg Oil	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Wale Glass Works	5 50	5 55	5	1,567	...	710	973	4,111	5,307	2,662	4	2,36	1,178	382	...
Tarry & Co	7 43	8 40	10	3,000	4,750	2,056	210	27,358	5,363	2,972	2,477	15,103	22,521	1,143	...
5% C. P.	...	...	...	257	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	4 73	4 42	1	750	500	302	152	3,919	1,255	600	12	2,916	1,738	248	...
Perry's Co. fractionery	...	...	25	1,505	850	3,552	103	3,0	10,674	5,446	1	2,201	1,918	185	...
Punalur Paper	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Radio & Electricals	3 40	4 10	5	1,500	60	10	7	2,071	1,44	315	11	2,259	916	14	...
Radio & Electricals Manuf.	21 75cd	19 35	10	2,457	550	177	22	7,041	313	2,110	48	2,771	561	176	...
Rane (Madras)	6 41	6 40	5	1,21	334	117	...	3,865	159	574	228	2,063	1,514	415	...
7% A.C. P.	3 94	4 70	5	175	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	4 18	4 61	5	190	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	4 00	8 83	10	890	...	...	4	1,785	1,371	276	140	1,051	371	41	25
Ruby Rubbers	10 03	11 00	10	24	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTHERN INDIA (Continued)												
Jumpson & Co. Directors	...	1,731	48,485	59,241	6,311	...	5-58	3,513	5,043	9	6	13
Jumpson & Co. 44% A.C.P.	...	4,020	28,175	37,924	10,630	...	6-60	2,382	2,342	17	18	15
Standard Motor Products 44% B.C.P.	...	...	...	...	...	...	...	...	...	6	8	6
Standard Motor Products 61% C.P.	...	1,819	35,428	38,975	11,746	...	12-60	2,854	1,815	9	9	7
Standard Motor Products 61% C.P. Deferred	...	...	...	...	...	...	...	...	...	8	9	6
Stanes & Co. T. Directors	...	581	6,213	8,038	740	...	9-60	832	791	32	27	20
Stanes Motors 5% C.P.	...	1,220	6,682	9,297	1,193	...	3-60	728	592	3	2	20
T. I. Cycles Directors	...	...	...	30,470	5,807	...	6-58	7,299	7,781	10	10	6
Textrol Co. Basu, d'Am & Co.	...	4,904	9,161	1,674	4,132	82	4-60	1,649	1,645	1	1	12
Thomas & Co. A. V. Directors	...	265	8-0	1,394	410	...	12-59	19	233	2	2	15
A. V. Thomas & Co., (India) Ltd. 6% Cum. Preference	...	46	126	204	196	...	6-60	88	57	nil	nil	nil
Travancore Cement 5% Cum. Preference	...	1,120	...	3,134	1,717	30	12-59	(a13)1,008	974	6	6	6
Travancore Cement 5% Cum. Preference	...	184	2,865	5,024	744	...	3-61	540	485	2	2	10
Travancore Cement 5% C.P.	...	501	703	1,533	40	10	12-60	191	156	8	8	6
United Coffee Supply Directors	...	496	4,814	7,659	1,068	...	6-60	357	311	21	15	11
United Elec. Industries 5% Cum. Pref.	...	192	1,332	2,287	17	...	12-59	33	—1.8	nil	nil	nil
Vanijed Matches Directors	...	85	4,24	5,43	1,36	...	12-54	18	31	nil	nil	nil
Vasant Soap Works 44% C.P.	...	23	162	270	34	6	12-58	—30	—11	nil	nil	nil
W. I. Plywood 51% C.P.	...	1,445	2,813	6,787	2,747	...	3-61	1,951	1,621	12	12	10
W. I. Plywood 6% C.P.	...	...	...	...	...	...	...	...	...	7	7	6

(a) After transferring Rs 2,000,000 from Dividend Equalisation Fund.
(b) After transferring Rs 67,000 from Dividend Equalisation Reserve.
(c) After transferring Rs 1,700,000 from General Reserve.
(d) After transferring Rs 1,500,000 from General Reserve.
(e) After transferring Rs 1,10,000 from General Reserve Rs 40,000 from Dividend Equalisation Fund.
(f) Includes Rs 135,478 being surplus on sale of Fixed Assets.
(g) After transferring Rs 125,000 from Dividend Equalisation Reserve.
(h) After transferring Rs 62,000 from General Reserve.
(i) After writing back Rs 261,971 being over provision in previous years.
(j) After transferring Rs 719,682 from General Reserve.

(k) After transferring Rs 125,000 from General Reserve.
(l) After transferring Rs 2,900,000 from Dividend Equalisation Reserve.
(m) After transferring Rs 800,000 from General Reserve.
(n) After transferring Rs 150,000 from Deferred Taxation Reserve and Rs 129,559 from provision for taxes made in previous years.
(o) After writing back Rs 141,948 being excess provision for depreciation and Rs 19,398 being investments written off.
(p) After transferring Rs 300,000 from General Reserve.
(q) Bonus shares in the ratio of one fully paid ordinary share for every five ordinary shares will be issued in lieu of Dividend.

(r) Includes Rs 17,96,170 being unclaimed dividends from the Government of India.
(s) After transferring Rs 3,379,376 from General Reserve.
(t) After transferring Rs 7,600,000 from Tax Equalisation Reserve.
(u) Dividend in the form of shares in The Punjab National Bank at one share for every 20 shares held in Bharat Nidhi.
(v) After transferring Rs 600,000 from Dividend Equalisation Reserve and writing back Rs 263,483 being excess provision made in previous years.
(w) After transferring Rs 480,000 from General Reserve.

COTTON

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Ahmed Advance	Tate Industries Private	49,168	1,816	5,365	8,552	6,849	22	12-60	(a)1,442	(b)3,127	6	1	7
Ahmed Adv. & Calico	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Ahmed Adv. & Calico 51% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...
Ahmed Adv. & Calico 44% 1st Cum. preference	...	139,120	2,372	48,893	108,316	28,424	1,267	3-61	(a11)22,528	(a12)17,217	3	16	21
Ahmed Adv. & Calico 44% 2nd Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...	...
Ahmed Adv. & Calico 44% 3rd Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...	...
Air Mills	Anilbai Chintabhai & Co.	25,376	513	4,729	13,982	2,910	141	12-60	1,698	(a)9,830	1	16	12
Air Mills 44% B.C.P.	...	...	...	...	...	...	...	...	...	...	...	...	...
Air Mills 5% C.R.C. preference	...	...	...	...	...	...	...	...	...	...	...	...	...
Air Mills 44% D.R.C. preference	...	...	...	...	...	...	...	...	...	...	...	...	...
Apollo Mills	Rajputana Textiles Private & Co.	56,468	898	7,390	13,665	2,151	25	12-59	—910	—2,475	nil	40	28
Arvind Mills	Narottam Lalbhai	66,412	1,216	11,504	37,387	4,969	892	12-60	9,881	8,487	4	4	5
Arvind Mills 5% Cum. preference T.	...	...	...	...	...	...	...	...	...	...	...	...	...
Arvind Mills 44% R.C. preference T.	...	...	...	...	...	...	...	...	...	...	...	...	...
Arvind Mills 44% R.C. preference T.	...	...	...	...	...	...	...	...	...	...	...	...	...
Arvind Mills 5% C.P.T.	...	...	...	...	...	...	...	...	...	...	...	...	...
Arvind Mills 44% R.C.P.T.	...	...	...	...	...	...	...	...	...	...	...	...	...
Arvind Mills 5% Cum. preference	...	36,116	716	12,776	17,409	4,909	...	9-60	633	315	4	4	4
Arvind Mills 6% Cum. preference	...	50,596	1,021	8,986	14,647	2,996	...	3-59	693	—624	nil	nil	nil
Arvind Mills 44% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...
Arvind Mills 5% R. Ram, Balchand	...	60,640	1,338	14,114	20,354	28,53	6-60	12-55	24,54	0.3	10	6	6
Bombay Dyeing	Newrejee Wadia & Sons Private	221,552	3,984	71,823	103,726	57,751	627	12-60	(a)13,267	(b)11,014	14	14	11

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	October 1961	October 1960	Rs.	Rs. 000	General	Others	Carry Forward	Rs. 000	Rs. 000	Rs. 000	Investments	Stocks & Stores	Outstandings	Cash	Others
	Rs. np.	Rs. np.			Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
SOUTHERN INDIA (Continued)															
Simpson & Co.	...	...	10	7,500	2,503	10	1,887	20,478	14,009	7,263	16,355	7,778	1,175	265	...
Spencer & Co.	24 25	22 00	10	4,000	5,609	4,583	756	8,796	15,382	7,818	16,355	11,086	5,693	1,165	...
44% A.C.P.	7 65	8 35	18	2,320	...	...	...	...	...	...	...	...	...	...	...
84% B.C.P.	10 50	10 90	10	3,680	...	...	...	...	...	...	...	...	...	...	...
Standard Motor Products	16 20	17 12	10	4,700	600	1,840	3	10,003	13,584	3,974	2	11,746	1,002	40	45
61% C.P.	96 00	15 75xd	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	300	...	...	...	...	...	...	...	...	...	...	...
Stanes & Co. T.	31 00	32 55	10	1,156	280	1,365	41	2,155	1,362	739	1,340	1,042	1,631	431	...
7% C.P.	80 50	83 10	100	150	...	...	...	...	...	...	...	...	...	...	...
Stanes Motors	...	...	10	691	502	1,482	20	1,065	1,306	648	181	1,301	875	748	...
T. I. Cycles	...	...	100	7,000	2,459	5,997	64	10,374	14,170	3,274	467	9,309	3,340	279	1,547
Textrol Co.	193 00xd	149 50	100	3,322	300	668	5	14,490	6,549	2,620	16	6,202	8,541	84	...
Thomas & Co. A. V. (Allep.)	21 00	20 85	10	200	312	406	27	531	682	363	136	451	680	46	...
B. Ordinary	...	...	100	35	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Preference	7 25	6 48	10	121	...	...	...	...	...	...	...	...	...	...	...
A. V. Thomas & Co. India	4 00	4 00	10	300	...	...	3	150	50	33	158	234	189	55	...
5% Cum. Pref.	5 00	5 45	10	200	...	...	...	...	...	...	...	...	...	...	...
Travancore Cement	2 60	8 55	10	5,000	...	1,177	29	6,204	13,749	5,799	48	3,956	397	19	...
Trav. Chem. & Manfg. Co.	21 37	12 87	10	1,300	...	292	56	2,048	2,176	774	25	1,292	1,228	50	...
61% R.C.P.	8 82	9 38xd	10	300	...	...	...	...	...	...	...	...	...	...	...
Travancore Ogale Glass	0 10	7 50	10	999	...	30	3	679	1,698	747	...	438	214	50	...
United Coffee Supply	...	...	15	600	335	505	11	1,354	1,251	728	354	1,221	518	167	...
United Elec. Industries	9 50	9 50	10	936	...	6	—348	1,549	8.9	224	...	1,129	356	69	...
5% C.P.	10 20	10 00	10	15	...	...	...	...	...	...	...	...	...	...	...
Vanijed Matches	...	...	6	270	...	...	—14	2,43	7,72	3,94	9	3,66	1,63	23	...
61% Cum. preference	...	...	10	450	...	...	...	...	...	...	...	...	...	...	...
Vasant Soap Works	...	...	100	225	...	49	—423	455	463	168	...	90	33	2	8
51% C.P.	...	...	100	121	...	...	...	...	...	...	...	...	...	...	...
W. I. Plywood	218 00	223 00xd	100	3,146	250	2,595	7	5,208	10,279	3,559	1	3,142	1,836	124	1
6% C.P.	66 54	95 89xd	100	618	...	...	...	...	...	...	...	...	...	...	...

(x) After writing back Rs 119,000 from Reserve for Tax contingencies.
(y) After transferring Rs 226,258 from Rehabilitation and Expansion Reserve.
(z) After transferring Rs 2,500,000 from Investment Depreciation Reserve.
(a1) After transferring Rs 600,000 from General Reserve and Rs 1,950,000 from Dividend Reserve.
(a2) After writing back Rs 685,659 being Development Rebate.
(a3) After writing back Rs 110,268 being surplus Reserve for taxation.
(a4) After transferring Rs 60,000 from Reserve and Rs 178,000 from contingency Reserve.
(a5) After transferring Rs 200,000 from Bad and Doubtful debts Reserve.
(a6) After writing back Rs 315,188 from Fleet Depreciation Reserve.
(a7) After writing back Rs 122,080 being excess provision of Development Rebate Reserve.
(a8) After transferring Rs 100,000 from Investment Reserve.
(a9) After transferring Rs 100,700 from General Reserve.
(a10) After transferring Rs 1,000,000 from General Reserve, Rs 1,380,000 from Dividend Equalisation Reserve and Rs 540,000 from Deferred Tax liability.

(a11) After writing back Rs 2,400,000 being provision for taxation no longer required.
(a12) After transferring Rs 279,930 from General Reserve.
(a13) After transferring Rs 150,000 from Deferred Taxation Reserve.
(a14) After writing back Rs 350,000 being surplus from Taxation.
(a15) After transferring Rs 6,450,000 from General Reserve.
(a16) After writing back Rs 215,918 being excess provisions in respect of previous years.
(a17) After transferring Rs 166,149 from Rehabilitation Expansion Fund and Rs 63,000 from General Reserve.
(a18) After transferring Rs 1,800,000 from General Reserve.
(a19) After writing back Rs 983,660 being depreciation excess provided and Rs 168,090 excess provision for liabilities.
(a20) After transferring Rs 700,000 from Dividend Equalisation Reserve.
(a21) After transferring Rs 7,900,000 from General Reserve.
(a22) After transferring Rs 175,000 from Reserve Fund and writing back Rs 279,283 being Fleet depreciation.

(a23) After writing back Rs 150,617 being provision for taxation.
(a24) After transferring Rs 110,000 from General Reserve and Rs 81,800 from Dividend Equalisation Reserve.
(a25) After writing back Rs 747,456 being amount written off on Investments.
(a26) After transferring Rs 480,000 from Investment Reserve and Rs 178,000 from General Reserve and including Rs 1,147,173 being the difference of cost and book value of investments.
(a27) After writing back Rs 60,718 being provision for taxation.
(a28) After transferring Rs 600,000 from Dividend Equalisation Fund.
(a29) After transferring Rs 795,048 from General Reserve; Rs 550,000 from Dividend Equalisation Reserve; Rs 75,000 from Reserve for Bad and Doubtful Debts and Rs 600,000 from Rehabilitation and Expansion Reserve.
(a30) After transferring Rs 2,653,571 from Dividend Equalisation Fund.
(a31) Includes Rs 106,468 being excess provision written back and Rs 76,246 being Refund of Taxation.
(a32) After writing back Rs 322,964 being excess provision in previous years.

MILLS

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital
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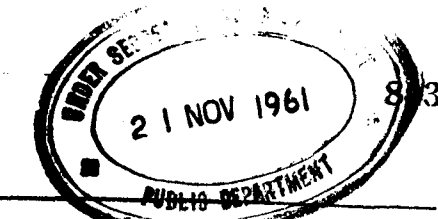
NAME	Managing Agents Agents Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents' Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Central India	Tata Industries Private	115,188	2,064	19,001	32,883	11,875	...	6-60	-893	-5,269	nil	nil	nil
Century Spg. & Mfg.	Birla Gwalior Priv. Ltd.	126,752	2,752	42,628	93,019	17,164	932	12-59	16,477	(a)14,648	313T	22	22
Coorla Spg. & Wvg.	Cowasse Jehangir & Co.	24,848	680	6,896	15,272	1,093	54	3-60	1,106	(n)1,060	11T	73	123
Davangere Cotton	R. Hanumanthappa & Sons	25,214	300	8,565	14,139	4,611	156	3-60	1,561	1,635	12T	9	9
Dawn Mills	Ramnarain Sons Ltd.	40,962	...	5,845	14,186	3,264	84	5-59	2,022	1,421	20T	10	15
Edward Textiles	P. Ruben Sons	48,718	928	11,843	23,282	4,986	85	12-60	2,238	683	8T	9T	73
Elphinstone Spg.	Director	41,300	686	9,369	22,671	6,824	...	12-60	3,581	1,839	18T	14T	12T
	7% C. P.										7T	7T	7T
Finlay	James Finlay & Co. Ltd.	49,528	784	7,393	23,004	4,677	135	12-58	(a36)2,581	(a15)1,901	16	20	20
Gackwar Mills	Directors	...	...	6,659	16,124	4,162	...	12-60	2,797	2,680	16T	16T	10
Gokak Mills	F. H. Campbell & Co. pri.	74,286	...	21,562	27,367	1,008	50	12-59	(b)1,085	(a)1,336	6T	8	8
Gold Mohur	James Finlay & Co.	45,768	1,070	6,414	22,636	5,730	...	12-59	(a1)4,313	a72	214T	15	15
Hind Mills	Hind Agents Private	71,596	1,387	185,72	324,27	115,33	2,80	6-56	22,77	15,63	6	4	4
	5% C. P.										5	5	5
Hindustan Spg.	Directors	49,448	1,122	12,682	19,781	2,575	...	3-60	(a23)2,375	(a37)1,651	50T	35	35
	44% R. C. P. T.										44	44	44
India United	Agarwal & Company	244,300	6,278	45,048	116,890	20,881	...	12-59	(a)1,918	(a48)5,553	44	44	44
	Deferred										44	44	44
Indore Malwa	Directors	51,180	1,420	18,464	32,050	10,965	...	12-60	2,769	(a13)391	83T	7T	5
Jampur Spg. & Wvg.	Shree Laxmi Traders	...	...	3,484	6,166	2,944	...	12-58	-221	-55	nil	nil	nil
	51% R. C. P.										nil	nil	nil
Jam Ranjitsinghji	Directors	92,852	1,489	15,155	51,009	8,992	854	6-60	(a)410	-125	62T	10	10
Khatu Makani	Khatu Makani & Co. Private	...	...	5,980	10,563	2,529	...	6-60	9,161	5,814	32T	16	16
Killick Industries Limited	4% Cum. Preference	120,504	1,846	28,069	59,608	9,984	217	12-60	(a10)3,716	(a2)2,152	15T	94T	10
Lakshmi Cotton	Killick Industries Limited	48,996	1,219	12,743	22,850	2,154	...	12-60	1,186	(l)1,543	10T	10T	6
	5% Cum. preference T.										5T	5T	5
Mafatlal Fine Spg.	N. C. Purushotamas & Co.	51,996	896	10,882	27,941	2,193	601	12-60	6,347	5,745	30T	29T	18
	44% 1st R. C. P.										83T	643T	44
	44% 2nd R. C. P.										8T	8	6
Mahendra Mills	J. R. Patel & Sons Pri	...	...	9,230	14,660	2,478	145	12-59	3,841	2,659	8T	8	6
	Ord. P. P.										9-36T	64	54
	61% R. C. P.										37	nil	nil
Marsden Spg. & Mfg.	Marsden Agents Co. Pri.	24,740	482	7,335	16,193	3,288	50	12-59	627	522	83T	64	54
Minerva Mills	N. Sirur & Company Private	39,896	704	8,736	12,810	6,863	40	12-60	637	37	nil	nil	nil
	61% Debentures										nil	nil	nil
Model Mills	B. A. Dadaboy & Co.	52,408	952	89,83	141,66	36,34	54	6-55	485	-7,72	nil	nil	5
Modera Mills	N. Sirur & Company Private	49,200	644	13,124	19,229	8,360	213	10-60	2,307	1,815	12T	10T	6
Monogram Mills	M. Belukhai & Sons. Private	27,460	528	7,285	19,09	5,030	125	12-60	1,522	852	111T	84T	6
Morarjee Gooldas	Piramal Sons Private Ltd.	70,416	1,652	13,537	40,202	9,975	325	6-60	3,764	3,300	214T	214T	15
	44% Cum. preference										6-43T	6-43T	44
Mysore Spinning	N. Sirur & Company Private	50,480	500	11,071	16,812	4,399	45	2-61	1,181	881	14T	14T	10
	44% Cum. preference T.										44T	44	44
Navsari Cotton	Directors	...	...	4,806	10,712	2,946	...	12-60	1,300	766	12T	12T	12
	5% C. P.										7-14T	14T	5
New City of Bombay	W. H. Brady & Co. Ltd.	45,944	492	8,333	14,049	1,222	...	12-59	-1,164	-288	nil	nil	5
New Commercial	Tricunlal Bhogilal	45,836	866	8,926	22,614	4,798	185	12-59	2,389	2,349	14T	10T	10
	4% 2nd R. C. P.										5-72T	4	4
New Great Eastern	Board of Directors	49,012	1,018	6,741	13,247	4,299	...	12-59	-1,251	(b)101	nil	nil	10
	51% Cum. preference T.										54	54	54
New Kaiser-I-Hind	Directors	54,052	1,219	10,333	28,967	10,366	...	3-60	634	-1,814	nil	nil	10
	5% C. P.										nil	nil	10
New Shorrock Spg.	Mafatlal Chandulal & Co.	51,100	907	9,795	28,515	2,902	872	12-59	8,798	7,240	44T	26	24
Omanahahi Mills	"anna Lal Bisesardas Private	37,788	902	11,101	20,787	6,117	50	9-60	758	-982	nil	nil	24
Podar Mills	Podar Sons Private	32,600	930	10,257	14,875	1,717	49	12-59	(a16)1,393	(a38)1,271	17T	18T	11
	4% Cum. preference										4	4	4
Pulgon Cotton	Hard yal ons	...	...	8,859	13,104	2,387	41	6-60	676	-125	21T	nil	nil
Raja Motilal	Mukundlal Basail & Sons	...	...	5,548	10,664	1,815	74	12-59	1,243	377	nil	nil	nil
Rohit Mills	Directors	35,196	648	8,849	24,900	4,745	...	12-59	(a)1,622	(a)1,802	10T	8	8
	54% Cum. preference T.										54T	54	54
	4% R. C. P. (2nd)										5-72T	4	4
	4% R. C. P. (5th)										5-72T	4	4
Ruby	Chunilal Jeewandas & Co.	...	...	4,301	8,529	1,184	...	3-60	801	549	12T	10	6
Sassoon & Alliance	Directors	9,520	277	4,727	7,777	2,673	...	12-59	31	-73	nil	nil	20
Sassoon Spinning	M. G. Invst. Corporation Pri	94,884	2,127	33,290	59,619	4,984	301	12-60	(a4)4,969	(a13)702	17T	25T	20
Sholapur Spinning	Director	95,332	2,234	2,086	2,967	1,333	...	3-59	-2,030	-5,456	nil	nil	nil
	Half. Ord.										nil	nil	nil
	3% R. Cum. preference										nil	nil	nil
Shorrock Spinning	6% Debentures	36,648	720	8,123	20,344	1,430	253	12-59	2,958	3,134	30T	22	2
Shree Niwas Cotton	Mafatlal Chandulal Ahmed...	69,070	1,640	18,866	35,518	6,131	252	12-59	(a18)3,896	(a29)2,584	15T	10	8
	4% R. Cum. preference										5-7T	4	4
	4% Debentures										5-7T	4	4
Shree Saitan Mills	G. Liladhar & Co.	17,880	440	25,75	60,56	11,77	22	3-55	1,81	42	nil	nil	nil
Shree Subhaskari	Shree Govind Cotton Co. Pri	...	...	4,351	11,565	2,463	25	12-59	-344	-406	nil	nil	nil
Shri Ambika	H. Kalidas & Company	94,128	1,790	17,683	54,942	8,476	1,085	12-60	12,813	10,851	5T	45T	30
	5% Cum. preference										5-7T	14T	5
	4% Cum. preference (2nd)										5-7T	5-72T	4
Simplex	F. F. Campbell & Co. Pri.	49,940	1,114	17,490	27,295	6,295	25	3-60	(a20)2,012	(a24)855	15T	10	17
	61% Debentures										15T	10	17
Sir Silk	Birla Brothers private	...	...	4,897	23,153	4,810	...	9-59	1,487	1,500	nil	nil	nil
	6% C. P.										nil	nil	nil
Standard	Mafatlal Gopalbhai & Sons	97,588	2,409	25,513	62,102	5,344	795	12-59	9,316	(a21)5,141	29T	20	22
	4% 1st R. C. P.										5-72T	4	4
	4% 2nd R. C. P.										5-72T	4	4
Swadeshi Mills	Tata Industries pri. Ltd.	72,236	2,000	15,524	44,211	8,737	461	12-60	6,301	(a15)334	17T	14T	9
	5% Cum. preference										5T	5T	5
Swan Mills	James Finlay & Co. Ltd.	39,328	551	8,304	23,395	3,058	447	12-59	(a17)5,932	(a27)3,352	36T	25	25

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	October 1961	October 1960			General	Others	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others
WESTERN AND CENTRAL INDIA															
Central India	134 00	109 00	100	4,687	1,407	1,076	-10,424	55,989	46,437	15,061	2,778	20,802	2,100	314	315
5% cum. preference	432 50	381 25	500	5,000											
Century Spg. & Mfg.	55 00	461 50	100	12,295	17,528	16,179	122	38,276	94,276	37,531	1,127	32,499	5,480	1,050	
4% R. C. P.	109 00	107 75		12 00											
Coorla Spg. & Wvg.	132 50	131 00	100	2,600	1,173	2,021	76	3,105	12,199	7,824	69	4,097	390	36	
Davangere	128 00	116 50	100	2,966	1,610	1,222	9	8,230	12,128	5,711		5,240	2,416	44	
Dawn Mills	130 00	133 00	50	2,800	1,063	1,611	12	8,124	9,369	5,909	380	6,406	2,333	36	
Edward Textiles	130 00	263 75	200	3,400	3,495	262	-230	6,121	9,861	6,786	1,373	7,117	1,325	109	
Elphinstone Spg.	114 00	55 00	50	3,000	1,000	2,996	106	9,692	16,481	8,715	56	9,862	1,543	247	
7% C. P.	70 00	62 50	100	2,500											
Finlay	316 00	347 00	100	5,000	6,139	1,024	37	8,819	18,117	9,584	1,019	9,424	2,026	17	
Gadkwar Mills	212 50	230 00	100	4,000	1,713	4,860	24	11,943	14,223	9,241	1,619	10,153	5,594	256	
Gulak Mills	200 00	164 00	100	4,000	2,624	2,511	1	7,392	18,703	9,162	210	6,713	2,154	16	
6% Debentures				4,000											
Gulati Mohor	252 50	240 00	100	5,000	5,037	797	10	5,045	29,235	6,862	81	9,081	1,062	2,292	
Hind Mills			10	5,000	4,27	5,46	25	127,39	144,07	82,06	10	124,26	20,36	65	
5% C. P.			100	2,000											
Hindustan Spg.	6550 00	4950 00	1000	1,200	4,993	7,280	-192	4,207	21,632	14,250	1,585	6,617	2,220	874	
4% R.C.P.T.	625 00	610 00	1250	1,200											
India United	15 00	12 36	1	20,000		339	-1,979	28,986	51,028	36,818	299	33,008	3,652	687	
Delarred	7 16	1 66	1	5,000											
Indore Malwa	175 00	121 00	100	5,000	1,299	190	16	16,201	16,780	13,123	2,126	12,718	3,438	274	
Jaipur Spg. & Wvg.			100	2,500		139	-365	686	4,203	2,281		3,231	112	194	
5 1/2% R.C.P.			100	2,400											
Jam Ramtisinghji	1250 00	1450 00	1000	1,554	1,518	288	-618	5,488	6,677	3,518	33	3,870	1,031	164	
Kanau Makenji	457 50	475 50	100	5,985	5,400	2,874	39	24,915	37,611	26,091	2,042	16,862	10,169	453	
4% Cum. preference	77 00	70 00	100	2,992											
Kohinoor Mills	307 00	293 50	100	10,000	1,70	9,977	21	17,817	41,829	30,339	720	22,815	3,072	73	1,31
Lakshmi Cotton	622 50	501 00	250	3,200	5,499	2,266	42	11,641	20,014	15,485	100	12,801	4,535	89	13
5% cum. preference T.	151 25	150 00	250	1,600											
Mafatal Fine Spg.	9 00	792 00	100	5,800	10,391	5,269	6	6,783	24,734	15,693	9,336	7,661	3,500	797	76
4 1/2% 1st R.C.P.	78 30	79 00	100	1,450											
4 1/2% 2nd R.C.P.	80 00	92 00	100	1,450											
Mahendra Mills	315 00	315 00	100	2,000		3,096		16,723	23,594	7,606		5,366	2,344	95	2
Ordinary P. P.	40 00 N	40 00	40	500											
5 1/2%	99 00	99 00 N	100	1,000											
Marsden Spg. & Mfg.			200	2,731	2,397	948	10	5,567	8,101	5,524	92	6,062	2,644	170	
Minarens Mills	80 00	84 00	100	2,960	311	462		10,759	10,675	5,545	95	9,725	1,130	70	
6 1/2% Debentures															
Mistral Mills	98 00	80 00	250	9,334	392	21,99	-2,59	84,37	169,26	78,82	25	99,68	789	2,77	
Modern Mills	21 00	75 00	50	4,647	3,000	732	37	13,719	15,149	7,523	207	13,802	1,027	59	
Monogram Mills			200	2,600	2,944	843	10	8,219	9,513	5,642	75	7,219	2,077	134	1,27
Morarjee Goudanis	395 00	347 00	100	5,175	4,250	820	43	14,747	30,282	21,700	14	13,618	4,464	81	
4 1/2% cum. preference	73 00	71 50	100	1,725											
Myrae Spinning	60 00	79 00	50	3,968	3,266	1,567		10,095	12,962	7,449	2,148	8,970	1,913	60	
4 1/2% cum. preference	22 76	25 00	50	745											
Nazari Cotton	216 25	216 25	100	3,150	703	4,472	43	4,122	6,710	4,691	1,372	7,224	2,577	397	1,471
5% C. P.	91 00	91 00 N	100	500											
New City of Bombay	132 00	142 50	100	2,400	178	939		3,581	8,376	4,870	8	3,225	287	154	
New Commercial				6,300	1,363	1,414	6	14,069	15,738	11,277	1,172	8,168	9,631	245	
4% 2nd R. C. P.			100	525											
New Great	210 00	195 00	100	3,000		466	-1,250	8,113	11,025	6,337	10	6,133	257	40	
5 1/2% C. P.	10 00	105 00	200	800											
New Kaiser-I-Hind	62 50	55 00	100	4,500		40	-2,257	14,417	13,340	9,715	964	11,520	1,773	212	106
5% C. P.	65 00	74 50 N	100	1,500											
New Shorrock Spg.			125	5,700	7,346	6,895	163	9,001	19,298	12,722	4,409	7,125	4,477	6,410	89
Omanashahi Mills	71 00	43 00	100	8,723	1,884	158	1	8,975	12,771	7,408	170	8,218	518	300	104
Padar Mills	146 00	135 00	100	4,500	3,260	1,018	16	2,107	8,065	3,195	3,054	3,462	443	87	
4% Cum Preference	63 00	65 00	100	1,000											
Pulgaon Cotton	11 00	10 24	10	1,500		146	-660	7,829	6,047	3,491	10	6,018	150	73	
Raja Motilal	117 00	91 00	160	2,821	909	1,365		6,330	12,200	5,126	53	3,823	557	111	
Rohit Mills			100	4,875	684	1,695	14	15,376	14,991	8,509	151	8,062	8,226	278	
5% C. P. T.			100	1,000											
4% R. C. P. [2nd.]			100	200											
4 1/2% R. P. [5th.]			100	250											
Ruby	60 00	65 00	25	1,500	500	421	72	3,230	6,190	3,798	40	2,291	581	19	
Season & Alliance	15 00	10 24	10	1,000	1,18		-310	7,106	2,594	1,044		2,948	1,204	12	
Season Spinning	71 50	50 00	10	7,510	6,076	6,832	25	15,256	31,723	18,218	198	15,780	5,361	730	144
Sholapur Spinning			1000	1,590	126,86	3,191	-26,638	17,697	31,938	20,402		2,764	889	38	
Shri. Ordinary			500	106											
5% R. C. P.			100	3,443											
6% Debentures				2,925	5,877	2,361	28	3,972	12,424	8,325	203	4,295	3,244	3,261	63
Shorrock Spinning			100	8,000	2,800	2,353	42	18,553	17,414	7,341	9,211	12,54	2,894	77	426
Shree Niwas Cotton	280 00	272 00	100	480											
4% R. C. P.	64 00	66 00	100	3,000											
6 1/2% Debentures			100	2,615		27	-66	34,811	36,43	17,73	94	38,81	1,85	27	
Shree Niwas Mills			100	2,100	388	300	-750	7,102	5,015	1,206		3,399	1,54	27	
Shree Shubhashini	125 00 N	125 00 N	100	6,376	22,310	11,129	287	12,497	26,483	16,039	5,931	15,454	11,112	11,08	
Shri Ambica			100	560											
5% cum. preference			100	700											
5% cum. preference [2nd]			100	500											
Shri. Ambica	168 50	165 00	50	5,000	1,634	639	-150	12,491	22,778	10,086	110	9,394	2,967	38	273
Shri. Ambica				6,000											
5 1/2% Debentures			10	9,427			-323	42,497	5,518	1,000	96	9,463	5,421	105	
Shri. Silk			100	20,000											
5% C. P.	1405 00	1167 00	100	19,975	8,634	16,521	91	14,907	38,761	22,324	557	14,441	6,804	11,368	1,722
4% 1st R. C. P.	76 00	75 50	100	600											
4% 2nd R. C. P. prof.	76 00	76 00	100	600											
Shree Shubhashini	271 50	236 00	100	10,000	9,211	1,367	25	16,761	36,119	16,309	698	14,345	2,611	1,241	3,158
5% Cum. preference	88 00	84 00	100	1,500											
Shree Mills	660 00	507 50	100	3,600	6,842	1,372	26	7,370	19,814	10,947	72	7,409	1,947	896	

COTTON

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MILLS—Contd.



NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit	DIVIDEND PER CENT		
										Net Profit for the previous period	Latest	Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000		
WESTERN AND CENTRAL INDIA (Contd.)												
Yash Mills	Tata Industries Pri. Ltd.	65,448	1,800	15,074	40,552	8,060	239	12-60	4,306	2,013	20T	10 T
5% Debentures												
Victoria Mills	Mangaldas Mehta	50,056	958	8,404	21,930	3,003	119	12-59	1,604	1,326	20T	20
4% R. Cum. preference												
Vijaya Mills	H. Acharya & Co.	36,176	780	8,683	20,971	3,476	135	12-59	1,807	1,429	10T	8
4% 2nd Cum. Preference T.												
4% 3rd R. Cum. Pref. T.												
Vishnu Cotton	Directors	47,240	1,331	10,720	21,719	6,233		12-60	(a)19,124	(b)1,164	5T	4
7% Cum. preference T.												
5% Debentures												
NORTHERN INDIA												
Basant Cotton	Calcutta Agency	13,044	356	2,836	7,809	1,420	36	12-59	—5	189	nil	5
6 1/2% C. P.												
5 1/2% Debentures												
Bengal Fine Spinning	B. C. Nawn & Bros Pri			4,083	6,560	339	24	12-59	536	174	5T	5
6 1/2% C. P.												
Bengal Luxmi Cotton	Directors	6,601		4,927	10,460	2,425		3-60	—69	(a)19,181	nil	nil
Ordinary Partly Paid												
Ordinary Partly Paid												
5% R. C. P.												
Bengal Napper	Directors	29,936	810		7,154	5,578		12-57	(q)—671	(u) 171	nil	nil
7% C. P.												
Birla Cotton	Birla Brothers Private	39,896	1,088	32,079	49,567	8,612	391	3-61	4,115	2,276	20	11T
Bowen Cotton	Katellwell Bullen & Co. Ltd.	42,960	841	8,886	19,772	5,790	152	12-60	2,171	1,763	10 T	nil
8% 'A' C. P.												
7% 'B' Pref.												
6 1/2% Debentures												
Bombay Textiles	B. I. Corporation	141,180	2,352	169,469	517,863	51,021	1,834	6-60	26,954	23,578	7T	10T
4 1/2% 1st 2nd C. P.												
4 1/2% 3rd C. P.												
5 1/2% 4th C. P.												
5 1/2% Debenture												
Danbar Mills	Katellwell Bullen & Co.	42,944	518	13,000	21,239	9,270	275	12-60	4,420	1,982	20 T	10
6% Debentures												
Elgin Mills	B. I. Corporation	46,452	1,198	22,531	39,976	5,760	373	9-60	5,822	4,523	11T	11T
8% C. P.												
5% C. P.												
Legatit Cotton	K. C. Thapar & Bros. Pri	26,560	530	14,095	26,710	2,294	321	1-60	2,986	3,036	14T	10
5% C. p. p.												
Debentures												
Lay Shree Textiles	Birla Brothers Private Ltd.			6,100	12,843	3,815		12-60	2,369	1,791	10T	8
5 1/2% Debentures												
7% Debentures												
Kesoram Cotton	Birla Brothers Ltd.	74,672	1,992	36,547	91,180	20,030	892	3-61	17,484	(a)36,401	12 T	5T
10% C. P.												
7 1/2% R. C. P.												
Malini Mills	Chakravarti Sons & Co.	23,484	435	8,376	22,517	5,779	158	12-59	2,276	2,278	7T	5T
Ordinary												
5% R. C. P.												
Muir Mills	Indian Tex. Syndicate	88,640	1,834	145,19	218,04		60	12-55	—5,06	—10,24	12T	12T
6% C. P.												
New Victoria	J. P. Srivastava & Sons Pri	70,072	1,333	12,938	23,797	10,887		12-57	—635	—2	nil	nil
Deferred												
6% C. P.												
Orian Textiles	B. Patnaik & Co. Private	47,728	864		33,127	13,745		3-61	2,168	1,265	nil	nil
5% R. C. P.												
Ran Textiles	J. P. Srivastava & Sons.	34,532	600	5,766	13,463	4,757		12-58	—1,640	—440	nil	nil
6 1/2% 'A' C. P.												
4 1/2% 'B' C. P.												
Shree Madhusudan	Directors			19,720	57,255	7,748		6-60	(m)3,872	1.0	nil	nil
4 1/2% C. P.												
6 1/2% Debentures												
Satish Cotton	Birla Brothers Private	27,340	992	14,267	33,331	5,014	654	3-60	6,129	5,158	8T	6T
Swadeshi Cotton	Directors	112,216	2,081	55,357	108,578	27,620		12-60	10,842	4,007	10T	10T
Pref. Ord.												
6% C. P.												
SOUTH INDIA												
Adani Spinning	Kothari & Sons	24,800		9,346	12,992	488	130	12-60	2,067	652	7T	nil
6% c. p.												
4 1/2% Debentures												
Asker Textiles	Serna & Co.	25,744		5,801	8,393	2,745	28	6-60	910	335	7T	7T
Bangalore Woollen	Directors	40,608	1,157	22,617	57,309	7,071	541	12-60	5,910	6,261	10T	18
6% C. P.												
Buckingham & Carnatic	Direct rs	120,288	2,762	42,020	112,828	11,121		12-60	13,941	(n)10,892	10T	10
7 1/2% C. P.												
5% Debentures												
Cambridge	Pearee Leslie & Co. Ltd.	37,356	4	7,563	11,264	576	85	12-59	—319	—1,464	nil	5
7% C. P.												
Cameroon Spg.	K. Damodaran	28,000		4,437	7,827	383	52	3-60	859	684	12T	15
Carvery Spg.	Directors	17,600		5,342	9,239	1,320		3-60	864	590	17T	9
6 1/2% C. P.												
6 1/2% Debentures												
6% Debentures												
Carimbore Cotton	R. Bheema Naide & Co.	28,864		10,028	15,502	3,458	163	12-60	2,450	1,129	12T	6
Carimbore Kamala	Directors	17,264	24	2,950	4,418	1,062		12-59	275	—84	nil	nil
Partly Paid												
8 1/2% C. P.												
6% Debentures												

(Includes Stock on hand.)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	October 1961	October 1960			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standing	Cash	Others
	Rs. no.	R. no.	Rs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
WESTERN AND CENTRAL INDIA (Contd.)															
Yash Mills	70 00	42 00	25	6,558	2,975	3,200	26	23,968	30,714	12,532	363	14,047	2,641	613	851
5% Debentures			1000	3,951											
Victoria Mills	500 00	375 00	100	1,600	4,396	2,057	77	6,004	10,896	6,484	64	5,441	4,936	79	
4% R. Cum. preference			25	800											
Vijaya Mills			500	3,500	1,924	2,246	37	10,617	14,585	9,647	149	6,686	6,602	497	94
4% 2nd C. P. T.			100	350											
4 1/2% 3rd R. C. P. T.			100	280											
Vishnu Cotton	145 75	100 00	100	3,200	1,243	1,150	—1,025	10,481	19,458	14,127	533	9,737	3,901	64	50
7% Cum. preference T.	355 00	422 50	500	1,566											
5 1/2% Debentures				3,000											
NORTHERN INDIA															
Basant Cotton	7 75	8 69	10	1,500	115	200	—76	2,607	4,014	2,261	1,155	2,731	167	101	
6 1/2% C. P.	6 94	9 25	10	500											
5 1/2% Debentures			500	710											
Bengal Fine Spinning	6 25	8 00	10	632	451	242	76	4,606	5,417	1,894	5	2,214	44	79	
5% C. P.			100	983											
4 1/2% C. P.			10	10											
Bengal Luxmi Cotton	24 50ad	36 00	40	1,012	1.5	120	—326	5,034	8,951	6,249	20	3,041	705	22	
Ordinary partly paid			30	131											
Ordinary partly paid			20	170											
5% R. C. P.			40	523											
Bengal Napper	4 31	4 08	10	2,700			—812	6,840	8,045	6,024	37	6,631	681	55	
7% C. P.	75 00	75 00	100	300											
4 1/2% Debentures			10	400											
Birla Cotton	26 00	20 00	10	3,996	6,552	1,705	—134	18,311	17,542	12,743	5,321	17,774	3,447	920	
Bowen Cotton	36 62	160 00	100	2,400	750	1,65	114	13,816	15,245	6,77	53	7,47	1,595	84	606

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Pre-vious	Seco-ndary
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTH INDIA—(Contd.)													
Coimbatore Murugan	T. A. Ramalingam Chettiar	23,660	100	2,627	5,595	1,071	30	12-59	202	—137	71%	nil	71%
Coimbatore Pioneer	6% C. P.	28,194	...	7,160	12,577	2,143	169	12-60	1,934	2,265	6%	2%	20%
Coimbatore Spinning	T. R. Narayanaswami Naidu	12,188	407	...	17,728	5,280	50	12-59	685	—167	8.4%	6%	6%
Dhanalakshmi Mills	R. G. S. Naidu & Co.	38,052	201	7,794	15,288	4,104	150	12-60	2,397	2,482	17%	17%	10%
Gnanambikai Mills	V. C. V. Gounder & Bros.	17,248	...	...	31,451	...	...	12-54	2,84	1,91	10%	6%	6%
Hemalatha Textiles	5% Cum. Pref.	...	...	4,129	5,638	1,892	8	6-60	237	210	4%	4%	6%
Jenardana Mills	Sudarsan Private	23,784	...	...	65.11	6.19	97	12-56	5.57	4.93	20%	20%	10%
Jawahar Mills	G. Venkataswami Naidu & Co.	33,472	...	6,569	9,169	2,378	105	12-59	1,382	606	15%	15%	15%
...	Umsymbika & Co.	...	...	...	...	...	...	...	...	...	...	...	...
...	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
...	C. N. V. Naidu & Co.	25,820	...	2,420	3,914	182	30	3-60	337	43	8%	8%	...
...	Kotnari & Sons	41,400	300	10,095	17,838	3,676	119	12-60	(a2)2,836	2,480	10%	10%	...
...	5% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
...	6% B. Preference	...	...	...	...	...	...	...	...	...	...	...	...
...	G. Kappaswamy Naidu & Co.	93,160	201	24,569	44,003	1,589	538	3-61	8,324	6,452	30%	20%	12%
...	...	...	...	...	...	...	...	...	...	...	...	...	...
...	Thiagaraja Chetty & Sons Private Ltd.	24,242	2,24	6,764	10,042	777	...	6-60	879	317	nil	5%	5%
...	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
...	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
...	A. & F. Harvey Ltd.	485,296	...	...	168,966	13,552	...	12-60	18,274	6,45	15%	12%	...
...	Directors	22,592	100	147	2,917	1,736	...	12-58	412	64.5	15%	12%	...
...	Besrdell & Co. Private	25,656	603	6,594	17,579	140	359	3-61	3,675	(d) 4.60	30%	30%	75%
...	...	...	...	...	...	...	...	...	...	...	...	...	...
...	S. K. R. Naidu & Co.	10,016	...	2,419	2,998	850	...	3-59	—65	—200	nil	nil	6%
...	Partly Paid	...	...	...	...	...	...	...	...	...	...	...	...
...	Baghyalakshmi & Co.	41,200	...	5,628	9,693	1,526	50	12-55	(a35)536	629	20%	18%	30%
...	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
...	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
...	John & Co.	27,980	...	4,782	7,317	2,565	25	12-60	805	—901	nil	nil	...
...	K. N. Swami Naidu & Co.	...	...	10,385	16,118	2,501	192	3-60	2,389	1,375	18%	12%	9%
...	...	...	...	...	...	...	...	...	...	...	...	...	...
...	A. G. Gurusamy Naidu & Co.	55,664	300	8,106	17,147	3,302	196	12-60	2,473	1,413	12%	9%	20%
...	...	...	...	...	...	...	...	...	...	...	...	...	...
...	Ramco Agencies Private	24,996	...	6,462	10,154	2,218	115	3-61	1,268	(a40) 336	9%	6%	8%
...	Gudiyatham Textiles Private	8,400	...	2,213	3,457	150	43	12-59	466	315	12%	7%	6%
...	Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
...	S. N. Rangaswami Naidu Sons	...	...	4,875	8,003	1,756	147	3-60	1,734	1,176	23%	16%	10%
...	Ordinary P. P.	...	...	...	...	...	...	...	...	...	...	...	...
...	P. S. G. Naidu & Sons	3,128	88	4,076	7,225	1,231	34	12-61	523	201	6%	5%	16%
...	Directors	14,800	...	6,011	9,032	222	...	12-60	1,2-2	642	15%	10%	10%
...	S. R. P. P. Chetty & Sons	...	...	3,366	6,713	6,111	90	12-58	1,112	633	15%	12%	12%
...	Directors	90,744	292	8,808	13,740	3,841	...	3-61	(j)1,810	1,216	11%	1%	8%
...	Sri K. Rajendra	20,472	200	2,161	3,123	368	25	12-59	—341	—265	nil	nil	...
...	Directors	...	...	...	...	...	...	...	...	...	...	...	...
...	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
...	...	...	...	...	...	...	...	...	...	...	...	...	...
...	G. Ramaswamy	...	...	3,986	6,509	1,195	15	12-59	626	—10	7%	6%	6%
...	P. S. Narayana & Sons	...	...	4,313	6,676	953	59	3-60	907	330	8%	6%	...
...	6% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
...	Emcote & Sons private	...	...	10,667	37,688	1,657	734	12-60	11,379	10,726	20%	2%	12%
...	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
...	4% Debenture	...	...	...	...	...	...	...	...	...	...	...	...
...	Moollee Ramjee & Sons	18,000	...	1,674	4,135	935	48	12-60	56	393	15%	12%	7%
...	R. K. S. Chetty & Bros.	44,424	...	10,557	16,536	1,116	105	12-59	1,249	(a41) 892	15%	12%	12%
...	64% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
...	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
...	G. V. G. Naidu & Co.	44,660	268	9,442	16,589	2,570	234	12-59	2,877	2,224	30%	16%	20%
...	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
...	Balakrishna & Co.	26,536	...	4,445	6,940	635	25	12-59	571	—156	7%	6%	6%
...	N. V. Naidu & Sons	...	...	1,830	2,781	70	10	12-59	262	164	9%	6%	...
...	Thiagaraja Chetty & Sons Private	...	2.00	3,945	5,174	908	45	12-60	512	647	10%	10%	6%
...	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
...	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
...	Do. P. P.	...	...	...	...	...	...	...	...	...	...	...	...

(a) After transferring Rs 20,828 from General Reserve No. 1.
 (b) After transferring Rs 200,000 from Development Reserve and Rs 65,000 from General Reserve No. 1.
 (c) After transferring Rs 250,000 from Machinery Reserve and Rs 300,000 from Dividend Equalisation Reserve.
 (d) After transferring Rs 80,000 from General Reserve.
 (e) After transferring Rs 70,000 from Development and Rehabilitation Reserve.
 (f) After transferring Rs 234,698 from General Reserve.
 (g) After transferring Rs 2,656,522 from General Reserve.
 (h) After writing back Rs 360,718 being excess depreciation provided in 1958.
 (i) After transferring Rs 1,008,546 from General Reserve No. 1.
 (j) After transferring Rs 250,000 from Dividend Equalisation Reserve.
 (k) After transferring Rs 1,230,000 from Dividend Equalisation Reserve.
 (l) After transferring Rs 297,425 from excess depreciation.

(m) After transferring Rs 119,825 from Development Rebate Reserve.
 (n) After transferring Rs 120,000 from Dividend Reserve.
 (o) After transferring Rs 1,400,000 from Dividend Equalisation Reserve.
 (p) After transferring Rs 5,27,512 from General Reserve.
 (q) After transferring Rs 400,000 from General Reserve.
 (r) Includes Rs 100,230 being provisions made in previous years written back.
 (s) After transferring Rs 3,22,899 from General Reserve and Rs 75,000 from Depreciation Reserve.
 (t) After transferring Rs 9,50,000 from General Reserve.
 (u) After transferring Rs 200,000 from General Reserve.
 (v) After transferring Rs 1,00,000 being Adhoc. reduction in Stock-in-trade provided last year.
 (w) After transferring Rs 98,240 from Dividend Equalisation Reserve.

(x) After transferring Rs 390,580 from General Reserve.
 (y) After transferring Rs 255,000 from General Reserve.
 (z) After transferring Rs 525,000 from General Reserve.
 (a1) After transferring Rs 1,075,000 from General Reserve No. 1.
 (a2) After transferring Rs 100,000 from General Reserve and Rs 125,000 from Dividend Equalisation Reserve.
 (a3) After transferring Rs 14,72,855 from General Reserve.
 (a4) After transferring Rs 300,000 from General Reserve.
 (a5) After transferring Rs 4 lakhs from Reserve No. fall in price.
 (a6) After transferring Rs 109,648 from General Reserve.
 (a7) After transferring Rs 750,000 from General Reserve and Rs 45,088 from excess provision for Bonus.
 (a8) After transferring Rs 271,042 from General Reserve.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depre- ciation	Liquid Assets				
	October 1961	October 1960			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Rs. np.	Rs. np.													
SOUTH INDIA (Contd.)															
Coimbatore Murugan	134 00	95 00	100	1,750	168	100	...	2,689	4,914	2,655	205	1,269	1,013	31	...
5% C. P.	76 48	76 00	100	71	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Pioneer	282 80	347 00	100	2,000	400	2,273	14	4,298	10,580	5,963	171	2,810	1,336	152	...
3 1/4% C. P.	78 50	74 75	100	100	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Spinning	64 00	44 50	50	2,077	...	5	-1,258	10,590	13,577	8,909	11	5,555	1,170	10	...
Dhanalakshmi Mills	242 00	223 00	100	4,860	1,700	1,319	...	6,223	13,735	6,842	781	4,786	1,528	115	...
Gnanambikai Mills	...	...	100	927	2,76	...	...	11,70	16,99	8,06	...	11,49	3,04	48	...
5 1/4% Cum. Preference	...	...	100	21	...	...	...	...	...	...	...	...	...	...	...
Hemalatha Textiles	9 90	7 25	10	1,503	125	63	22	1,679	2,891	1,721	48	2,350	100	173	...
5% Cum. Preference	61 40	67 00	100	431	...	...	...	...	...	...	...	...	...	...	...
Jenardana Mills	70 00	57 00	50	890	9,56	2,10	...	10,75	31,40	19,97	1,20	8,21	4,12	5,35	...
Jawahar Mills	12 75	11 25	5	1,686	78	1,290	2	5,299	8,244	4,148	38	3,671	477	72	...
Ordinary	...	...	10	30	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	2	200	...	...	...	...	...	...	...	...	...	...	...
Kasturi Mills	21 43	22 10	25	780	...	340	-304	1,233	3,296	2,235	18	752	212	7	...
Kothari Textiles	13 20	12 00	10	6,720	700	2,052	44	12,494	18,463	6,564	655	9,407	1,553	296	...
6% Cum. Preference	8 80	9 30	10	1,200	...	...	...	...	...	...	...	...	...	...	...
6% 'B' Cum. Preference	...	...	10	600	...	...	...	...	...	...	...	...	...	...	...
Lakshmi Mills	170 00	146 00	50	7,100	1,400	7,090	19	21,081	32,303	17,687	4,942	9,081	11,396	206	...
A. Class Ordinary	76 00	69 50	25	3,550	...	...	...	...	...	...	...	...	...	...	...
Loyal Textile Mills	50 50	35 00	50	3,152	...	418	-323	7,054	10,278	3,823	24	4,492	943	85	...
5% Cum. Preference	66 00	66 50	100	1,499	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	200	...	...	...	...	...	...	...	...	...	...	...
Madura Mills	40 00	33 80	15	17,502	17,807	28,528	721	24,196	67,044	44,322	5,359	48,087	10,376	563	1,697
Madurai Spinning	...	...	200	1,200	350	17	-502	1,859	29,08	1,964	60	1,808	111	2	...
Mettur Industries	388 00	380 00	100	6,000	825	2,136	153	4,879	6,895	5,318	1,892	4,877	229	3,431	1,987
Palamathi Ranganathan	92 00	93 00	100	240	...	...	-263	2,050	1,609	521	5	915	120	8	...
Partly Paid	...	...	50	109	...	...	...	...	...	...	...	...	...	...	...
Palani Andavar Mills	232 50	250 00	50	400	100	1,062	...	4,414	7,629	3,197	16	1,829	348	151	...
'B' Ordinary	295 00	300 00	75	600	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	121 42	125 00	50	206	...	...	...	...	...	...	...	...	...	...	...
Pankaja Mills	91 00	69 00	100	1,500	...	...	-2,512	5,557	3,655	2,701	3	2,706	369	29	...
Premier Mills	307 00	225 00	100	2,500	400	975	12	6,703	12,097	5,31	300	2,708	707	93	...
Radhakrishna Mills	42 50	28 50	25	6,304	1,400	1,630	2	3,359	11,318	7,138	2,915	3,937	1,490	122	...
Rajapalayam Mills	160 00	130 70	100	1,614	4,3	1,484	...	3,681	6,386	2,779	31	2,387	976	181	...
Rajawari Mills	...	...	50	899	101	204	...	1,573	2,851	1,422	214	694	142	48	...
Ordinary	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...
Sri Ramakrishna	207 90	224 00	100	1,492	10	309	...	5,338	8,359	5,004	362	1,991	1,484	1	...
Ordy. P. P.	...	...	10	45	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	50 00	42 01	50	1,502	90	1,056	7	2,790	6,188	3,178	114	1,389	613	370	...
Rayalaseema Mills	161 00	115 60	100	2,233	875	490	7	1,929	5,678	3,103	140	1,402	289	1,128	...
Sivananda	26 25	27 75	10	1,000	500	144	3	3,055	5,157	2,91	215	1,118	422	388	...
Sri Kr. Rajendra	74 50	72 00	50	3,670	725	2,149	14	8,225	14,436	7,676	747	6,445	845	77	...
Sri Sarada Mills	72 00	...	100	641	...	...	-1557	2,342	2,789	1,939	11	528	153	2	...
7% C. P.	100 00	...	100	110	...	...	...	...	...	...	...	...	...	...	...
Tirumurti	128 00	91 75	100	1,455	300	56	...	2,393	5,047	2,514	91	1,311	219	9	...
Tirupati Cotton	13 50	10 50	10	1,271	...	120	23	3,267	4,655	775	134	1,144	178	96	...
6 1/4% Cum. Preference	8 28	7 54	10	744	...	...	...	...	...	...	...	...	...	...	...
Travancore Rayons	43 00	33 00	10	10,000	7,000	2,662	261	14,632	54,173	30,659	133	7,696	5,741	2,251	669
7% Cum. Preference	7 35	8 20	10	5,000	...	...	...	...	...	...	...	...	...	...	...
4% Debenture	...	...	5000	400	...	1,335	...	...	...	...	...	...	...	...	...
Trichinopoly Mills	13 40	11 95	10	1,399	250	655	...	557	2,295	1,576	125	1,268	202	548	...
Varanasi Mills	281 00	238 50	100	2,100	1,800	2,041	18	4,094	9,130	5,796	703	5,090	1,303	52	...
6 1/4% C. P.	94 05	96 75ad	100	300	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	94 00	99 00ad	100	150	...	...	...	...	...	...	...	...	...	...	...
Sri Venkateswara Mills	185 00	180 00	50	3,372	150	1,292	1	5,857	14,587	8,217	65	3,150	1,113	23	...
5% C. P.	47 27	44 00	50	50	...	...	...	...	...	...	...	...	...	...	...
Vijayalakshmi Mills	104 00	87 00	100	1,383	...	100	...	3,119	5,785	2,436	97	961	7,26	29	...
Vijay-swar Textiles	167 00	113 00	100	1,600	...	39	...	1,610	2,881	225	...	386	118	90	...
Vrudhunagar Textile	57 50	49 00	50	1,218	...	406	-195	983	2,505	1,058	10	1,197	74	626	...
5% Cum. Preference	50 00	55 00	100	241	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	As. 4	...	...	...	...	...	...	...	...	...	...	...	...
Deferred (P. P.)	...	...	...	8	...	...	...	...	...	...	...	...	...	...	...

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	REVENUE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	October 1961	October 1960			General	Others	Carry Forward				Investments	Stocks and Bonds	Overseas	Cash	Others
	Ra. n.p.	Ra. n.p.			Ra. 000	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
uckie	25 94	24 75xd	10	446	693	714		756	2,391	941	15	635	279	103	
C. P. P.	21 96	33 46xd	100	75			7	1,435	1,297	482		919	137	43	
nd (Ass m)	15 00N	16 50	10	277	450	251	84	1,618	1,730	579	508	1,631	194	55	
ndabag	23 50xd	20 94xd	10	703	300	457	5	478	556	195	1	217	24	3	
ttipore	7 00	7 00	10	450		80	1	835	1,693	447	41	456	243	37	21
6 C. P.	8 12	6 50	10	300											
Debenture	3 81N	5 30	1000	300											
hmar	20 56	21 87xd	10	550	862	579	44	639	2,654	1,092	53	895	146	6	
aknal	6 65xd	6 50xd	10	400	270	14	43	247	927	318	64	3 8	77	45	11
D-bentures	307 5 xd	3 4 7xd	1000	2,700	2,952	11	93	4,264	6,367	2,600	86	3,450	1,643	1,554	
6 C. P.	75 18	0 7xd	100	400				1,079	4,261	2,394	2	1,518	345	236	
idighi	27 25	21 61	10	510	1,210	25	44	1,798	2,057	2 81	78	9 3	774	499	
matia	26 50	28 06	10	495	305	203	43	899	1,764	1,000	26	500	252	25	
ali	19 06	11 50	5	1,300	400	210	35	459	5 2	296	1,0 2	139	158	45	
tachi	21 12	24 00xd	10	640	5 2	616	75	2,221	1,650	649	1	1,945	387	505	
sa	31 50	21 50	10	900	900	960	6	1,429	2,934	1 40	54	1,251	875	411	62
thawa	17 25	16 75xd	25	869	2,100	1,142	130	1,259	3,825	1,311	500	1,860	269	3 0	103
ynagar	149 00	167 56xd	100	900	925	943	41	1,214	3,016	1,078	349	1,304	341	141	
ara	104 00	101 00xd	100	100											
C. P.	19 31	20 00	10	3,300	700	1,111	320	4,575	7 43		402	4,236	805	3 8	
snath	3 62	2 25	10	400			-364	568	603	3 3 9	102	121	24	30	
snfield			1000	300											
entures	13 70	13 70	10	600	200	126	52	620	1,357	317	1	303	53	1	
akhat	15 62	14 06	10	750	454	553	98	1,005	1,548	476	53	708	966	159	
malhan	48 34	56 00xd	100	100											
C. P.	14 56	17 75	10	450	150	81	-21	5	1,376	535	2	612	210	31	
puhan	15 75	17 25	10	3,500	735	776	254	3,007	9,438	3,417	510	1,642	788	2,731	79
sk Bond	64 50	67 00	100	3,500											
C. P. T															
ron	145 00	157 00	100	600	570	371	18	611	1,308	515	15	785	135	257	
tral Cachar	72 25	71 50xd	100	1,000	52	24	-195	1,891	2,787	1,017	3	1,103	423	149	14
mong	9 37	10 31	10	280	75	75	48	104	436	100	2	181	54	5	
ndypore			100	250		1	47	47	58		2		9	277	
nonabutti	267 00	261 00	100	900	1,420	26	56	1,778	2,995	1 119	401	1,113	524	508	
6 C. P.	92 44	5 50	100	200											
ndocherra	24 94	24 94	10	300	450	358	558	2,034	1,290	461	2	696	503	1,445	225
redon			10	400	730	324	53	1,655	1,012	310	1	530	529	926	83
aracherra	8 40	7 8 1xd	10	600	811	410	52	577	1 16	286	28	511	263	904	50
oe Valley	49 25	65 00xd	10	122	275	484	10	481	1,242	444	1	422	14	26	
si & Purbatia	155 00	127 00	100	840	605	127	-117	2,177	4 04	1,854		1,013	1,365	18	42
akhat	19 31	21 37	10	1,753	985	8	13	1,583	2 82	806	573	715	870	238	
nsari	14 37	16 12	10	700	500	242	14	2 411	2 655	786	30	1,792	256	50	
C. P.	12 12		10	120											
rugarh	32 75	27 12	10	450	577	734	31	1,440	2,941	501	86	787	990	318	
aram	16 00xd	17 00	10	200	107	72	3	91	375	166	1	103	42	118	
akum	25 75	23 04xd	10	473	433	260	146	809	1,767	800	135	930	128	111	
C. P.	3 10	3 11xd	10	70											
flagbar	31 12	38 12xd	10	701	874	388	346	1,168	2 908	1 535	440	1,364	216	87	
India	19 50	17 50	10	1,000	500	355	-70	2,158	3,335	1,227	159	1,479	191	6	
ern Cachar	2 94	2 94	10	700			-566	1,084	873	135	1	359	76	42	
mbarric	176 00	147 00	100	300	200	291	28	429	967	473		598	88	37	31
o	136 09	196 00	100	120	264		-60	315	499	285	2	326	63	31	
albarrie	8 06	9 81xd	10	490	33	35	5	693	1,142	347	77	261	82	51	
irika	185 00	120 00xd	100	750	300	405	126	998	1 946	1 218	4	1,094	73	681	
ille	10 50	9 06	10	200	176	128	2	206	914	361	48	177	135	20	
C. P.	59 50	80 00	100	200											
lapuri	24 12	29 37	10	504	573	70	16	2 039	1,921	695	311	515	1,113	7	
apur	12 94	15 44xd	25	676	283	270	149	1,074	2 428	1,097	1 9	804	135	59	
palpur	19 62	22 32	10	1,050	500	4 98	132	7 66	17 66	7 49	3 12	8 26	9 94	3 96	
ob	10 00	11 62	5	1,192	900	2,319	45	3,822	5,903	1,755	8	2,779	1,010	80	
ngaram	158 00	112 00xd	100	361											
				1,344	1,050	1,376	38	1 584	2,924	1,239	857	1 461	394	976	18
maqua	16 37	15 62	10	500	550	614	27	512	1 544	560	224	548	102	309	
mpara	14 80	1 8 00	100	3,600	1,650	2,339	65	3,019	7 067	2 577	508	3,249	556	1,480	
6 C. P.	84 84N	101 00	100	50											
mmara	31 12	21 62	10	3,200	3,425	3,667	254	6,397	12,323	6,456	863	6,954	2,910	639	
6 C. P.	81 30xd	91 00	100	300											
rtskhira	9 04	10 00	10	1,260	950	250	75	940	3,044	1,329	2	1,527	172	26	
aprajuli	23 25	22 87xd	10	500	724	13	23	982	1 738	515	21	4 7	1,593	67	
akrajuli	145 00	182 00	100	870	1,330	80	6	1,324	3 800	1 566	12	1 617	2 90	118	
akungoorie	29 12	21 62	10	825	2,216	51	82	1,919	3,034	1 443	568	1,874	905	130	
adibari															
mpara	15 25	13 06	10	700	512	1	29	224	1,117	555	2	421	88	392	
akum	18 50	16 69	10	5,857	4,900	486	91	5,979	16,371	5 470	798	3,638	2,062	145	
R. C. P.			100	195											
6 R. C. P.			50	38											
akum	20 50	25 12xd	10	600	1,566	56	133	1,401	1,927	1,027	226	725	385	1,457	
akum	33 44	23 12xd	10	980	575	382	81	2,374	2,224	695	2	2 477	213	32	
akum	10 50	6 25	10	246				66	1,806	357	35	179	298	276	10
limgur & Khorol	85 50	102 00	100	450	200	1 16	5	980	987	928	406	1 240	99	84	
akum	19 40	16 62	10	900	875	1,066	59	1,326	2 694	841	907	1 240	99	84	
mesley Golaghat	122 00 N	160 00	100	350	1,000	322	130	2,261	2,237	850	951	1,187	740	93	
6 Preference	62 80xd	80 00	100	200											
akum	10 50	12 87	5	180			13	-170	2 942	2 193	398		977	176	186
6 Prof.	15 00	15 04	25	218											
akum	8 50	0 72xd	10	500	240	94	3	574	1,269	297	2	318	47	12	

NAME	Managing Agents Agents/Secretaries	Total Crop in mds/Kgs	Average price per pound/Kgs	Total Crop in mds/Kgs previous year	Average price per pound/Kgs previous year	Managing Agents allowance and Commission	Year ended	Net Profit		Dividend per share		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Rs. a. p.	Mds.	Rs. a. p.	Rs. 000		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Kunchanpore	Duncan Bros and Co. Ltd.	4,497	1.71	3,602	1.68	10	12-58	(a)20	(b)18	nil	nil	nil
Kyung Tea Seeds	Shaw Wallace and Co. Ltd.	12,612	1.92	12,139	2.23	3	12-58	821	1,138	30	30	10
Lackatoorah	Duncan Bros and Co. Ltd.	229.67	5.3	188,700	4.70	9	12-60	168	(0)74	nil	nil	nil
Ledo	Williamson Major & Co.	363,711	6.79	293,887	6.46	12	12-50	327	262	15 T	12 T	20
Lingia	5% C.P.	...	...	...	...	...	...	6.9 T	6.9 T	6.9 T	6.9 T	6
Longview	Daga and Co. Private Ltd.	9,568	...	9,536	...	30	12-56	186	120	24	5	17 1/2
Loobah	Octavius Steel and Co. Ltd.	4,272	1.63	4,229	1.58	20	12-58	13	...	nil	nil	nil
Lukwah	Terra Ross Private	15,266	2.37	15,042	2.3	54	12-58	668	...	25	25	35
Malhati	J. C. Ghose & Co. Private	487,210	4.98	475,253	4.80	51	12-60	566	564	16 T	15 T	10
Manabharie	Directors	241,221	...	241,668	...	...	12-60	126	...	10 T	5 T	5
Manipur	Gill Arbuthnot and Co. Ltd.	4,958	1.13	4,363	1.0	25	12-55	2,06	4.94	nil	nil	nil
Margherita Hope	McLeod and Co. Ltd.	177,514	7.60	1,34,445	6.64	14	12-60	315	109	15 T	10 T	10
Manonbarie	Lobra Bros Private Ltd.	3,223	...	9.9	...	2	12-58	...	176	nil	nil	12 1/2
Maud	Lobra Bros Private Ltd.	4,478	2.36	5,334	2.18	20	12-58	700	120	14	6 1/2	12 1/2
Methoni	Octavius Steel and Co. Ltd.	10,32	2.95	10,584	2.74	70	12-58	70	510	2	1	28
Mim	Andrew Yule and Co. Ltd.	6,440	8.83	...	7.63	6	12-60	10	39	22 T	10 T	nil
Mohem	Directors	...	...	5,410	...	...	12-58	162	16	nil	nil	6
Mothola	5% C.P.	...	...	...	...	...	...	...	...	...	...	...
Murphulani (Assam)	Kettlewell Bullen & Co.	68,951	...	...	5.56	25	12-60	106	30	3 T	2 T	20
Naga Hills	Preferred Ordinary	...	5.87	...	...	8	12-60	(m)39	26	5 T	20 T	35
Nazimura	Directors	9,005	1.75	7,506	1.66	...	12-58	244	...	0.6 T	20 T	35
Nazimura	Duncan Bros.	542,19	5.10	516,15	4.85	84	12-60	851	1,75	5	12 T	5
Nazimura	Williamson Major	216,830	6.80	1,83,73	6.92	30	12-60	290	215	10 T	5 T	30
Nazimura	Directors	8,70	2.18	7,065	1.96	...	12-58	364	171	14	1	15
Nazimura	Marion Barry	10,883	2.65	9,752	2.6	...	12-58	461	335	15	25	30
New Assam Valley	Davenport & Co. Private Ltd.	251,88	4.72	...	...	19	12-60	215	27	15 T	15 T	10
New Chumta	Duncan Bros. & Co. Ltd.	163,89	6.64	217,837	5.84	5	12-60	1,130	95	15 T	12 T	25
New Ginnatollah	Andrew Yule & Co. Ltd.	...	...	...	...	108	12-60	...	...	...	...	...
New Doora	64% C.P.	...	...	...	...	...	...	...	...	...	...	...
New Samanbagh	Shaw Wallace & Co. Ltd.	14,523	2.16	12,168	2.05	86	12-58	819	482	7.34 T	9.3 T	4 1/2
Nilpur Tea	Directors	2,472	2.08	3,010	1.88	2	12-58	...	81	nil	7 1/2	30
N.W. Cachar	Directors	...	...	...	...	...	12-60	...	7.3	10 T	10 T	20
Okayti	Directors	2,340	4.34	2.4	4.80	...	12-59	265	28	5.3 T	12 T	nil
Okayti	7% C.P.	...	...	...	...	...	...	...	...	...	...	...
Okayti	Directors	7,914	1.75	7,476	1.58	...	12-58	166	148	7 1/2	10	15 1/2
Okayti	Octavius Steel & Co. Ltd.	61.9	1.70	5,815	1.66	20	12-58	41	4	nil	nil	nil
Okayti	Duncan Bros. & Co. Ltd.	223,657	5.25	1,80,042	5.15	235	12-60	(d)2,675	4,862	12 T	4 T	20
Okayti	Duncan Bros. & Co. Ltd.	112,98	4.90	116,37	4.45	3	12-60	21	28	nil	nil	nil
Okayti	Duncan Bros. & Co. Ltd.	111,014	6.6	68,622	6.36	9	12-60	96	8	nil	nil	11 1/2
Okayti	Directors	2,146	2.53	1,656	2.56	...	12-58	31	84	nil	nil	nil
Okayti	7% C.P.	...	...	...	...	...	...	...	...	...	...	...
Okayti	Directors	2,306	1.50	2,733	1.81	...	12-58	...	...	...	...	...
Okayti	McLeod & Co. Ltd.	357,479	4.8	368,971	4.67	21	12-60	16	210	nil	nil	nil
Okayti	Andrew Yule & Co. Ltd.	...	6.00	...	5.45	15	12-60	2.0	15	40 T	3 T	75
Okayti	Shaw Wallace & Co. Ltd.	...	...	...	...	16	12-60	21	302	nil	nil	nil
Okayti	McLeod & Co. Ltd.	457,274	4.96	486,65	4.74	31	12-60	410	411	15 T	10 T	2 1/2
Okayti	McLeod & Co. Ltd.	272,35	4.96	284,485	4.61	18	12-60	142	7	nil	nil	nil
Okayti	Duncan Bros. & Co.	237,849	4.95	275,246	4.56	18	12-60	152	205	5 T	7 1/2	2 1/2
Okayti	Duncan Bros. & Co. Ltd.	116,50	7.10	16.9	6.53	10	12-60	161	47	5 T	10	10
Okayti	Jardine Henderson Ltd.	26,144	...	25,416	...	77	12-57	867	1,365	20	30	58
Okayti	Directors	531,474	...	633,057	...	...	12-60	632	434	22 T	20 T	15
Okayti	Directors	...	...	...	...	...	12-60	351	386	40 T	15 T	50
Okayti	Williamson Major & Co.	263,694	6.14	21,521	5.84	21	12-60	251	159	22 T	10 T	2 1/2
Okayti	Directors	2,141	3.10	2,405	2.91	...	12-58	131	131	1	1	nil
Okayti	Gill Arbuthnot & Co. Ltd.	2,164	3.59	2.28	3.11	10	12-58	22	35	nil	nil	nil
Okayti	Hoare Miller & Co. Ltd.	136,071	5.95	129,530	6.36	6	12-60	18	71	nil	nil	nil
Okayti	Gonka & Co. Ltd.	3,179	3.19	3,267	2.55	10	12-58	176	(c)134	7	5	5
Okayti	5% C.P.	...	...	...	...	...	...	...	...	...	...	...
Okayti	Directors	5,295	1.65	4,520	1.61	...	12-58	205	98	nil	3	nil
Okayti	4% C.P.	...	...	...	...	...	...	...	...	...	...	...
Okayti	Williamson Major & Co.	152,998	7.41	14,617	6.99	12	12-60	309	232	50 T	3 T	50
Okayti	McLeod & Co. Ltd.	196,711	7.56	174,61	7.48	11	12-60	431	209	15 T	10 T	15
Okayti	Gill Arbuthnot & Co. Ltd.	5,242	1.87	5,206	1.82	17	12-58	35	40	nil	nil	5
Okayti	Octavius Steel & Co. Private Ltd.	4,020	2.47	7,735	2.60	39	12-57	597	474	2	30	24
Okayti	Davenport & Co. Private Ltd.	210,645	6.33	6.2	15	12-60	12-60	229	38	nil	nil	nil
Okayti	Duncan Bros. & Co. Ltd.	306,711	5.57	4,1655	5.64	67	12-61	584	872	4 T	17 1/2 T	12 1/2
Okayti	McLeod & Co. Ltd.	355,616	5.70	417,80	4.92	18	12-61	444	326	25 T	25 T	24
Okayti	Gill Arbuthnot & Co. Ltd.	337,113	6.16	317,979	5.01	60	12-60	584	34	3 T	12 T	15
Okayti	Shaw Wallace & Co. Ltd.	36,690	2.13	35,023	4.92	121	12-59	1,217	753	10 T	12 T	nil
Okayti	5% pref. cum. asto 5	...	...	...	...	...	...	...	...	...	...	...
Okayti	Daga & Co. Private Ltd.	...	...	...	...	...	12-55	...	...	...	...	...
Okayti	McLeod & Co. Ltd.	8,010	1.89	8,084	2.22	25	12-57	218	512	30	25	30
Okayti	10% C.P.	...	...	...	...	...	...	...	...	...	...	...
Okayti	Daga & Co. Private Ltd.	...	...	...	...	...	12-56	67	173	nil	10	...
Okayti	Directors	9,337	...	9,866	...	26	12-58	141	262	nil	nil	...
Okayti	McLeod & Co. Ltd.	480,75	5.90	562,818	5.77	28	12-60	456	721	10 T	30 T	15

(a) After transferring Rs 70,000 from Development Rebate Reserve.

(b) After writing back Rs 90,000 being excess provision for taxation and including Rs 110,000 being excess tax paid recoverable.

(c) After transferring Rs 65,000 from General Reserve

(d) After writing back excess provision for taxation Rs 542,470 and including Rs 444,990 being excess tax paid recoverable

(e) After transferring Rs 125,000 from Reserve.

(f) After transferring Rs 75,000 from Dividend Equalisation Fund.

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

(h) After transferring Rs 35,000 from Revenue Reserve; Rs 72,697 from Depreciation Reserve and Rs 48,794 from Building and Machinery Reserve

(i) After writing back Rs 117,941 being provision for taxation.

(j) After writing back Rs 136,744 from excess provision for taxation and including Rs 143,256 being excess tax paid recoverable.

(k) After transferring Rs 400,000 from Renewals and Replacements Reserve and writing back Rs 180,788 being excess provision for taxation.

(l) After transferring Rs 61,000 from Revenue Reserve and Rs 150,000 from Building and Machinery Reserve.

(m) After transferring Rs 48,000 from General Reserve.

(n) After transferring Rs 145,000 from Revenue Reserve and Rs 5,000 from Development Rebate Reserve.

(o) After transferring Rs 20,000 from General Reserve and Rs 80,000 from provision for taxation and including Rs 88,625 being dividends forfeited

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATELY ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	October 1961	October 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
	Rs. np.	Rs. A.													
Kunchanpore	3 94	7 62	10	360	55	55	4	292	644	268					
Kyung Tea Seeds	7 25	4 81	10	200	35		1	45	183	2	34	302	62	20	
Lackatoorah	18 25	18 25d	10	400	501	296	192	2,181	1,157	393	5	883	540	1,576	
Ledo	17 00	16 00	10	650	146	571	14	629	1,525	453	188	554	193	4	
Lingia	14 00	20 31	10	700	125	82	53	682	1,665	764	389	675	178	2	
5% C. P.	45 90	58 00	100	506											
Longview	10 06	11 25	10	1 032	600	568	32	1 032	2,623	623	209	871	165	18	
Loobah	4 50	4 62	10	564		58	121	776	686	129	2	285	243	189	
Lukwah				800	600	391	44	2,228	1,664	493	1,981	1,140	304	39	
5% Cum Pref.				475											
Malhati	21 12	17 25	10	900	1,726	743	18	944	4,155	2,144	434	1,059	466	321	
Manabharie	54 25	54 25	100	200	516	86	8	1,015	1,557	385		431	306	25	
Manipur			100	420	210	40	6.20	8 82	7 31	1,000		326	32	22	2,12
Margherita Hope	11 50	12 87	10	400	250	207	84	493	893	462	2	259	277	462	
Manonbarie			10	155			373	1,425	1,181	206	2	142	86	1	
Maud	15 00	12 25d	10	800	100	2	5	1,045	1,488	431	195	456	104	18	
Methoni	16 87	17 37	10	1,000	700	550	62	1,213	2,265	699	95	1,014	306	564	
Mim	191 50	211 00	100	159	355	17	16	210	582	243	2	206	97	110	
Mohama	11 50	12 31d	10	480		30	6	605	1,224	292		442	62	7	
6% C. P.	5 25	9 37	10	320											
Mothola	507 00	475 00d	100	150	641	724	47	420		209	11				
Murphulani (Assam)	24 50	20 00	10	175	191	1	6	685			129	616	989		
Prefd. Ord.	22 24	22 00	10	200					2,040	730	3	420	77	47	
Naga Hills	18 10d	24 00	10	400	291	74	31	1,668	1,772						
Nagavore	190 00	151 00	100	960	1,115	1,052	47	1,392	2,775	441	585	687	166	36	
Nagavore	26 00	24 25	10	300	275	261	125	482	770	330	406	1,789	171	450	
Nagavore	13 05d	12 77d	10	535	175	130	3	629	1,217	543	57	380	98	361	
Nambradi			10	675	850	151	45	1,169	1,678	503		493	238	68	
New Assam Valley	33 50	34 75	10	300	250	621	62	364	1,075	502	193	1,24	242	16	
New Chumta	90 00	77 00	100	500			115	1,103	502	266		377	573	57	
New Cinnatollah	296 00	279 00	100	1,400	2,100	34	60	2,857	3,914	1,380	650	549	144	64	
New Doars	74 92	82 20	100	200								2,131	774	662	
64% G.P.	19 25d	25 19	10	400	900	5	244	1,594	1,259	576	1	739	277	1,544	
New Samanbagh	83 50 N	83 50	100	100											
8% C.P.			100	149	60		23	286	395	150					
Nilpur Tea	170 00d	149 00	100	700	600	277	9	2,059	2,224	475	750	245	17	9	
North Western Cachar	600 00	601 00	100	100	53	159		290	524	263		935	158	54	
Oxanti	79 00 N	79 00	100	50								154	48	189	
7% C. P.															
Ondlabari	15 50	13 50	10	640	330	247	10	268	1,238	903	2	382	100	76	
Pathermara	7 5	6 25	10	259			223	1,205	654	94	1	619	60		
Patrakola	142 00	195 00	100	3,600	5,625	1,510	234	8,874	6,677	2,883	8	4,496	3,347	7,975	
Phakowa	127 00	150 00	100	250	185	195	17	102	652	274		277	17	38	
Pobong	7 37	5 56	10	300				173	594	247		159	73	1	
Puseimbung	8 75	10 50	10	205	113	95	87	274	540	97	48	140	57	15	
7% C. P.	90 00	93 00	100	205											
Purinbarre	45 00	45 00	10	100	60	135	13	173	376	168	1	198	38	10	
Rajabhat	15 0	15 06	10	600	577	530	104	519	1,680	716	54	762	234	106	
Rangpur	26 25	37 25	10	200	889	2	48	497	1,613	569	3	414	72	73	
Rangpur	9 56	9 56	10	320	100	46	215	635	885	491	1	482	421	29	
Rangpur	16 62d	16 52	10	765	700	929	37	870	3,680	1,604	54	1,003	429	339	
Rangpur	15 69	15 31	10	260	282	128	6	922	1,314	49	1	516	111	26	17
Rangpur	58 50	71 25d	50	525	550	612	17	302	1,626	508	90	512	89	97	
Rangpur	396 00	350 00	100	140	316	233	21	256	474	207	225	161	89	217	
Ryda	26 69	31 50d	10	1,491	1,804	881	50	2,619	5,520	3,112	4	2,225	1,951	1,775	
Sapi	18 50d	22 37	10	900	300	44	16	3904	3,420	1,458	463	781	968	18	
Saragun	35 00	40 00	10	346	700	239	21	1,316	1,491	706	61	760	1,951	64	
Saragun	23 06d	27 87	10	249	300	210	92	612	1,359	731	2	717	123	9	
Saragun	0 50d	9 00	10	300	125	202	4	149	551	196		173	54	198	
Saragun			100	625		10	28	353	600	239	1	295	121	17	
Singal	37 25	35 50	10	900			663	905	737	109		93	144		
Singal	5 67	6 17	10	300		19	7	341	1,323	294	207	146	90	102	
Singal	4 87	5 12	10	400											
5% C. P.	9 12 N	9 12	10	400											
Sani River	66 00 N	93 00	100	100		105	110	413	1,156	396	1	339	24	3	
8% C. P.	45 00	33 50d	10	300	300	215	144								
Soom	11 12	12 44	10	625	715	356	46	581	773	315	201	115	587		
Soroma			10	500	205	58	20	756	1,850	585	3	213	411	593	
Talpo			10	450	600	250	72	629	1,125	478	1	516	115	26	26
Ten Ah	13 75	13 12	10	320	400	464	11	924	1,311	517	197	836	256	207	
Ten Ah	112 01	104 50d	100	900	1,875	620	28	552	1,518	517	69	278	320	78	
Telapara	28 56d	24 69	10	598	854	589	6	1,116	2,147	755	49	1,091	686	1,095	
Telouan	35 00d	34 37d	10	800	310	311	48	1,002	2,162	744	56	714	567	70	
Tenpani	17 01	5 67	10	1,983	1,550	36	54	1,652	1,000	569	1	1,410	247	570	
Tenpani	9 10	10 39	10	205				2,465	5,114	2,283	83	2,509	718	132	
5% Pref. Cum. as to 5	10 00 N	10 00	10	375	375	56	30	1750	16,15	1,94					
Tikah	49 00d	50 00	10	220	400	575	34	858	1,361	557	1	877	170	85	
Tirrihannah	11 46d	14 03	10	100							2	720	216	440	
10% C. P.	6 44	8 00	10	600	390		6	1,170	1,528	307		734	114	16	
Tenpani	7 48	8 00	10	801	250		39	946	1,689	475	3	417	283	118	
Talwar	32 56d	30 00d	10	520	1,200	1,461	71	2,136	5,337	1,874	53	1,425	357	84	
Tyroon															

SUGAR

NAME	Managing Agents/Secretaries	Cane Crushed Mds/Tons (M)	Sugar Produced Mds/Tons (M)	Sales Rs. 000	Stock Rs. 000	Managing Agents' Commission Rs. 000	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Previous	Second Previous
Andhra	Ranga Rao & Co.	108	...	11,784	2,573	145	9-60	1,799	2,279	20T	20T	15
Batampur	Directors	...	...	6,916	4,076	6-60	...	312	(c)440	6T	8	5
Bati	Narang Bros.	6,760	...	20,661	9,645	110	4-59	1,186	1,242	10	10	10
...	Ordly, B. Class	...	...	...	...	...	...	...	...	10	10	10
Belapur Co.	W. H. Brady & Co.	...	...	16,819	1,686	450	9-59	4,366	5,991	42	40	36
Beland	Bangur Bros. Ltd.	3,508	331	11,108	3,526	72	9-0	879	97	184T	14T	13T
Bharat	Cotton Agents Private	2,495	...	8,339	2,910	82	6-60	842	674	15T	15	10
...	5% R.C.P.T.	...	...	...	...	...	...	...	...	5T	5T	5
Bhopal	Bhivandiwala & Co.	...	...	4,969	3,318	124	9-60	1,345	1,289	22T	25T	20
...	5% C.P.	...	...	...	...	...	...	...	...	5T	5T	5
Carw	Gladstone Lyall & Co. Ltd.	...	...	43,236	6,733	219	6-60	1,313	2,160	nil	nil	24
...	6 1/2% R.C.P.	...	...	...	...	...	...	...	...	nil	nil	64
...	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
...	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Cauvery	Parry & Co.	47 f)	4(1)	12,886	1,920	92	6-60	1,693	1,545	6	6	...
...	6% C.P.	...	...	...	...	...	...	...	...	6	6	...
Cawnpore	B. I. Corporation	11,937	1,113	35,647	8,645	10	10-60	2,08	1,271	nil	nil	nil
...	8% C.P.	...	...	...	...	...	...	...	...	nil	nil	10
Champanan	Beck Sutherland & Co. Pri. Ltd.	5,881	551	22,027	6,613	108	6-60	1,156	1,355	15T	15T	10
Deccan	Parry & Co. Ltd.	...	...	36,164	9,226	296	5-59	3,704	3,516	25T	18	14T
...	7% preference	...	...	...	...	...	...	...	...	7	7	7
Deoria	K. C. Thapar & Bros.	3,170	...	11,611	3,120	24	8-60	139	546	3T	1T	5
...	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Dyer Maslin Breweries	Directors	...	...	31,617	4,651	...	3-60	8,138	5,608	25T	16	15
East India Distillery (E)	Parry's Holding Private Ltd.	...	...	10,471	...	...	9-59	856	831	28T	20	15
...	7% R.C.P.	...	...	...	...	...	...	...	...	7T	7T	7
Ganesh	Directors	3,765	359	10,594	2,796	...	10-61	616	88	61T	10T	10
Ganga Sugar	Directors	...	...	21,080	14,341	...	3-59	2,011	2,819	12T	12T	17T
...	7 1/2% C.P.	...	...	...	...	...	...	...	...	...	...	...
Gobind	Cotton Agents Private Ltd.	2,149	...	7,998	1,945	49	6-59	636	558	11T	11T	11T
...	5% R.C.P.	...	...	...	...	...	...	...	...	5T	5T	5
Gwalior	S. P. Srivastava & Sons Pri.	2,100	...	11,189	1,854	85	6-59	918	1,647	10T	10	10
...	7% R.C.P.	...	...	...	...	...	...	...	...	7T	7	7
...	7% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Harnagar	Directors	...	...	17,603	3,11	...	9-59	1,043	551	1T	7T	7T
...	Ordinary	...	...	...	...	...	...	...	...	...	...	...
Hindusthan	Pachai & Co.	10,324	...	38,553	15,569	371	6-58	5,087	4,831	15	15	15
...	5% C.P.	...	...	...	...	...	...	...	...	15	15	15
India	India Sugar Agencies	...	...	20,453	1,152	...	9-60	2,121	2,004	4T	12T	18
...	7 1/2% C.P.T.	...	...	...	...	...	...	...	...	...	...	...
Jamshet Sugar	Narang Bros. & Co.	3,202	...	11,409	6,17	9	4-59	824	1,391	71T	71T	71T
Jaswant	Directors	...	...	25,489	6,603	...	5-59	(a)2,129	2,360	22T	15	15
...	5% R.C.P.	...	...	...	...	...	...	...	...	51T	51	6
Jeyore	R. S. Indus. Corp.	...	...	5,856	2,956	36	6-58	854	...	6	6	6
...	6% C.P.	...	...	...	...	...	...	...	...	...	...	...
K.C.P.	V. Ramakrishna Sane Pri. Ltd.	...	...	37,647	0,868	390	6-60	(D)3,356	(D)3,075	15T	15	5T
...	5% R.C.P.	...	...	...	...	...	...	...	...	5	5	5
...	6 1/2% C.P.	...	...	...	...	...	...	...	...	...	...	...
Kear	Directors	4,233	404	19,772	23,458	...	7-59	1,123	855	15	10	...
...	5 1/2% R.C.P.	...	...	...	...	...	...	...	...	5T	5T	5T
Kirlampudi	Kuhara Sugar Manager, Private	118	108	10,387	5,230	82	6-60	1,106	754	5T	5T	5T
...	5 1/2% C.P.	...	...	...	...	...	...	...	...	...	...	...
...	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Madura Sugar	Pandita Ravi & Co. Private	...	...	5,741	349	98	7-60	962	914	7T	7T	2T
Maharashtra	M. L. Dhanukar & Co. Pri.	...	...	22,803	1,602	54T	9-59	5,321	5,590	4T	5T	4T
...	7% C.P.	...	...	...	...	...	...	...	...	10T	10	7
Medi Sugar	R. B. Multanial & Sane	5,614	...	55,626	4,519	231	10-59	2,743	2,178	12T	10	7
Mehar	K. C. Thapar & Bros.	1,834	...	6,451	645	...	11-60	143	307	nil	nil	nil
...	Founders	...	...	...	...	...	...	...	...	nil	nil	nil
...	5% C.P.	...	...	...	...	...	...	...	...	nil	nil	30
Mysore	Directors	...	...	44,147	1,061	...	6-60	3,150	2,760	10T	30T	...
Nawabganj	Narang Bros. & Co. Private	2,959	...	12,517	675	25	10-59	145	348	nil	nil	nil
...	'B' Class	...	...	...	...	...	...	...	...	...	...	...
...	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
New India	Cotton Agents Private	4,270	...	14,146	4,024	111	6-60	1,247	1,333	36T	3T	25
...	5 1/2% R.C.P.I.	...	...	...	...	...	...	...	...	5T	5T	5
...	7 1/2% C.R.P.P.	...	...	...	...	...	...	...	...	2T	5T	2T
New Seven	K. C. Thapar & Bros.	2,947	...	...	...	8	3-60	252	12T	5T	3T	2T
New Swadeshi	Cotton Agents Private	4,114	...	15,224	4,261	227	6-59	2,060	920	29	30T	20T
Nizam Sugar	Ordry P. P.	...	...	58,153	20,963	490	6-59	5,176	7,853	16T	18	18
...	Hyd. Govt. Indus. Trust Fund	...	...	...	...	...	...	...	...	5T	5T	5
...	5% C.P.	...	...	...	...	...	...	...	...	4T	4T	4
Ondh	Cotton Agents Private	6,103	...	68,470	9,040	...	6-59	4,307	5,255	18T	17T	12T
...	Ordry P. P.	...	...	...	...	...	...	...	...	18T	12T	12T
...	4% R.C.P.	...	...	...	...	...	...	...	...	4	4	4
Phakon Sugar	Mastel Apte & Kantilal	114	143	11,455	3,706	200	9-60	2,311	2,791	24T	27T	20T
Punjab Sugar	Narang Bros. Private	2,794	...	9,311	2,278	25	10-16	183	25	6	6	6
Portabore	Directors	2,604	...	10,278	61	...	10-59	(b)873	65	nil	nil	10
...	10% C.P.	...	...	...	...	...	...	...	...	nil	nil	10
Ramnagar Cane	Anderson Wright Ltd.	1,904	...	8,519	1,051	...	8-59	1,211	(a)385	11T	15	15
...	6% C.P.	...	...	...	...	...	...	...	...	6	6	6
...	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Ratna Sugar	Ratna Agents	2,827	...	6,513	3,091	38	6-59	662	145	17T	3T	6
...	9% C.P.	...	...	...	...	...	...	...	...	...	...	...
Ravalegaon Sugar	Welch & Co. Private	...	...	15,731	3,222	56	9-60	1,315	(h)1,144	9T	9T	12
...	5 1/2% Cum Prof.	...	...	...	...	...	...	...	...	5T	5T	5T
...	Deferred	...	...	...	...	...	...	...	...	5T	5T	5T
...	Debentures	...	...	...	...	...	...	...	...	...	...	...
Raza Buland	Cowan Bros. (Rampur)	2,014	198	34,875	6,943	309	10-60	3,400	1,093	121T	17T	17T
Ryam	Directors	...	...	8,444	2,73	...	6-59	151	425	15T	15	15
...	6% C.P.	...	...	...	...	...	...	...	...	6	6T	6
Samastipur	Directors	2,425	220	7,179	2,749	...	6-60	(m)-53	(h)170	nil	nil	nil
Shadilal	H. R. Swarup & Bros.	9,901	...	28,115	8,531	54	9-60	(j)2,400	24T	12T	12T	12T
...	8% p.	...	...	...	...	...	...	...	...	11T	8	8
Shree Anand	Directors	2,108	205	6,438	1,937	...	9-60	42	496	5T	5T	5T
...	Debentures	...	...	...	...	...	...	...	...	...	...	...

MILLS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATELY ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	October 1961 Rs. p.	October 1960 Rs. p.			General	Others	Carry Forward Rs. 000				Investments	Stocks & Stores Rs. 000	Outstandings Rs. 000	Cash	Others
Andhra	17 00	28 00	10	3,000	1,800	1,055	25	9,821	11,399	3,349	220	4,664	2,477	286	...
Batampur	2 51	3 12	24	1,301	126	874	48	4,972	3,110	1,927	175	4,401	948	107	15
Bati	90 5 1/2 N	120 50	100	1,200	950	2,712	1,000	9,932	6,611	4,219	2,680	11,153	498	182	117
Ordinary 'B' Class	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Belapur	268 00	365 00cd	50	7,050	11,139	1,357	76	6,291	16,116	10,888	2,375	10,461	577	8,470	...
Beland	11 12	13 31	71	1,949	775	240	1	7,551	5,317	2,560	693	4,548	2,655	169	...
Bharat	16 50	15 50	10	1,500	650	759	4	3,317	2,395	1,595	1,381	3,330	1,057	129	...
5% R.C.P.T.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Bhopal	24 80	23 00	100	1,750	1,400	268	93	4,986	4,781	2,916	55	5,675	1,745	310	117
...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	84 50	84 50	100	1,250	1,360	1,866	276	10,921	15,18	10,892	67	10,934	4,493	381	310
...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Calcutta	13 50	10 75	10	3,200	1,800	1,400	...	...	...	...	...	...	...	...	...
54% R.C.P.	79 00	85 50	100	800	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	1,750	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	400	...	...	...	...	...	...	...	...	...	...	...
Cauvery	116 00	141 00	10	4,000	...	51	74	6,381	9,635	960	...	2,765	1,757	72	600
6% C.P.	84 00	101 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Cawnpore	13 19	14 25	10	3,000	2,050	66	418	12,675	17,66	10,581	256	12,740	2,551	485	617
...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
8% C.P.	118 00	108 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Champaran	16 69	20 44	10	1,800	1,440	166	...	5,126	8,471	6,451	37	7,911	1,475	184	73
Deccan	12 50	15 30	5	3,984	2,100	228	67	12,648	13,666	7,119	395	11,469	2,729	904	185
7% Preference	4 99	6 40	5	700	...	...	...	...	...	...	...	...	...	...	...
Deoria	8 71	9 00	500	500	345	250	32	4,870	3,488	2,148	937	3,925	661	24	4
5% Debentures	...	...	10	2,600	31,00	234	1,12	19,18	57,53	37,24	2,58	36,93	12,89	6,97	...
Darbhanga	12 00	16 06	5	2,727	7,850	4,201	26	8,014	5,973	2,381	434	7,468	6,871	2,663	2,581
Dwar Meakin	31 37	23 62	51	550	1,000	340	69	1,358	1,485	1,57	676	1,240	754	209	...
E.I.D. (S)	34 75	44 00	51	200	...	...	...	...	...	...	...	...	...	...	...
7% C.P.	17 75	16 50	10	2,000	150	3,860	18	5,648	7,384	2,519	2,219	3,772	863	13	...
Ganesh Sugar	19 22 N	19 67	10	5,492	702	621	86	21,493	14,506	4,505	1,822	15,330	2,009	246	36
Ganga Sugar	...	...	10	1,250	...	...	...	...	...	...	...	...	...	...	...
71% C.P.	...	...	...	500	250	127	4	2,963	3,410	1,430	...	2,427	417	20	...
Gobind	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
54% R.C.P.	...	...	100	1,594	...	148	30	4,719	4,888	2,980	1,140	2,914	1,804	890	...
Gwalior	...	...	100	675	...	...	...	...	...	...	...	...	...	...	...
7% R.C.P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
7% C.P.	...	...	10	250	1,000	1,350	12	11,915	8,171	3,763	1,615	4,788	4,407	67	...
Harnagar	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
Ordinary	323 75	320 00	100	6,000	4,662	1,950	43	20,229	21,144	8,621	284	18,201	2,156	121	...
Hindustan	80 00	90 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	11 25	12 35	10	6,397	837	685	311	7,219	8,467	3,366	3,511	2,026	5,663	237	...
India	83 63	88 25	100	1,100	1,266	1,42	616	5,284	3,458	2,015	866	6,975	311	110	...
71% C.P.T.	...	...	100	1,109	1,850	291	55	9,285	13,065	7,442	66	7,776	1,088	140	187
Incent Sugar	5 25 N	5 25	10	2,000	...	...	...	...	...	...	...	...	...	...	...
Jamshedpur	85 00	85 00	100	1,300	...	...	...	...	...	...	...	...	...	...	...
54% B.C.P.	16 25	17 87	10	2,318	744	975	...	12,490	13,651	1,614	30	4,524	1,060	48	32
6% C.P.	89 00	90 80	100	200	...	...	...	...	...	...	...	...	...	...	...
7% C.P.	92 50	101 10	10	1,000	...	...	...	...	...	...	...	...	...	...	...
K.C.P.	74 00	76 60	10	5,857	7,315	2,393	23	41,599	41,759	7,854	2,501	19,275	5,716	118	...
5% R.C.P.	90 45	100 00	10	250	...	...	...	...	...	...	...	...	...	...	...
61% C.P.	94 00	100 00	...	4,077	...	...	...	...	...	...	...	...	...	...	...
Kesar	242 50	197 50	40	1,800	1,100	342	10	8,33	8,526	5,442	177	7,005	2,268	275	330
54% R.C.P.	...	...	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Kirlanpudi	80 00	89 00	100	1,600	...	625	41	7,533	7,637	3,496	1,412	5,675	384	103	...
54% C.P.	135 00	118 00	100	1,950	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	10	2,000	330	307	90	1,037	2,803	1,874	1	470	72	2,193	...
Madura Sugars	...	250 50	50	6,750	4,525	569	162	9,517	15,205	7,221	1,734	7,369	2,611	2,274	...
Maharashtra	188 00	240 00 N	250	500	...	...	...	...	...	...	...	...	...	...	...
7% C.P.	240 00 N	240 00 N	10	7,339	1,240	1,471	12	8,525	13,125	6,14	50	8,134	2,313	404	...
Modi Sugar	...	...	10	1,000	...	219	3,360	7,968	5,725	2,700	20	1,443	1,550	16	28
Mohini	2 03	4 12	1	25	...	...	...	...	...	...	...	...	...	...	...
Founders	70 00 N	70 00	100	200	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	57 75	60 50	10	2,179	6,253	5,643	15	14,250	16,327	10,729	3,715	7,391	7,217	4,274	256
Mysore	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Newabham	60 00 N	60 00	100	1,200	350	1,088	479	4,161	6,477	3,340	1,552	2,171	1,028	621	326
5% B. Class	...	...	50	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	10	789	2,225	807	35	6,160	5,767	3,325	1,702	4,791	1,698	408	...
New India	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
54% R.C.P.T.	...	...	100	49	...	...	...	...	...	...	...	...	...	...	...
71% C.R.P.P.	137 72	150 00	10	1,100	325	183	8	323	4,880	3,071	57	...	437	27	...
New Sevan	5 69	5 31	10	1,351	1,835	3,547	31	6,793	8,199	3,060	714	5,64	2,102	451	...
New Swadahi	352 00	325 00	100	8	...	...	...	...	...	...	...	...	...	...	...
Ord. P. P.	...	...	25	11,002	5,252	3,394	3	43,102	30,263	18,542	343	33,776	19,131	783	480
Nizam Sugar	...	...	25	1,200	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	...	...	25	2,880	...	...	...	...	...	...	...	...	...	...	...
4% C.P.	191 00	182 50	100	7,745	914	2,223	16	14,191	26,114	14,164	338	12,436	4,864	575	...
Oudh	...	...	25	367	...	...	...	...	...	...	...	...	...	...	...
Ord. P. P.	...	...	50	5,000	4,75	1,712	22	8,132	13,853	7,765	217	9,944	2,503	379	...
4% R.C.P.	130 00	65 00	100	1,200	270	57	11	41	3,642	2,166	1,251	2,977	580	61	251
Phaltan Sugar	50 00 N	13 37	10	900	15	2,128	4	99	5,120	3,572	1	1,370	881	204	401
Punjab Sugar	12 00	11 75	10	600	...	...	...	...	...	...	...	...	...	...	...
Portabore	11 12	27 37	10	1,660	2,000	2,008	59	2,038	7,805	3,938	...	3,874	399	6	218
10% C.P.	30 62	85 00	100	400	...	...	...	...	...	...	...	...	...	...	...
Ramnagar Cane	83 00	...	500	595	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	...	...	10	1,175	...	114	77	3,226	3,260	2,416	10	3,505	255	17	...
54% Debentures	1 45 N	1 45	100	39	...	...	...	...	...	...	...	...	...	...	...
Ratna Sugar	...	...	50	3,000	810	3,838	12	10,493	15,838	6,684	1,435	9,888	1,697	208	...
5% C.P.	60 00	104 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Ravalpore Sugar	59 00	62 00	10	400	...	...	...	...	...	...	...	...	...	...	...
54% Cum Pref.	30 00	30 00	500	2,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	6,500	1,445	1,084	65	8,932	8,330	3,947	1,297	8,943	3,108	194	...
Debenture	10 87	13 37	10	800	130	482	5	2,750	2,840	2,361	210	3,376	624	276	...
Raza Buland	9 25	13 25	10	800	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	8 40 N	8 40	10	800	...	...	...	...	...	...	...	...	...	...	...
Sametpur	10 66	13 12	100	859	450	1,938	2	17,814	16,422	7,967	671	10,711	1,737	41	89
Shadil	...	...	100	641	...	...	...	...	...	...	...	...	...	...	...
8% C. preference	10 50 N	11 00	10	2,000	...	2,585	6	3,332	4,860	1,804	1,628	2,312	1,206	20	...
Shree Anand	...	...	...	500	...	...	...	...	...	...	...	...	...	...</	

SUGAR

NAME	Managing Agents/ Agents/Secretaries	Cane Crushed Mds./Tons UUU	Sugar Produced Mds./Tons UUU	Sales Rs. 000	Stock Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest	Previous	Second Previous
Shree Chander...	A. H. Bhawandewalla & Co.	2,394	...	11,31	3,308	13	9-60	2,445	2,512	20	23	18
Shree Hanuman	D. Rameshwarilal	...	...	11,434	2,719	52	9-57	55	546	6	7	9
5% C.P.	...	...	...	...	...	...	...	...	...	5	5	5
Shree Krishna Gyanoday	Sahu Jain Ltd.	9,659	...	36,793	10,546	170	7-60	2,105	2,298	15	15	10
5% A. Pref.	...	...	...	...	...	...	...	...	...	7	7	6
5% B. Pref.	...	...	...	...	...	...	...	...	...	0.5	0.5	5
5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Shree Sitaram	Directors	3,442	...	12,372	3,192	...	8-60	685	515	10	9	5
Sitalpore	Directors	1,781	...	6,026	2,320	...	6-58	63	191	10	9	5
South Behar	Directors	...	...	102,533	2,026	...	10-60	90	214	...	...	...
9% pref. cum. as to 7% Deferred	...	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery & Distill.	K. C. Thapar & Bros.	...	...	11,278	4,388	10	12-60	256	14	...	...	...
5% C.P.	...	...	...	...	...	...	...	...	...	...	...	...
Travancore	Parry & Co. Ltd.	...	...	16,445	3,509	127	4-60	1,259	1,065	...	...	...
5% C.P.	...	...	...	...	...	...	...	...	...	...	...	...
Ugar	Shirgaokar Bros. Pref. A	...	...	8,457	5,880	236	6-59	2,800	1,814	15	15	6
United Breweries	Directors	...	...	4,593	180	...	3-61	(u) 3,394	(c) 3,513	6	6	60
United Provinces	Directors	4,021	...	15,516	1,794	...	9-59	1,311	1,511	15	15	7
Upper Doab Sugar	R. Lal Puri Prasad & Bros.	...	...	41,100	11,001	219	9-60	3,429	3,771	15	15	10
5% R.C.P.	...	...	...	...	...	...	...	...	...	8.5	8.5	6
Upper Ganges	Cotton Agents Private	6,070	...	32,529	5,245	246	6-59	2,960	3,666	7	5	50
5% C.P.	...	...	...	...	...	...	...	...	...	...	...	...
5% C.P.T.	...	...	...	...	...	...	...	...	...	...	...	...
Upper India	Mitra Mandal Private	7,828	...	23,833	16,069	282	4-59	3,263	(c) 3,375	30	25	15
'B' Class Ord.	...	...	...	...	...	...	...	...	...	15	15	15
Vizagapatnam	Kantilal & Sheth	...	...	...	...	12	6-54	2,06	2,30	...	...	5
Walchandnagar Industries	Walchand & Co. private	2061	...	85,529	6,429	377	9-59	(c) 5,396	5,570	10	7	21
7% C.P.	...	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	...	...	...	...	...	...	...	...	...	...	...

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

(b) After transferring Rs 25,000 from General Reserve and Rs 100,000 from Stocks and Stores Reserve and including Rs 327,137 being profit on sale of Agricultural Land.

(c) After writing back Rs 2,800.18 being provision for liabilities no longer required. (d) After writing back Rs 100,000 from Reserve for trade debt and advances.

(e) After writing back Rs 98,511 being provisions no longer required. (f) Given in tons.

ELECTRIC

NAME	Managing Agents, Agents/Secretaries	Latest		Previous		Managing Agents allowance and Commission Rs. 000	Year ended	Net Profit		Dividend per cent		
		Units sold 000's	Revenue Rs. 000	Units sold 000's	Revenue Rs. 000			Latest Rs. 000	Previous Rs. 000	Latest	Pre- vious	Second Previous
Agri Electric Supply ...	Martin Burn Ltd. ... 44% Debentures ...	46,544	5,355	42,780	5,067	93	3-61	(f) 977	(a) 1,250	11T	11T	10T
Ahmedabad Electricity Co. ...	Killick Industries Ltd. ... 44% Debentures ...	...	49,850	...	46,051	795	3-60	12,574	11,861	7T	6T	6T
Amherst ...	Jain & Co. ...	...	...	...	...	31	3-54	1,70	1,68	9T	10T	9T
Amalgamated Elec'ty Co. ...	N. C. Javeri & Co. ... 54% C. P. ... 5% C. P. ...	71,295	10,575	57,565	9,087	370	3-61	2,322	2,050	7-5T	7-1T	5T
Anand ...	Sonawala Co. Private ... 6% C. P. ...	...	506	...	474	15	3-59	92	89	6-5T	6-0T	5T
Andhra Valley Power ...	State Hydro Elec. Agencies Pri ... 7% C. P. ... 4% Debentures ...	...	23,210	...	19,787	157	3-61	6,730	6,661	10T	10T	9T
Bareilly Elec'ty Supply ...	Martin Burn Ltd. ... 44% Debentures ...	14,302	2,473	14,224	2,405	45	3-61	(b) 515	(d) 477	6-5T	6-0T	5T
Bombay Electric ...	Martin Burn Ltd. ... 44% Debentures ...	45,727	5,483	41,254	5,118	62	3-61	(c) 62	(b) 1,011	10T	10T	9T
Bombay Electric Supply ...	Directors ... 6% C. P. ...	2,221	769	2,019	625	...	3-60	118	123	11T	11T	10T
Bombay Elec. Supply ...	Octavius Steel & Co. ... Killick Industries Ltd. ...	5,390	1,417	4,893	1,253	36	3-59	229	189	...	3	6
Bombay Suburban Elec. ...	...	...	14,47	...	12,24	380	3-61	4,648	(c) 4,279	6T	6T	5T
Bombay Elec. Supply ...	Rajputana Textiles Agencies ... 6% Debentures ...	2,180	629	2,068	588	27	3-60	173	191	5	5	8
Calcutta Elec. Supply ...	Directors ... 5% C. P. ... 5% Debentures ...	...	0,229	...	7,467	...	3-59	2,574	2,560	8T	8T	7T
Cochin State Power ...	Chandrie & Co. ...	45,12	5,71	44,20	5,49	...	3-54	1,83	1,99	7	7	5
Cuttack Elec. Supply ...	Octavius Steel & Co. Ltd. ...	5,400	1,299	4,694	1,206	45	3-59	274	276	5	5	8
Harwar ...	Directors ... 5% C. P. ...	...	408	...	371	...	3-60	152	140	10	10	8

18 November 1961

MILLS—Contd

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per share	Paid up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	October 1-61	October 1-61			General	Others	Carry Forward				Investments	Stocks & Stores	Outstand- ings	Cash	Others
	Rs. np.	Rs. np.													
Shree Chandee	21.72	33.25	174	3,750	1,671	242	62	6,331	8,911	6,154	1,316	7,153	882	14	21
Shree Hanuman	15.75	17.00	10	250	1,050	12	5,080	6,446	3,441	6	4.65	15.4	331	...	...
5% C.P.	55.00 N	55.00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
Shree Krishna Gyanoday	16.83	11.75	10	3,949	2,300	662	35	14,181	13,561	8,419	2,150	12,932	3,088	45	1,260
6% A. Pref.	43.30	72.10	100	600	...	...	...	...	...	...	...	...	...	...	...
5% B. Pref.	51.25	61.75	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Shree Sitaram	7.12	11.0	10	1,589	1,18	592	45	5,771	3,618	2,410	2,776	4,292	781	31	...
Sitalpore	6.1	6.62	10	1,000	35	25	339	4,666	3,212	1,485	27	2,631	674	23	67
South Behar	3.10	3.87	10	915	...	45	1,443	6,512	5,118	1,147	1,487	2,918	2,091	23	...
9% Pref. Cum. as to 7% Deferred	20.50 N	20.50	100	500	...	...	...	...	...	...	...	...	...	...	...
8% Debentures	0.25 N	0.25	24	440	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery	...	...	10	1,500	433	108	1,332	10,141	1,171	587	...	5,446	3,744	124	14
5% C.P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Travancore	6.4	12.0	10	3,000	40	1,651	147	3,77	6,910	3,355	...	4.31	1,429	1,012	39
5% C.P.	7.40	8.75	10	1,500	...	...	...	...	...	...	...	...	...	...	...
Ugar	140.00 N	140.00	100	2,795	1,377	1,236	30	11,919	10,800	5,311	814	9,476	1,192	150	...
Pref. A	...	...	100	3	...	...	...	...	...	...	...	...	...	...	...
United Breweries	104.00	111.50	10	2,000	3,825	2,175	54	3,551	6,37	2,00	5,531	1,820	310	51	...
United Provinces	14.21	16.87	10	1,600	551	902	109	1,554	2,711	2,81	69	7,711	1,241	72	...
Upper Doab Sugar	...	...	100	4,906	1,100	4,401	26	17,613	22,952	9,160	197	11,473	1,912	102	...
6% R.C.P.	...	...	...	1,351	...	...	...	...	...	...	...	...	...	...	...
Upper Ganges	77.00	17.00	10	800	2,200	2,167	44	10,911	18,328	9,743	552	7,243	2,032	116	...
5% C.P.	19.10	7.00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5% C.P.T.	69.00	79.00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Upper India	7.00 N	102.00	100	350	2,280	1,382	51	21,064	10,605	4,6	101	17,620	4,275	86	...
B. Class Ordinary	7.10 N	8.75	25	2,500	...	...	...	...	...	...	...	...	...	...	...
Vizagapatnam	...	...	10	717	42	...	...	...	...	...	...	...	...	...	...
Walchandnagar Indrs.	167.00	299.00	100	10,100	2,830	9,613	178	20,814	34,734	12,906	931	24,045	3,283	9.0	...
7% C.P.	115.00	124.00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	...	...	2,500	...	...	...	...	...	...	...	...	...	...	...

(f) After transferring Rs 475,000 from Dividend Equalisation Reserve and including Rs 345,000 being difference in producers price.

(g) After transferring Rs 150,000 from Dividend Equalisation Fund and Rs 150,000

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	October 1961	October 1960			General	Other	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Other
	Rs. np.	Rs. np.													
Dishergarh Power ...	93 00	100 00	100	4,320	2,500	218	406	2,872	10,416	4,008	3,460	1,061	1,404	779	13
5% A.C.P. ...	62 50	78 50	100	1,600											
4% B.C.P. ...	55 75	75 00	100	1,200											
Elmore Electric Supply ...	20 50	16 97	10	300		37	4	2.33	6.26	1.73	18	75	61	67	
Gourepore Electric Supply ...			100	5,000	1,400	1,324	31	4,543	17,713	5,981	423	1,609	1,583	51	
4% Debenture ...			1000	2,500											
Gudvada Electric Supply ...			100	118		3	3	1.03	2.01	62	6	23	38	18	
Jhansi Electric Supply ...	5 92	6 62	10	535		29	3	9.71	21.44	9.16	5	2.98	4.18	25	
5% Debentures ...			1000	380											
Jorhat Electric Supply ...			10	250		8	17	1.48	5.88	2.44		32	82	17	
6% Cum. Preference ...			100	50											
6% Debenture ...				35											
Jubbulpore Electric Supply ...	10 75	13 25	10	2,250	1,398	1,402	33	4,378	11,204	4,293	281	570	968	262	468
Kanadukathan ...			500	500		1	10	2.14	8.92	4.35	57	81	62	11	56
Kansikal Electric Supply ...	9 20	9 75	10	210		58	22	3.74	5.88	1.78		116	110	29	
Kumbakonam Elec. Supply ...	10 78	9 85	10	1,500	75	533	2	2,168	5,182	1,672	85	414	331	187	
% Cum. Pref. ...	8 45	9 00	10	250											
Mangalore Electric Supply ...			10	560	28	3.09	57	5.49	20.16	8.99	56	1.92	1.35	1.41	
5% Debentures ...			500	137											
Mazapur Electric Supply ...	6 28	7 50	9	495	125	99	39	386	1,310	640	29	231	133	80	
Mozufferpore Elec. Supply ...	11 06	9 87	10	582	183	210	9	2,402	3,613	1,213	28	368	365	135	90
Muttra Electric Supply ...	9 85	10 00	10	700	9	99	22	988	1,784	783	126	250	300	137	
Nadiad ...	54 00	54 00	50	250		359		414	1,345	332	14	91	1.23	86	26
6% C. P. ...	39 00		50	3.0											
Nasik Deolali ...	115 00	105 00	100	1,168		1,000	1	1,424	4,237	1,460	222	394	286	348	28
7% Cum. Pref. ...	91 50	91 50	100	100											
6% Debenture ...				1,000											
Nagapattinam Electric Supply ...	10 00	8 90	10	498		198	1	440	1,534	576	54	143	174	108	
5% C. P. ...	8 20	8 90	10	100											
4% Debentures ...			100	200											
Patna Electric Supply ...	11 50	10 12	10	3,507	2,605	1,440	79	4,628	14,185	5,606	439	2,188	2,367	527	
5% Debentures ...			500	2,000											
Poona Electric ...	84 50nd	108 50	100	4,889		1,257	4	7,508	15,773	6,160	2,411	525	959	1,158	191
7% Cum. Pref. ...	101 00	101 00	100	400											
6% Debentures ...				800											
Subarnapur ...			100	469		93	4	872	1,415	570	181	158	227	6	
Partly Paid ...			10	28											
Salem Erode Electricity ...	13 26	12 50cd	10	880	600	733	33	2,957	5,452	1,962	278	468	544	814	
6% R. C. P. ...	8 25	8 25	10	400											
Suppur Electric Supply ...			10	300	225	182	3	1,606	2,026	518	40	364	250	103	
Shahala -ur Elec. Supply ...	6 19nd	6 87	10	910	165	52	37	6.6	1,120	5.4	154	398	5.4	124	14
Shillong Hydraulic ...			2	773	1.66	1.56	60	911	21.61	9.00	21	53	107	88	3.40
Partly Paid ...			10	1,680	321	1,178	12	1,466	7,187	4,654	388	1,388	950	369	48
Sijua (Jhannah) Elec. supply ...	9 50nd	9 12	10	1,020											
5% Debentures ...			1000	1,671	1.10	88	15	36.27	53.94	13.65	3.19	5.57	2.91	1.01	6.15
South Arcot Electricity ...			100	200											
6% Cum. Preference ...			100	200											
54% Cum. Preference ...			100	200		2,373	12	9,607	22,211	7,428	351	2,489	1,630	2,284	
South Malabar Electric ...	18 10cd	10 00cd	10	7,000											
54% 1st Cum. Preference ...	7 80	8 56cd	10	2,200											
54% 2nd Cum. Preference ...	7 95	8 75cd	10	800											
6% Debentures ...			100	200											
5% Debentures ...			100	100											
54% Debentures ...			100	200											
Serat Electric Co. ...	101 00	84 50	100	6,997	454	1,821	5	4,462	15,174	5,153	400	1,530	1,711	254	1,323
4% Cum. Preference ...	107 00	108 00	100	500											
Lata Hydro Electric ...	110 00	103 00	100	23,994	6,801	5,502	26	36,310	85,168	20,375	4,798	3,411	3,855	260	4,650
7% C. P. T. ...	101 00	103 50	100	8,928											
Tata Power Company ...	110 71	1022 50	1000	51,536	12,440	18,594	33	74,318	207,853	43,157	4,601	12,545	11,945	949	8,571
74% C. P. T. ...	1046 25	1100 00		8,697											
6% Debentures ...				12,089											
5% Debentures ...				25,000											
Tinnevely Tuticorin Elec. ...	11 50	12 50cd	10	970	438	329	30	2,040	4,550	1,783	267	600	386	234	
6% R. C. P. ...	8 24	8 90	10	450											
United Provinces Electric ...	115 50nd	124 00	100	5,600	2,690	5,121	89	20,527	42,950	15,485	1,581	2,902	3,254	1,785	31
44% Debentures ...			100	3,000											
Upper Ganges Valley ...			10	598	243	224	9	1,800	2,109	936	92	464	522	415	10
Upper Jumna Valley ...	14 65	18 19	10	500	529	721	36	4,707	5,775	1,366	201	426	717	726	14
Vellore Elec. Corporation ...	13 75	12 50cd	10	400	48	1.57	1.45	16.94	24.17	6.57	63	2.46	2.16	2.76	9
6% Cum. Preference ...	5 81	6 75	10	125											
West Coast Electric ...	14 00	13 12cd	10	1,000		1.67	52	15.16	26.59	6.42	45	3.25	2.68	1.41	1.90
54% Cum. Preference ...	5 74	6 50cd	10	250											

(t) After transferring Rs 72,022 from Reserve for Tariffs and Dividend Control.

SOUTH INDIA

NAME	Managing Agents, Agents/Secretaries	Crop Harvests			Sales Rs. 000	Stocks Rs. 000	Managing Agents' Commission Rs. 000	Year ended	Net Profit		Dividend Per Cent		
		Tee 000 lbs.	Coffee 000 Cwt. —T nnes	Rubber 000 lbs.					Latest Rs. 000	Previous Rs. 000	Latest %	Pre- vious %	2nd Pay. view
Alagarwar	Ramani & Co. Directors	...	...	...	1,125	35	18	3-61	2 8	100	15 1/2	7 1/2	7 1/2
Amalgamated Coffee	6% Cum Prof. 5 1/2% Debentures	...	...	...	2,314	612	...	3-61	415	316	10 1/2	10 1/2	6
Anandam	A. V. George & Co. 7% C. P.	288	...	112	613	69	13	12-59	145	106	15 1/2	10 1/2	13
Anapara	6% Debentures Associated Planters Private	...	9	...	1,663	1,400	43	6-60	432	620	20 1/2	25	35
Arthala	6% Debentures R. N. Kapur & Co. Ltd.	2,86	...	...	4,35	76	...	3-59	40	14	nil	nil	nil
Athimattam	6% C. P. M. Sebastian 6% Debentures	...	...	...	190	42	4	2-61	34	14	5 1/2	nil	nil
Bababuddin	A.V. Thomas & Co. (Mysore) ... 6% C. P.	...	2	...	411	...	8	6-60	59	132	8 1/2	12 1/2	25
Cadra	Young India Agencies Private 7 1/2% R. C. P.	...	...	...	594	378	14	5-60	146	164	6 1/2	6 1/2	17 1/2
Channoor	Young India Agencies Private 7 1/2% C. P.	338	2	43	1,221	440	17	3-60	266	336	15 1/2	15 1/2	17 1/2
Chennadien	Planting Agencies Private 6% C. P.	...	...	...	...	...	6	5-61	48	53	7 1/2	7 1/2	7 1/2
Ch. Ba	Mg. Director 6 1/2% C. P. T. 6 1/2% R. C. P. T.	...	...	360	610	27	...	3-59	152	168	6 1/2	6 1/2	6 1/2
Blue Mountain	Kothari & Sons Agencies Pri. ...	1,621	...	...	7,800	231	309	6-60	2,933	907	12 1/2	12 1/2	12 1/2
Chandramalai	Directors 7 1/2% Cum Prof.	362	...	...	777	150	...	6-60	154	111	10 1/2	12 1/2	15
Chembra Peak	Peirce Leslie & Co. Ltd. ...	1,818	225	...	3,923	617	92	3-61	1,229	736	20 1/2	21 1/2	15
Cochin Malabar	Peirce Leslie & Co. Ltd. 7% C. P.	...	...	1,264	6,692	392	160	2-61	2,082	() 544	20 1/2	17 1/2	15
Coffee Lands	Consol Coffee Estates 5% C. P.	...	...	...	5,206	317	2	6-60	351	1,601	6 1/2	25	20
Consolidated Coffee	Mg. Director 6% C. P.	...	...	...	...	...	...	6-60	(b) 3,141	4,710	21 1/2	25	20
Consor Tea	Matheson Bosanquet & Pvt. Co. 6% C. P.	350	...	...	946	144	18	9-59	241	259	6 1/2	6 1/2	6 1/2
Georg Tea	Srinivas Agencies 6 1/2% R. C. P.	182,344	...	...	...	...	25	3-61	260	177	20 1/2	20 1/2	6 1/2
Cottanad Plantations	Associated Planters pri. 7 1/2% C. P. P.	160	...	49	672	272	13	3-61	143	114	7 1/2	7 1/2	6 1/2
Cowooddy	Peirce Leslie & Co. ...	...	...	...	...	...	13	6-60	185	126	25 1/2	25 1/2	65
Doverdale	Mg. Director Young India Agencies Private 7 1/2% C. P.	375	...	...	908	108	...	12-59	283	341	25 1/2	25 1/2	17 1/2
Devon	...	302	1	...	766	197	5	3-60	97	110	15 1/2	15 1/2	17 1/2
Emerald Valley	Parkins Private Ltd. ...	128	...	...	262	64	8	12-58	75	98	6 1/2	6 1/2	10
Gokul Rubber	Young India Agencies ...	...	...	83	131	51	7	12-59	68	59	9 1/2	6 1/2	6 1/2
Hailayburia	Parkins Private Ltd. 5% C. P.	1,722	...	...	2,785	807	48	12-59	(d) 523	1,079	12 1/2	20 1/2	15
Highland	5 1/2% Debentures A. V. Thomas & Co. 6% C. P.	1,271	...	111	2,544	237	56	12-58	557	472	15 1/2	7 1/2	20 1/2
Kadur	Young India Agencies Private 6 1/2% C. P.	...	...	...	124	115	2	5-60	18	18	7 1/2	7 1/2	7 1/2
Kalais	A. V. George & Co. 6% Debentures	...	...	959	1 66	171	65	2-60	637	588	22 1/2	20 1/2	25
Kalam	Peirce Leslie & Co. 7% Debentures	...	...	...	1,280	196	34	3-61	477	282	25 1/2	20 1/2	15
Kalpetta	A. V. Thomas & Co. E. I. Agencies Private	292	...	267	939	227	15	4-60	180	202	12 1/2	12 1/2	10
Karibode Rubber	6% Cum Prof. 6% Debentures	...	...	133	187	64	8	12-59	34	56	6 1/2	6 1/2	6 1/2
Kil Katagiri	Peirce Leslie & Co. 6% C. P.	1,044	...	...	2,955	619	96	10-60	1,344	897	25 1/2	35 1/2	15
Kumargode	Peirce Leslie & Co. Ltd. 7 1/2% Debentures	...	...	...	789	...	20	10-60	273	220	20 1/2	20 1/2	20 1/2
Kurchemala	1% Osment & Co. Pr. Ltd. 6 1/2% Cum Prof.	257	147	...	626	103	17	3-61	171	150	4 1/2	nil	8 1/2
Lingsapur	Peirce Leslie & Co. Ltd. Matheson Bosanquet & Co. Pri.	260	...	...	747	81	14	3-61	17	349	25 1/2	2 1/2	30
Lucky Valley Tea	Young India Agencies Private 6% C. P.	403	...	...	849	114	10	6-60	131	...	...	...	...
Malabar Agricultural Co.	...	...	...	...	...	...	...	...	...	...	...	...	...
Malabar Industrial	Mg. Director Johnson's Estates & Agencies	85	...	320	626	8	...	2-60	49	76	6 1/2	7 1/2	10
Manor	Vasanth & Co. Private Rubr Industries Private	135	...	...	1,145	118	37	3-61	483	519	15 1/2	16 1/2	17 1/2
Manimala	5% C. P. 6% Debentures	...	...	...	29	3	6	12-58	97	9	10 1/2	5 1/2	12 1/2
Marana	Associated Planters Private 6% Preference	...	...	260	431	164	12	6-60	120	128	20 1/2	20 1/2	20 1/2
Midland	A. V. Thomas & Co. Ltd. 6% C. P.	1,501	...	930	4,504	429	101	3-60	1,332	1,050	12 1/2	10 1/2	10 1/2

Continued.

PLANTINGS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	October 1961	October 1960			General	Others	Carry forward				Invest- ments	Stocks & Stores	Out- standings	Cash	Others
	Rs. 100	Rs. 100			Rs. 000	Rs. 000	Rs. 100				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Alagarwar	2 95	2 35cd	2	606	530	22	30	570	1 645	457	76	81	296	81	...
Amalgamated Office	11 06	13 15cd	10	675	...	236	15	721	1 988	350	1	8 1/2	209	56	...
6% C. P.	6 60	6 50	10	600	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	500	475	...	...	...	...	...	...	...	...	...	...	...
Anandam	13 80	14 50	10	250	...	579	31	245	1 382	125	...	83	9	5	...
7% C. P.	7 30	7 81	10	250	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	100	121	...	...	...	...	...	...	...	...	...	...	...
Anapara	3 70	4 65	2	1 218	228	...	34	2 602	2 059	233	259	1 452	852	66	...
6% Debentures	...	...	100	384	...	...	...	...	...	...	...	...	...	...	...
Arthala	4 00	4 00	5	300	...	11	-1 9	1 360	992	145	723	115	49	11	10
6% C. P.	9 20	9 20	10	200	...	...	...	...	...	...	...	...	...	...	...
Athimattam	0 9 cd	1 13	2	325	...	...	3	96	672	22	...	57	14	66	7
7 1/2% Debentures	...	...	...	150	...	...	...	...	...	...	...	...	...	...	...
Bababuddin	8 03	9 00	5	400	100	86	2	168	730	106	74	336	14	8	...
6% C. P.	7 67	8 14	10	300	...	...	...	...	...	...	...	...	...	...	...
Badra	3 39	3 84	2	425	300	100	26	424	8 6	93	12	392	158	99	...
7 1/2% C. P.	7 97	8 50	10	150	...	...	...	...	...	...	...	...	...	...	...
Balanoor	14 50	16 10	10	1 099	385	30	4	698	1 725	319	22	541	423	95	...
7 1/2% C. P.	9 74	10 30	10	250	...	...	...	...	...	...	...	...	...	...	...
Balmadies	2 00	2 36	2	300	150	75	5	99	458	62	54	30	17 1/2	90	...
6% C. P.	7 57	8 38	10	75	...	...	...	...	...	...	...	...	...	...	...
Be. Be.	2 35cd	2 40	5	866	...	336	1	225	1 336	...	268	52	30	20	153
6 1/2% C. P. T.	2 2 cd	2 70	5	141	...	...	...	...	...	...	...	...	...	...	...
6 1/2% R. C. P. T.	5 1/2	6 12	10	246	...	...	...	...	...	...	...	...	...	...	...
Blue Mountain	3 12	5 03	2	5 250	1 850	1 091	284	3 411	7 901	1 366	18	475	2 489	2 386	...
Chandramalai	2 45	2 40	2	550	500	9	19	344	1 646	340	...	146	73	34	...
7 1/2% C. P.	1 78	1 91	2	1 7	...	...	...	...	...	...	...	...	...	...	...
Chembra Peak	3 16	5 15	2	1 400	1 300	143	44	1 136	2 700	937	...	879	149	1 172	...
Cochin Malabar	7 45	6 45	3	2 691	2 000	31	10	2 69	5 5 6	9 2	...	836	331	1 383	...
7% C. P.	48 50	5 75	50	113	...	...	...	...	...	...	...	...	...	...	...
Coffee Lands	16 50	2 75	10	2 250	2 850	261	92	1 774	5 364	1 319	118	789	2 732	583	...
5% C. P.	71 08	74 00	100	1 041	...	...	...	...	...	...	...	...	...	...	...
Consolidated Coffee	20 80	25 75	10	7 155	6 021	606	61	5 735	15 860	4 090	598	1 420	7 499	372	...
6% C. P.	1 47	23 25	25	1 871	...	...	...	...	...	...	...	...	...	...	...
Consor Tea	26 50	27 25	10	378	335	946	29	403	2 163	164	3	199	19	21	...
6% C. P.	80 25	89 65cd	100	150	...	...	...	...	...	...	...	...	...	...	...
Cons Tea	5 45	5 31	2	480	...	520	2	290	1 375	242	1	256	120	40	...
6 1/2% R. P.	4 20	4 46	5	250	...	...	...	...	...	...	...	...	...	...	...
Cottanad Plantations	9 45cd	11 25	10	600	30	480	2	5 0	1 495	59	1	296	93	15	...
7 1/2% C. P. P.	9 50cd	10 80	10	100	...	...	...	...	...	...	...	...	...	...	...
Cowooddy	4 50	5 12	2	409	206	...	28	273	312	77	15	273	8	427	...
Devashola	31 01	29 87	10	600	45	27	1	2 3	1 226	3 1/2	131	174	16	2 4	...
Devon	13 76	14 17	10	449	25	7	4	348	1 081	225	10	248	142	76	...
7 1/2% C. P.	82 00	95 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Emerald Valley	5 05	5 65	5	350	125	8	5	97	3 9	60	...	87	12	175	...
Gokul Rubber	2 00	1 93	2	450	20	...	1	101	380	16	115	54	41	37	...
Hailayburia	13 90	13 75	10	2 500	850	928	2	1 530	5 208	926	4	1 184	476	340	...
8% C. P.	68 58	72 50	100	250	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	230	...	...	...	...	...	...	...	...	...	...	...
Highland	14 10	14 20	10	1 800	481	518	21	678	3 013	640	410	401	219	389	...
6% C. P.	7 25	8 03	10	300	...	...	...	...	...	...	...	...	...	...	...
Kadur	2 78	2 74	2	120	35	14	2	102	165	5	...	124	10	21	...
6 1/2% C. P.	6 04	6 15	10	50	...	...	...	...	...	...	...	...	...	...	...
Kalais	5 55	5 10	2	1 164	578	500	27	774	2 890	288	18	214	5	525	...
6% Debentures	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Kalasa	5 53	4 30	2	600	750	136	60	424	1 577	394	...	346	83	521	...
7% Debentures	...	...	500	165	...	...	...	...	...	...	...	...	...	...	...
Katpatts	11 87cd	11 87cd	10	800	638	266	1	371	1 797	349	27	335	95	197	...
Karibada Rubber	8 22	9 22	10	200	...	125	2	101	539	31	15	70	19	23	...
5% Cum Prof.	6 99	7 20	10	150	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	55	...	...	...	...	...	...	...	...	...	...	...
Kil Katagiri	4 88	5 45	2	1 717	915	297	16	1 130	3 315	571	...	710	17	854	...
6% C. P.	8 40	8 12	10	250	...	...	...	...	...	...	...	...	...	...	...
Kannur	4 58	4 80	2	400	375	...	15	235	982	185	...	144	5	141	...
7 1/2% Debentures	...	...	500	91	...	...	...	...	...	...	...	...	...	...	...
Kurchimala	4 97	8 70	10	690	214	...	1	287	1 267	116	1	117	29	21	...
4 1/2% Cum Prof.	5 31	6 5 cd	10	130	...	...	...	...	...	...	...	...	...	...	...
Lingsapur	4 45cd	6 50	2	425	200	507	7	354	5 8	5	206	413	18	3 6	...
Lucky Valley Tea	11 45	12 25	10	500	70	1	36	386	9 8	61	...	104	21	1	...
Malabar Agricultural Co.	7 10	7 10	10	500	50	50	11	1 105	2 280	240	1	127	44	4	...
6% C. P.	14 93	16 56	20	500	...	...	...	...	...	...	...	...	...	...	...
Malabar Industrial	11 25cd	12 00cd	10	450	61	92	1	387	739	52	45	33	197	20	...
Malankara	17 50	17 75cd	10	1 350	173	312	1	515	2 1 9	408	...	165	8	456	...
Maner	2 41	2 40	2	350	10	17	15	33	14 9	22	6	120	5	26	...
Manimela	8 75	8 75	10	400	...	...	28	114	775	7	...	5	...	6	8
5% C. P.	9 00	9 00	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	180	...	...	...	...	...	...	...	...	...	...	...
Messers Rubber	8 67	8 67	5	325	250	...	10	221	758	...	...	197	53	48	...
6% Preference	7 10	7 65	10	250	...	...	...	...	...	...	...	...	...	...	...
Middlelands	11 00	12 00	10	4 850	310	1 311	66	1 998	9 079	1 184	189	964	290	177	...
6% C. P.	6 62	8 43cd	10	1 720	...	...	...	...	...	...	...	...	...	...	...

SOUTH INDIA

NAME	Managing Agents Agents/Secretaries	Cash Flows			Sales	Stock	Managing Agents all wages and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea 000 lbs./kgs.	Coffee 000 Cwts	Rubber 100 lbs.					Latest	Previous	Latest	Previous	2nd Previous
Miamalay ..	Directors 74% C. P.	463	...	...	780	106	...	3-60	168	198	157	20	18
Mysore Amalgamated	W. T. Industrial Corp. 6% C. P.	...	...	...	217	...	4	3-60	28	53	117	10	10
Mysore Coffee	Pavan & Co. (Private)	...	...	...	882	...	24	6-59	212	157	15	15	15
Mysore Plantations	Mg. Director 6 1/2% C. P.	122	1	...	400	108	...	3-60	5	61	nil	6	6
Noolmalai	A. V. Thomas & Co. 5% C. P.	1,430	2	...	4,637	939	71	6-60	746	(c) 571	74	74	74
Nelliampathy	A. V. Thomas & Co. Ltd. 6% C. P.	745	...	83	1,902	301	30	6-59	230	492	10	11	20
Nelliethanam	Directors 7% C. P.	...	...	67	176	21	...	3-59	30	58	74	10	123
Nemmeny	A. V. George & Co. 7% C. P.	...	...	512	867	172	18	12-59	185	200	15	15	74
New Glen Morgan	Ramu & Co. Private	4,15	...	...	5,86	78	23	12-55	94	221	nil	nil	nil
Nilambur	Associated Planters (Private) 5% C. P.	...	...	133	181	58	7	12-60	63	13	157	15	20
Nilgiri Tea	Debtentures A. V. George & Co. 6 1/2% C. P.	999	...	...	2,005	299	39	3-60	416	198	11	5	6
Nonsuch Tea	Harrison & Crofield	1,276	...	...	3,942	550	69	6-61	1,419	1,197	101	20	35
Ocherlony	Peirce Leslie & Co. 5% Debtentures	1,108	...	...	5,731	...	41	10-59	(1,597)	b) 336	15	10	10
Panchur	Directors	14	111	...	2,70	330	58	6-59	837	94	27	25	174
Parkside	Math. Ramanujam & Co. Aspinwall & Co. (Trav.) Ltd.	1,045	...	...	4,402	...	52	12-60	1,650	1,321	221	221	182
Peermade	6% C. P.	...	15	363	82	180	...	2-60	375	7	2	20	21
Pennamalar	Directors	2,332,142	...	...	11,58	1,738	241	3-61	3,138	1,845	217	131	123
Periakaramalai	Peirce Leslie & Co. Ltd.	...	...	...	...	...	...	...	...	...	...	...	...
Periyar & Parakkam	E. I. Agencies Private Ltd. 74% R. C. P.	...	...	345	501	137	9	12-59	169	151	4	12	71
Ponmudi Rubber	64% Debtentures Directors	...	...	57	102	15	...	7-59	39	38	nil	5	68
Pullangudi	64% C. P. Aspinwall & Co. Ltd.	...	...	313,433	1,084	...	29	3-61	232	57	17	8	5
Puthutottam	6% C. P. Ruby Co. Private	282	79	...	2,012	69	54	3-60	542	514	615	8,577	10
Rajagiri	A. V. Thomas & Co. Ltd. 6% C. P.	...	...	1,435	2,099	196	93	6-59	859	927	20	20	20
Rajendra Coffee	Associated Planters Private 6% Cum. Pref.	...	...	...	...	...	17	3-61	187	(k) 33	251	2	50
Sengameswar	14% Redeem. Cum. Pref. Patron Agencies	...	...	...	...	...	11	3-61	244	251	615	8,577	10
Sivamalai	7% Cum. Preference 7% Debtentures	...	...	...	...	...	...	...	...	...	...	...	...
Shervoy	Peirce Leslie & Co. A. V. Thomas & Co. (India) Ltd.	...	...	...	1,264	357	16	11-60	213	293	147	157	123
Shree Amalgamated	A. V. Thomas & Co. (India) Ltd. T. Stanes & Co. Ltd.	653	...	...	1,437	150	16	6-59	222	328	6	8	14
Swinton	54% Debtentures Directors	...	...	...	243	...	...	3-60	67	9	1217	74	74
Talayar Tea	64% Debtentures Srinivas Agencies	...	...	...	...	...	52	3-61	532	364	107	87	5
Teakoy	6% C. P. East India Agencies Private	...	...	431	660	68	12	3-59	173	186	6	6	6
Thamampally	6% C. P. 64% Debtentures	...	...	...	...	...	...	...	...	...	...	...	...
Thirumbadi	A. V. George & Co. 64% C. P.	...	...	240	373	48	14	12-59	130	141	301	30	30
Trevarcor Rubber	Peirce Leslie & Co. 74% Debtentures	...	...	...	1,413	152	20	9-60	256	335	641	64	68
Trav. Rubber & Tea	Directors Aspinwall & Co. (Trav.)	568,261	...	5,0762	785	104	122	12-59	1,245	1,250	101	10	15
Tropical Plantations	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Twyford	Directors Parkins Private Ltd.	473	638	...	1,751	186	25	12-59	299	296	101	15	15
Udayagiri	64% Debtentures A. V. George & Co.	292	...	...	487	49	7	2-59	73	35	157	71	6
United Nilgiri	7% C. P. T. Stanes & Co.	1,349	...	...	3,480	244	80	3-60	1,087	1,334	211	153	10
Velkondam	Directors Padmareka Bros.	74	494	2	695	148	4	12-59	447	(1) 4,57	25	30	35
Veytri	54% Debtentures	...	...	...	181	7	...	3-59	43	29	6	6	6
Velmala	Oppooottu Kurian & Co. (Pri.) 7% C. P.	54	415	...	...	...	23	2-61	206	231	107	17	10
Waterfall	6% Debtenture Kothari Mehta & Co. Private	1,213	...	...	4,627	264	143	6-60	1,410	1,203	121	127	123
Wartyhully	6% R. C. P. Peirce Leslie & Co.	...	...	...	...	...	10	3-61	379	309	157	15	15
Woodcote	Goodall & Co. 64% C. P.	...	...	...	172	13	5	6-60	10	1	nil	nil	6
Woodlands	6% Debtenture Directors	221	234	777	129	...	...	3-59	184	171	5	5	10
	64% C. P. 64% R. C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	6% Debtentures	...	...	...	...	...	...	...	...	...	...	...	...

(1) Cardamom (in lbs.).

(b) After transferring Rs 82,000 from Dividend Equalisation Fund.

(b) After transferring Rs 64,563 from General Reserve.

(c) After writing back Rs 138,000 being excess provision for taxation.

(d) After transferring Rs 100,000 from Dividend Equalisation Fund.

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

(e) Includes Rs 80,388 being surplus provision and refund of income-tax written back.

(f) After transferring Rs 80,000 from General Reserve.

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

18 November 1961

PLANTINGS—Contd.

NAME	MARKET QUOTATION AS ON LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATELY ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	O tober 1960 Rs. pp.	October 1960 Rs. pp.			General Rs. 000	Other Rs. 000	Carry- forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
Miamalay 74% C.P.	35 40 24 13	39 38 24 9.5d	25 25	300 300	...	6.3	1	192	1,248	289	77	129	119	11	...
Mysore Amalgamated 6% C.P.	5 5d 6 11	6 25 7 0 cd	5 10	225 117	40	...	1	159	337	31	...	196	27	13	...
Mysore Coffee Mysore Plantations 6% C.P.	5 40cd 1 9 7 0	5 50cd 2 07 7 00	2 2 10	600 500 250	100 95	150 50	18 17	978 492	1,207 1,140	114 16	...	166 138	550 132	34 76	...
Noolmalai 5% C.P.	4 44 6 11	4 90 7 17	5 10	3,600 1,800	875	1,305	5	1,769	8,196	1,401	55	1,129	911	468	...
Nellampathy 6% C.P.	2 51 7 38	2 85 8 10	2 10	1,200 450	503	204	...	672	2,624	536	7	408	178	347	...
Nellithanam 7% C.P.	11 00 22 75	12 05 18 50	10 1	190 335	229	...	94	114	497	121	21	21	64	12	...
Nemmeny 7% C.P.	8 86 14 57	9 35 16 9.5d	1 10	300 200	2,00	3.07	4	3.44	11.68	1.30	82	1.00	1.51	11	...
New Glen Morgan Nilambur 6% C.P.	6 0 ...	6 50cd ...	10 10	200 100	120	3 5	2	185	894	50	...	65	50	208	...
6% Debtentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Nilgiri Tea 64% C.P.	8 6 xd 3 51	7 10 3 77xd	10 5	1,400 281	71	675	27	516	3,977	633	9	355	109	90	...
6% Debtentures Nonsuch Tea	...	...	500	1,000	...	...	...	...	...	...	...	...	...	...	...
28 2 cd	27 0 cd	...	10	4,310	121	13	1,468	3,395	356	449	668	95	753	...	...
Ocherlony	2 78	3 44	2	450	50	71	47	314	798	81	95	321	15	415	...
5% Debtentures	...	...	2	400	...	...	...	...	...	...	...	...	...	...	...
3 65	4 98	...	...	1,940	1,041	1,243	3	771	4,892	1,666	...	1,115	64	598	...
Panchur	5 47cd	5 00	10	150	150	2	64	271	294	2	126	146	94	4	...
Parakudi	2 45	29 30	10	1,350	450	1,197	50	1,09	3,154	472	...	40	110	93	...
Pearmadu	22 84cd	22 83	10	1,700	204	958	37	1,471	4,352	1,532	69	8 5	220	602	...
5% C.P.	8 51	9 21 cd	100	150	...	...	...	...	...	...	...	...	...	...	...
Pennakul	22 01	21 35	2	600	300	125	64	457	868	74	187	20	16	204	...
Perakaramalai	5 67	5 48	2	570	2,90	41	16	3,415	11,416	3,9 3	64	2,40	726	1,593	...
Perivar & Parakkani	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...
74% R.C.P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
6% Debtentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ponmudi Rubber	...	1 40	2	165	4	...	1	43	314	11	...	18	2	5	...
64% C.P.	...	8 71cd	10	71	...	...	...	...	...	...	...	...	...	...	...
Pullangudi	1 68	1 81	2	1,650	200	24	1	412	2,327	733	201	155	81	417	...
6% C.P.	7 17	8 15	10	150	...	...	...	...	...	...	...	...	...	...	...
Puthutottam	2 20	2 62	2	2,100	1,200	365	91	731	3,403	366	195	117	1,066	16	...
Rajagiri	20 01	20 12	10	1,350	300	600	45	1,449	4,774	448	...	28	113	1,230	72
6% C.P.	6 33	7 15	10	2,200	...	...	...	...	...	...	...	...	...	...	...
Rajendra Coffee	12 2	1 35	5	100	150	15	17	28	310	48	100	398	24	17	...
6% Cum. Pref.	6 10cd	7 25	10	100	...	...	...	...	...	...	...	...	...	...	...
74% Redeem. Cum. Pref.	6 10cd	2 25cd	2	1,200	25	210	4	490	1,979	158	...	572	8	8	...
Sengameswar	9 50	9 5 xd	1	300	...	...	...	...	...	...	...	...	...	...	...
7% C.P.	...	...	500	504	...	...	...	...	...	...	...	...	...	...	...
7% Debtentures	2 93	3 33	2	1,550	375	22	22	474	143	...	87	2	203	460	...
Sivamalai	1 35	1 94	2	1,350	170	12	1	473	1,113	114	317	200	522	74	...
Shevaroy	1 70	15 50	10	900	190	1,105	4	389	2,735	763	208	222	244	46	...
Stanes Amalgamated	16 62	...	500	200	...	...	...	...	...	...	...	...	...	...	...
6% Debtentures	2 93	2 99	2	1,250	15	...	4	149	198	8	...	8	16	5	...
Swinton	...	...	50	7	...	...	...	...	...	...	...	...	...	...	...
6% Debtentures	1 72	1 75	2	1,250	365	813	2	1,566	3,225	412	877	718	349	19	...
Tatayar Tea	7 50	7 50	10	750	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	5 0	6 01	10	1,000	...	248	4	457	2,250	179	...	89	72	387	...
Tokony	6 80	7 21.5d	10	600	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...
6% Debtentures	15 85	28 00	10	250	75	200	28	222	614	47	45	51	2	185	...
Thamarapally	3 10	4 17	5	75	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	3 10	1 33	1	915	505	100	15	516	2,4 4	219	...	244	44	28	...
Thirumathi	12 75	...	500	600	...	...	...	...	...	...	...	...	...	...	...
74% Debtentures	12 75	11 40	10	500	...	47	2	287	8 1	1.0	...	122	70	113	...
Tavanore Rubber	10 45	8 00	10	4,100	750	757	11	1,910	8,923	2,080	400	746	273	827	...
T. R. T. & Co.	9 06	7 95	10	1,600	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	10 45	19 17	25	2,000	...	116	12	659	3,217	668	...	253	15	187	...
Tropical Plantations	10 45	11 75	10	1,575	1,543	58	1	5 4	2,801	350	1	784	262	243	...
Twyford	12 00	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Udavarasi	19 32	17 00	10	220	148	282	24	218	1,00	107	1	60	6	1	...
7% C.P.	8 50	9 11	10	80	...	...	...	...	...	...	...	...	...	...	...
6% Debtentures	...	...	10	2,193	317	1,210	24	1,131	4,653	1,787	510	384	225	810	...
United Nilgiris	24 00	21 62	...	...	...	...	...	...	...	...	...	...	...	...	...
Vaitundam	32 51	30 40	10	880	16	119	1	613	966	39	275	142	31	360	...
Vayitti	1 35cd	1 45cd	2	400	75	30	29	54	559	57	2	12	52	10	...
6% Debtentures	...	...	5	600	375	183	2	370	1,842	141	1	158	133	138	...
Velmalai	5 40	5 20cd	10	250	...	...	...	...	...	...	...	...	...	...	...
7% C.P.	8 20	9 10cd	500	348	...	...	...	...	...	...	...	...	...	...	...
6% Debtentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
...	2 90	3 33	2	1,200	1,150	91	112	700	1,615	152	757	697	38	301	...
Varythully	2 95	4 30	2	3,150	2,200	1,096	194	1,344	6,175	89	27	674	1,499	1,306	...
...	8 45	9 50	10	500	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	1 15	1 67	1	100	...	52	1	20	351	90	5	13	17	20	...
...	2 94	3 14	5	60	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	...	...	1000	175	...	...	...	...	...	...	...	...	...	...	...
7% Debtentures	7 30	7 65	10	695	42	205	2	196	1,419	72	1	196	102	92	...
...	7 45	7 00cd	10	160	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	7 22	7 67cd	10	132	...	...	...	...	...	...	...	...	...	...	...
64% R.C.P.	...	...	50	415	...	...	...	...	...	...	...	...	...	...	...
5% Debtentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

Benefit 37,641. Affirmative. 2.

[illegible]

(a) After transferring Rs 10,000 from provision for taxes. (b) After transferring Rs 485,000 from General Reserve. (c) After writing back Rs 6,658,940 from General Development Reserve and transferring Rs 1,800,000 from Taxation Contingencies Reserve. (d) After writing for provision for doubtful debts. (e) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (f) After transferring Rs 127,543 from provision for taxes. (g) After transferring Rs 3,796,723 from General Reserve. (h) After writing back Rs 4,350,000 being Steel Pledge Liquidation Reserve; Reserve and Rs 6,400 from Reserve for Contingencies. (i) After transferring Rs 137,854 from provision for taxation. (j) After transferring Rs 224,448 from General Reserve to Reserve for Contingencies. (k) After writing back Rs 237,804 being excess provision for depreciation in previous years. (l) After writing back Rs 567,519 being excess depreciation. (m) Includes Rs 10,50,000 from various Reserves. (n) After transferring Rs 571,425 being excess provision. (o) After transferring Rs 46,306,499 from General Reserve No. 1, and Rs 12,760,000 from General Reserve No. 2.

GILTEDGED SECURITIES

Amount Outstanding	Interest per cent	Year of issue	Repayable in	Interest due	Market Quotation as on 31-10-61	Amount Outstanding	Interest per cent	Year of issue	Repayable in	Interest due	Market Quotation as on 31-10-61	Amount Outstanding	Interest per cent	Year of issue	Repayable in	Interest due	Market Quotation as on 31-10-61
GOVERNMENT OF INDIA LOANS																	
Rupee Loans																	
NON-TERMINABLE LOANS																	
8.93 34 500	3	1896-97	3 Months notice	30-6/31-12	71-00												
TERMINABLE LOANS																	
57.00,69,000	2 1/2	1946	1961	1-1/1-8	99 50												
45.63,07,000	2 1/2	1946	1960	15-1/15-7	99 75												
75.86,72,000	2 1/2	1947-48	1962	15 5 15-11	99-18												
14 77 48,000	2 1/2	1946	1976	16 3 16-9	83 45												
116 17 46,000	3	1932	1963-65	1 6 1-12	94-85												
30 33 10,000	3	1950	1964	15-6 15-12	94-83												
110 11 78,000	3	1943	1966-68	1 4 1-10	9-25												
111 05 83,000	3	1945	1970-75	15 4 15 10	90 55												
248.91 37,000	3	1946	1986	16 3 16-9	72-80												
87 27 36,000	3 1/2	1956	1967	16 1/6-7	90 60												
75 29 00,0 0	3 1/2	1953	1961	1 6 1-12	99 95												
58 54 92,000	3 1/2	1958	1967	12 5 12-11	99-95												
158 17 90,000	3 1/2	1954	1964	19 4 19-10	98-85												
103 67 92,000	3 1/2	1955	1965	1-1/1-7	98-55												
6 81 86,000	3 1/2	1956	1967	16 1/6-7	99-90												
30 00 00,000	3 1/2	1958	1968	6 2/6-8	98-70												
1 37 90 98 10	3 1/2	1959	1969	1-1/1-7	99-55												
66 63 54,000	3 1/2	1966	1974	16 1/6-7	100 35												
56 99 30,000	3 1/2	1957	1968	12 5/12-11	1-1 15												
34 11 89 10,000	3 1/2	1958	1972	1 2/1-8	100 90												
49 17 27,000	4	1954	1973	12 1/12 11	100-25												
49 51 44,000	4	1956	1977	1 1/1-7	99 40												
86 06 33,000	4	1960	1980	18-1/10-7	99-40												
STATE GOVERNMENT LOANS																	
WEST BENGAL																	
1,75,00,000	3 1/2	1951	1962	17-3/17-9	98-2 1/2												
3,60 23 350	4	1953	1963	15 1/15-7	99 85												
2,00,00,000	4	1952	1964	1-2/1-8	99 9												
7,00,00,000	4	1955	1967	1-3/1-9	99 40												
7,00,00,000	4	1956	1968	3-3/3-9	98 50												
5 00 00,000	4 1/2	1958	1970	15 1 15-7	101-05												
7 69 69,000	4 1/2	1959	1971	9-8/19-7	98-9												
7,00,00,000	4	1959	196	28-2/9-8	99-12												
BOMBAY																	
5,63 12,200	3	1949	1962	1 2/1-8	99 25												
1,07 84 180	3 1/2	1951	1962	17 9/17-3	100 00												
8,30 35 400	4	1953	1963	15 1 15-7	100 00												
3,61 10,900	4	1952	1964	1-2/1-8	91-90												
9,00,00,000	4	1955	1967	1-3/1-9	99 40												
7,50,00,000	4	1956	1970	3-3/3-9	99 10												
6,54 12 500	4	1958	1971	19 8/9-2	92 25												
6,00 00 000	4 1/2	1959	1969	16 3/16-9	101 30												
10,00 00 000	4 1/2	1958	1970	15 1/15-7	101 50												
10,00 00 000	4 1/2	1958	1970	15 1/15-7	101 25												
MADHYA PRADESH																	
2,01,28,800	3	1948	1964	1-3/1-9													
1,02 18,100	3 1/2	1951	1962	17-3/17-9													
1,02 18,100	4	1953	1963	15-1/15-7													
1,50,00,000	4	1955	1967	1-3/1-9													
1,50,00,000	4	1956	1968	3-3/3-9													
2,60,80,000	4	1958	1970	15-1/15-7													
	4 1/2	1959	1971	1-5/19-2													
	4	1960	1969	28-2/29-8													
UTTAR PRADESH																	
2,20,93,600	2 1/2	1946	1961-66	1-3/1-9	93-50												
1,57,42,600	3	1936	1961-66	15-3 15-9	93-00												
1,94,11,700	3 1/2	1951	1962	17-3/17-9	99-75												
3,65 15,500	4	1953	1963	15 1 15-7	100-0												
6 11 45,200	4	1952	1964	1-2/1-8	94-5												
8 50,00,000	4	1955	1967	1-3/1-9	98-25												
5 50,00,000	4	1956	1968	3-3/3-9	98-0												
7,00,00,000	4 1/2	1958	1970	15-1/15-7	101-75												
...	4	1959	1971	19 1 19-8	98 05												
...	4	1960	1969	28-1/29-8	97-90												
MADRAS																	
3 01 49,000	3 1/2	1951	1962	17-3/17-9	99-75												
1,03,309,100	4	1953	1963	15 1 15-7	97-7												
5,21,81,200	4	1952	1964	1-2 1-8	99 92												
17 00,000	4	1955	1967	1-3/1-9	9 3												
12 50,00,000	4	1956	1968	3-3/3-9	97-90												
5,00,00,000	4 1/2	1958	1970	15-1/15-7	100-65												
...	4	...	1971	19 19-12	98-52												
...	4	...	1969	28-2/29-8	97-90												
MYSORE GOVERNMENT																	
2,95,85,200	4	1933	1953-63	1-6/1-12	100 30												
3 3 47,200	4	1953	1963	15 1 15-7	99 90												
3,25,00,000	4	1955	1967	1-3/1-9	98-0												
4,10,00,000	4	1956	1968	3-3/3 3	98-10												
...	4	...	1969	28 2/29 8	98-10												
3,00,00,000	4 1/2	1957	1-69	16 3/16-9	94-75												
5,00,00,000	4 1/2	1958	1970	15-1/15-7	99-80												
...	4	...	1971	...	90-00												
KERALA GOVERNMENT																	
...	4	1953	1963	15-1/15-7	99-25												
300,00,000	4	1956	1968	3-3/3-9	98-10												
...	4	1969	2-2/2 9-8	97-5													
...	4	1958	1970	15-1/15-7	99-50												
...	4	...	1971	...	97 40												
MUNICIPAL LOAN																	
BOMBAY MUNICIPAL LOAN																	
25,00,000	5	1928	1958	1-1/1-7													
26,21,000	5	1929	1959	1-2/1-8													
17 97,000	3	1950	1960	1-6/1-12													
110,00,000	4	...	1963	1-3/1-9													
215,00,000	4	...	1964	1-3/1-9													
244 14,500	4	...	1964	1-3/1-9													
200,00,000	3 1/2	1950	1965	15-2/15-8													
10,00,000	3 1/2	1951	1965	16-2/16-8													
9 00,000	3 1/2	1956	1966	14 3/14-9													
173 34,000	3 1/2	1951	1966	3-4/3 10													
33,00,000	3 1/2	1952	1966	3-4/3-10													
94,00,000	3 1/2	1952	1966	1-2/16-8													
24,50,000	3	1936-37	1967	1-2/1-8													
69,00,000	4	...	1967	1-3/1-9													
30,00,000	3	1938	1968	14 3/14-9													
30,00,000	3	1939	1969	1 3/1-9													
64,00,000	3	1940	1970	1 3/1-9													
48,00,000	3 1/2	1940-41	1971	1 3/1-9													
25,00,000	3 1/2	1941-42	1972	1-3/1-9													
135,00,000	4	...	1973	1-3/1-9													
20,00,000	3 1/2	1943 44	1974	1-3/1-9													
20,60,000	4	1913 15	1974	1-6/1 12													
22,00,000	3 1/2	1944 45	1975	1-3/1-9													
25,00,000	3 1/2	1945 46	1976	1-3/1-9													
54,00,000	3	1947 48	1977	1-3/1-9													
75,00,000	3 1/2	1947	1977	1-2/1-8													
61,00,000	3 1/2	1949	1979	1-3/1-9													
88,14,500	3	1949	1979	15 3/15-9													
10,00,000	5	1920	1980	1-5/1-11													
80,00,000	3 1/2	1950-51	1980	1-3/1-9													
CALCUTTA MUNICIPAL LOANS																	

Calcutta Stock Exchange

	3rd	4th	5th	6th	7th	10th	11th	12th	13th	25th	26th	27th	28th	30th	31st
Indian Iron	24.38	24.30	24.18	24.42	24.34	24.48	24.36	24.42	24.48	24.16	24.40	24.32	24.76	27.78	24.54
EXMACO	16.90	17.25	17.30	17.50	17.60	18.25	8.00	18.60	18.40	16.65	18.60	18.80	19.00	18.70	18.85
rient Paper	36.70	36.45	35.30	35.80	35.48	35.70	35.50	35.50	35.55	35.37	35.87	35.50	34.87	36.70	36.50
aree Gopal	26.25	26.62	26.75	26.50	26.50	26.75	26.50	26.50	26.50	26.97	26.50	26.50	26.50	26.50	26.50
ohtas	16.56	16.69	16.37	16.62	16.50	16.62	16.44	16.50	16.56	16.81	16.00xd	16.31	16.44	16.12	16.06
unlop Rubber	53.87	54.31	54.84	54.25	54.26	54.81	54.44	54.62	54.25	54.81	54.87	55.00	55.37	55.19	55.00
Industan Motor	18.81	19.16	19.31	19.31	18.78	19.44	19.06	19.00	19.31	19.19	19.81	20.19	20.26	20.00	20.19
Indian Cable	37.50	37.75	38.12xd	38.81	38.75	38.12	36.06	36.03	36.31	36.12	36.31	36.12	36.83	36.31	36.06
Indian Aluminium	36.25	35.12	35.00	35.19	35.12	35.37	35.25	35.50	36.37	35.12	35.50	35.37	35.87	35.75	35.56
Indian Copper	4.78	4.71	4.78	4.78	4.74	4.76	4.74	4.85	4.85	4.86	4.93	4.96	4.90	4.80	4.82
owrah	20.25	20.62	20.50	20.50	20.50	20.25	20.50	21.00	21.19	21.50	20.87	21.31	21.25	21.12	21.12
urakur	18.31	18.06	18.31	18.31	18.31	18.31	18.25	18.00	17.94	18.00	18.06	18.00	18.25	18.06	18.37
engal Coal	364.00	365.00	...	...	...	...	...	...	...	...	...	...	...	...	...
ew Central	16.87	17.06	...	17.00	16.75	16.69	16.87	17.12	17.31	17.00	...	16.94	17.31	17.19	17.35
yer Meakins	...	...	...	...	...	...	...	...	...	36.00	...	...	36.00	36.12	36.37
esop	19.81	21.00	20.62	21.06	20.94	21.00	...	21.12	21.25	21.12	21.06	21.12	21.19	21.16	21.00
K. Steel	21.06	20.50	20.37	20.44	...	...	20.47	21.00	21.62	21.37	...	21.75	21.87	22.87	22.60
India Steamship	7.94	8.12	8.03	7.91	...	8.00	8.06	8.12	8.00	7.87	7.76	7.72	7.81	...	7.75
Ikali Chemicals	...	...	...	...	26.50	...	36.25	...	38.00	37.76	...	38.00	38.28	...	...
esoram	...	29.44	28.81	...	...	29.37	...	30.26	30.62	30.37	31.31	31.12	31.67	32.12	31.87
iyahree Tea	...	...	...	18.06	...	17.87	18.00	17.81	...	17.87	18.37	18.12	18.26	...	18.50
K. Rayon	18.87	19.06	18.81	19.31	19.06	19.44	...	19.25	19.10	19.25	...	19.87	20.00	20.19	19.85
unjab National	...	...	18.50	18.62	...	...	...	...	19.50	...	...	...	20.00	...	...
nited Commercial	...	...	...	...	...	90.50	...	91.00	...	...	...	...	...	91.50	91.00
% 1986 Loan	72.90	...	73.25	72.80	...	72.85	...	72.50	72.80	...	...	...	...	...	72.80

Note: The stock exchange remained closed from 14 to 24 October, due to Pujā holidays.

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HIGHLIGHT OF THE ISSUE

A special article on the structure of industrial financing in India appears in the Leading Articles section.

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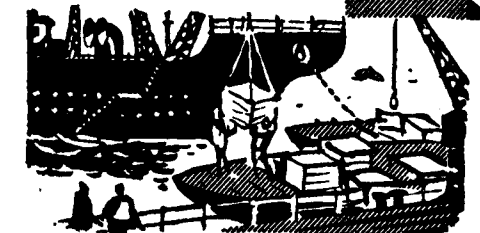
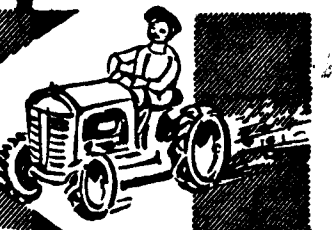
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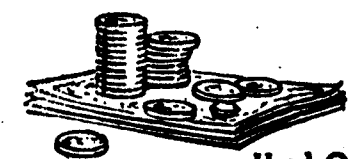
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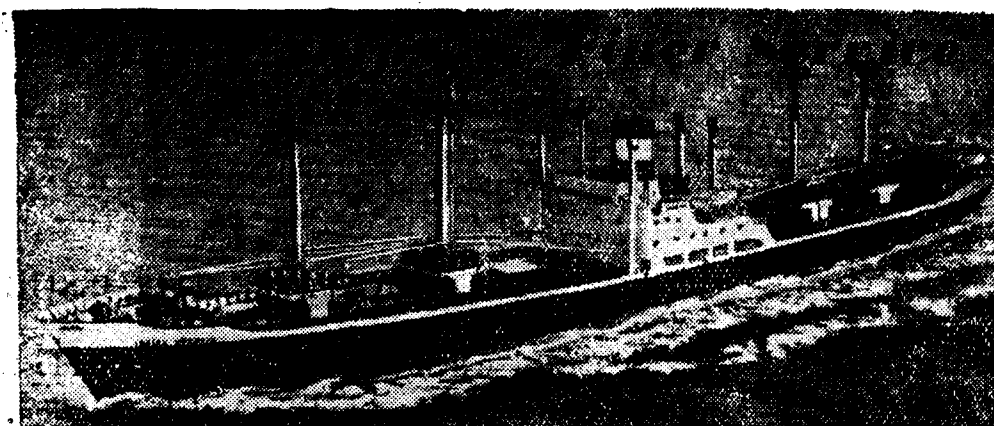
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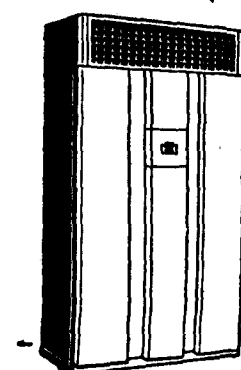
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Prospects of Indo-US Trade

GRAVE concern, bordering almost on the desperate, has been voiced in recent discussions on exports in forums of both the business and industrial community and the Government. At the basis of such awowals of anxiety lies an awareness of the formidability of the problem of export promotion which the country faces at present. The Third Plan assumes, as a basic condition for its success, an increase in the country's exports to Rs 700 crores per annum being the minimum required to pay for the maintenance imports during the Plan period. Looking at the problem from the standpoint of the currently wide-spread shortage of raw materials and the resultant idle capacity precipitated in many industries, the rise in exports that may be required may be even greater than that postulated in the Third Plan. Against this, one has only to picture the performance of the country in the realm of exports during the Second Plan period to get at the real dimensions of the problem of export promotion set by the Third Plan. Throughout the Second Plan period, the country had been experiencing continuing deficits in the balance of payments position, with the situation turning particularly unsatisfactory in the last year of the Plan period. Notable declines in export of traditional items like tea, cotton textiles, manganese ore and mica came as unexpected checks on the progressive trend in exports. What was even graver, even the small rise in exports was more than neutralised by rise in volume of imports that became unavoidable to meet the requirements of industries for their essential raw materials.

While these developments present a fair perspective of the problem of export promotion, an aspect of it that cannot escape attention, is the grave imbalances that characterise our trade with our major trading partners. Such imbalances are of a substantial order in our payments position vis-a-vis the European Common Market and especially West Germany within it and the dollar area represented by the USA and Canada. In this light, the essence of the problem of export promotion would consist in trying to achieve a balance in our trade with countries with which, presently, we are running huge deficit. Necessarily, greater importance attaches to expansion of trade with the US in view of the chronic and widening deficits that are being incurred consequent on dependence on that country for a substantial part of our import requirements of raw materials. It may be mentioned that imports from the US had increased from a level valued at Rs 170.32 crores in 1957-58 to Rs 240.02 crores in 1960. Against this, exports have only partially recovered since the decline from the high level of Rs 132.87 crores in 1957. In the course of these three years, the total deficit in our balance of trade with the US has widened from Rs 38.45 crores to Rs 138.38 crores in 1960. The back of the problem presented by adverse payments position will thus have been broken if we could devise ways of stepping up our exports to the US. A study of our export trends in the US with reference to the major commodities of export and in relation to the total volume of the US import trade should indicate what scope exists for

such trade improvement. Such a study has been brought out by the Indian Chamber of Commerce in a recent publication.

India's main exports to the US now consist of primary items of the traditional variety like, jute goods, cashewnuts, tea, pepper, manganese ore etc. Exports in recent years have revealed an unsteady trend marked by steep declines in a few of them. The fall in exports has been particularly pronounced in respect of mica for which the US remained an important buyer till 1959, when earnings from this item amounted to Rs 3.28 crores. Export of manganese ore is also yet to recapture the high level which obtained in 1957 when total shipment to US amounted to 792,000 tons. Competition from Brazil with the advantage of proximity to the US market has operated to diminish India's share which in 1960 amounted to only 441,000 tons. Pepper is another material in respect of which the near monopoly which we once enjoyed had been lost owing to competition from Indonesia. While in 1951, nearly 93 per cent of the US requirements were met by imports from India, the share in 1960 had dwindled to 53 per cent. Indonesia along with Ceylon has also emerged as a powerful competitor to India in exports of tea to the US. While in the matter of tea exports, India takes second place to Ceylon in total shipments, it is disturbing that we should have lost ground in the course of the last two years. total exports having come down from a level valued at Rs 15.47 million dollars in 1958 to Rs 13.94 million dollars in 1960. The fact that these declines have occurred in a period of recession of economic activity in the US may encourage hopes of recapturing grounds lost in them. However, a substantial expansion of exports is achievable only on the basis of a policy of sustained diversification. There are a number of commodities, both primary and manufactured, which could with special efforts taken in behalf of them, find a place in our exports to the US. Coffee is an instance of a commodity, export of which to the US though at present of an insignificant order, could be stimulated with more concentrated and purposive efforts. Similarly, the growing interest among Americans for Indian artware and handicraft products could be taken advantage of to stimulate sales of these goods. The beginning made in export of sugar and the foothold gained in respect of light engineering goods are heartening signs. These small triumphs could be utilised for further exploratory campaigns in export promotion.

One noteworthy feature of Indian exports to the US is the extreme insignificance of the proportion constituted by present exports to total US imports. This is a fact that confirms the vast possibilities that exist for expansion of our exports. "Trade instead of aid" is a slogan that is gaining greater appreciation both in Indian and American circles. The recent convention of American businessmen, has showed that the industrialists and businessmen in the US, apart from being interested in investment in India, are also appreciative of the possibilities for mutual expansion of trade.

Structure of Industrial Financing in India

By H. T. PAREKH

THE Structure of Industrial Financing in India can perhaps be conveniently outlined by dealing first with the facilities for finance available to very small and small industrial undertakings and then for medium and large-sized industries. For this purpose very small may be those needing capital under Rs 1 lakh and small as those requiring under Rs 5 lakhs. Units requiring finance between Rs 5 and 50 lakhs may be called large. It may, however, be observed that this is not altogether a satisfactory division. Capital costs have risen so high compared to costs 10 or 20 years ago that under the above definition an enterprise which in the past came in the category of medium may now fall in the category of large. For instance, the smallest unit in sugar industry or cement industry now costs over Rs 1 crore whereas in the pre-war days its cost was under Rs 25 lakhs.

In recent years a wide variety of institutions, agencies and schemes have been set up to provide finance to these different sectors. Active steps have been taken by Government to provide assistance in suitable forms both to small and large entrepreneurs.

SPECIALISED AGENCIES

At the smallest level in the range of up to Rs 1 lakh industrial finance can be obtained directly from State Governments under the State Aid to Industries Acts. State Governments operating through their Industries Departments have arrangements to provide direct industrial loans for very small amounts on easy terms, both as regards the rate of interest and kind of security. To cut down delays in the grant and disbursement of such loans, the State Governments have recently been transferring the function of administration of such loans to State Finance Corporations which exist in each State. These Corporations, which were set up to provide loans to small industries, have now been taking over increasingly the responsibility of granting loans also to very small enterprises as agents of the State Governments which assume the risk and provide the funds. As a result of this development it can be expected that financial assistance to very small entrepreneurs would be more readily available under the direction of specialised financial institutions than was the case when State Governments were directly handling this business. The loans disbursed under the State Aid to Industries Act are on an average about Rs 3 crores per year.

Besides direct grant of loans by State Governments, the Central Government has taken two important steps to facilitate availability of industrial finance to very small and small units. One is that the Central Government has put into effect a scheme of guarantee under which commercial banks and finance corporations can provide loans to small industries up to Rs 5 lakhs; the Government stands as guarantor for risk up to about 80 per cent of what is assumed by the lending institutions. This measure should considerably help entrepreneurs in obtaining small loans through local banks which would bear only a small part of the total risk involved and would therefore be induced to lend funds more

liberally. The primary difficulty of small units is their inability to provide security in the form required by the financing institutions due to lack of mortgageable assets; under the guarantee scheme lending institutions will be able to grant loans freely even where the security is inadequate.

Under another scheme, small entrepreneurs are enabled to obtain machinery on hire-purchase basis through the National Small Industries Corporation which is owned and operated by the Government. Under this arrangement imported and indigenous equipment can be purchased on the security of such equipment on easy instalments at low rate of interest with only a small margin to be provided by the entrepreneur. Small industries requiring equipment worth up to Rs 5 lakhs can get assistance from this organisation which has several branches in the country. The number of machines delivered during the three years ending March 1961 amounted to 4,600 valued at over Rs 4 crores while orders placed for machines on that date exceeded 7,500 valued at over Rs 8 crores.

NATURE OF ASSISTANCE

It will thus be seen that financial assistance for setting up or expanding small industries is today made available in three alternate ways, viz (1) direct Government loans, (2) loans from banks under Government guarantee, and (3) supply of machinery or equipment through a Government Corporation under the scheme of hire-purchase. Though the volume of loans granted under these various schemes has not been very large, a well thought-out machinery is now functioning which should enable small entrepreneurs to meet their requirements in an expeditious way.

The agencies described above provide assistance up to Rs 5 lakhs. In each State we have a State Finance Corporation which, besides being an agent of the Government in several States for very small loans, gives loans on its own up to Rs 10 lakhs. These Finance Corporations have been set up by the State Governments which hold part of the equity capital and have also guaranteed both capital and interest for the entire issued capital of these Corporations. These Corporations also raise loans from the market on Government guarantee. It can therefore be that financial assistance to small or medium industries is provided by these specialised agencies sponsored and controlled by State Governments. The total loans provided by the 15 State Finance Corporations in India have amounted to Rs 30 crores including Rs 8 crores in 1960-61.

It should be evident that both State and Central Governments have thus taken considerable initiative in establishing a network of lending institutions and schemes to meet the needs of industries which may be regarded as very small, small or medium.

THREE INSTITUTIONS

For medium to large requirements of capital, the existing facilities consist of three special financing institutions which are (1) The Refinance Corporation for Industry (RCI), (2) The Industrial Finance Corporation of India (IFC), and (3) The Industrial Credit and Investment Corporation of India (ICICI).

It is now widely agreed that commercial banks should extend their lending activities to medium-term finance for capital development and to facilitate such financing the RCI has been set up under the Chairmanship of the Governor of the Reserve Bank of India.

IFC which has been in existence since 19 is a Government sponsored Corporation which the Government, banks and other credit institutions hold capital which guaranteed by the Government. This Corporation has played an important part in providing industrial loans which have exceeded Rs 100 crores. Individual loans or guarantee made by IFC in some cases have exceeded Rs 2 to Rs 3 crores. Until recently, loans Rs 1 crore or over were guaranteed by the Government, but now they are only subject to Government approval. IFC also has obtained a loan of \$10 million from US Development Loan Fund for relending to industries.

The operations of ICICI are similar to those of IFC. ICICI was set up under the auspices of the World Bank, with joint participation of British, American and Indian investors in its capital. Additional funds in foreign currencies and in rupees have been provided by the World Bank and the Government of India. ICICI's activities extend to loans, both in foreign currencies and rupees, and under-writing of, and subscription to, share capital of industrial concerns. It has so far obtained three lines of credit for a total of \$40 million from the World Bank for relending to private enterprises in India. It has also been playing an active part in the under-writing field. Its operations during the seven years of its existence exceed Rs 40 crores.

It is necessary at this stage to recognise the role of the Life Insurance Corporation of India, which is the largest investor in the country, having accretion of fresh funds exceeding Rs 20 lakhs a day. LIC is continuously on the look-out for suitable investments for its funds and is playing a major role as provider of new capital for industrial development. LIC is a long-term investor, unlike the IFC and ICICI which are largely lenders and which to maximise assistance have to revolve their funds continuously.

DEVELOPMENT CORPORATIONS

In addition to the above institutions we have another specialised institution, the National Industrial Development Corporation promoted and run by the Government of India. This Corporation investigates the possibilities of starting new industries; but its present active role lies in giving loans for modernisation to cotton and jute textile industries. It has so far sanctioned loans of over Rs 15 crores to these industries.

Among the recent trends to be noted is the attempt on the part of some State Governments to set up Industrial Development Corporations, one of whose functions will be to provide finance in the medium range above Rs 10 lakhs. The Madras Investment Corporation is already providing finance above Rs 10 lakhs for projects in Madras State. Steps are being taken in Andhra, Kerala and Uttar Pradesh to set up such Corporations. It is expected that this will help foster local initiative in setting up medium-size undertakings.

A variety of finance corporations described above or development banks, as they are aptly called, have been set up to provide development capital. They act as catalytic agents. They play the role not only as financiers of lenders but more in that they assist an orderly and systematic development of industries as well as the capital market. They investigate all aspects of a project before sanctioning assistance and thereby help educate the entrepreneurs in modern ways of promoting new industries.

Progress of National Research Development Corporation

REVIEWS of the annual report of the National Research Development Corporation that highlight the financial results are apt to give a misleading impression of its role and performance. The Corporation was set up in 1953, on the lines of similar organisations which had been set up a few years earlier in the UK and in Canada, to bridge the gap between research and development. The principal function of the Corporation is to arrange for the commercial development of inventions and processes arising out of researches conducted in national laboratories as well as such others as may be voluntarily assigned to it by any institution or individual. Prior to the establishment of the Corporation, this work was done by two organisations functioning under the Ministry of Commerce and Industry, namely the Industrial Liaison Committee which dealt with the patents and processes sponsored by the Council of Scientific and Industrial Research and the Patents Advisory Council which dealt with the exploitation of Government-owned patents. The functions of these two bodies were taken over by the NRDC which, besides undertaking development of inventions/processes of CSIR laboratories renders the same service to other Research organisations such as the Indian Council of Agricultural Research. Commodity Committees like the Indian Lac Commodity Committee, Government and private research institutions, universities and private individuals.

The developmental work which otherwise would have to be undertaken by each institution is now dealt with by a specialised organisation which incurs all the expenditure necessary to bring the invention to the stage of commercial production. For this purpose it undertakes largescale pilot plant trials on its own or arranges for such trials in State-owned industries or private firms, in each case reimbursing any loss that may be incurred by these undertakings on account of the trials. The main point to be borne in mind is that, though the NRDC is not prevented by its Memorandum of Association from making profit from the licensing of patents/processes, as is made clear by the Memorandum of Association. The first Article setting out the objects begins with the following words: "To develop and exploit in the public interest or profit or otherwise...."

In accordance with this definition of its functions, with the emphasis on development and the public interest the Corporation has so far released 94 inventions and processes free of royalties or premia. Among the functions assigned to the Corporation is that of advising and assisting Government departments, universities, research institutions as well as individuals in securing patents for their inventions/processes both in India and in foreign countries. While the developmental functions involve expenditure which grows in proportion to the volume of work undertaken on behalf of the institutions mentioned above, the income consists of a moiety of the premia and royalties from inventions licensed by it. In the early stages a much larger number of

of inventions has to be processed up to the trial stage every year than those licensed, so that it will be some years before the income from royalties on licences of previous years is sufficient to cover the current deficit. In fact, when the NRDC was set up, the Ministry of Finance estimated that it would be ten years before it could reach the break-even point. The Corporation has been in existence only for eight years.

In this context it is also relevant to compare the record of similar institutions elsewhere. The Estimates Committee of the Lok Sabha in its report on the NRDC had noted that the NRDC of Britain had not been able to balance its budget even after ten years. And whereas in the case of the analogous institution in Britain the entire amount of the royalties is credited to its account, the NRDC in India has to make over 70 per cent of the income from licences to the laboratories and departments from which the inventions originate. The recurring losses sustained by the organisation, which now exceed its paid-up capital of Rs 10 lakhs by a sum of Rs 35,000 need not therefore be viewed with perturbation, nor used as a measure of the efficiency with which it has been performing its functions. For a fair evaluation it will be necessary to look into the details of its working, the number of inventions developed, the number of licences issued, production established etc.

The total number of licences reported to NRDC up to the end of March 1961 was 58; of which after deducting those dropped or withdrawn, the number of effective inventions on hand was 234. As already indicated 94 of these were released to industry free of royalties or premia or the relevant technical details were published. So far a total of 129 processes have been licensed of which 39 are in production. The value of total production from these processes up to the end of 1958-59 was estimated at over Rs 28 lakhs and the relative saving in foreign exchange at over Rs 11 lakhs. Production in 1961 was also estimated to be of the order of Rs 3.5 crores.

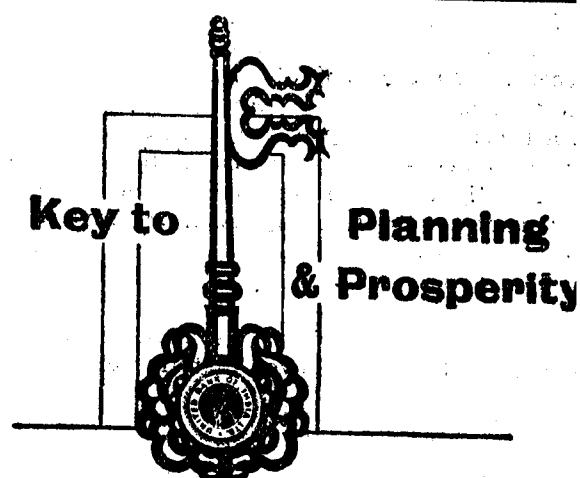
During the year under report, NRDC had a gross income of Rs 1,83,786 by way of premia and royalties. After payment of 70 per cent of this amount to the research institutions from which the inventions were received the net receipts from premia and royalties amounted to Rs 53,036. Besides, there was an income of Rs 12,896 from sales of Activated Carbon—Hykol 'O' produced in the course of the trials undertaken by NRDC. The steady increase in the income from royalties, which amounted to Rs 68,286 in 1960-61 as against Rs 53,039 in the previous year, is most gratifying, especially when set against the fact that the NRDC is now following a policy of non-exclusive licences.

The NRDC has so far set up 16 large-scale pilot plant trials besides arranging with firms for development of 7 processes. Four new projects, involving a total expenditure of Rs 28.63 lakhs, were sanctioned during the year. These are: (1) A prototype plant for production of a superior grade of activated carbon, designated Hykol 'X' at Regional Research Laboratory, Hyderabad; (2) A prototype plant for integrated processing of oilseeds at Tata Oil Mills Ltd, Bombay, for production of proteins and oil from groundnut according to process developed at CFTRI, Mysore, the cost of the plant being borne by NRDC while Tata Oil Mills Co Ltd will provide the buildings and other services and operate the plant on their account; (3) A unit at the National Chemical Laboratory Poona for production of various aromatic chemicals including Costus Root Oil; and (4) A project for setting up a

pilot plant for production of Para and M Cymenes at Shri Ram Institute for Industrial Research, Delhi, based on the work of Yedannapalli of Loyola College Madras.

A number of processes licensed by NRDC were brought into production during the year, by various firms including the Am Baby Food Plant at Anand, the Carbox Methyl Cellulose Plant of Sardesai Brothers at Billimora, the Pine Oil Factory of Prabh General Agencies at Hoshiarpur, Silver Mi Capacitors of Manilal and Co, Bombay, a Bituminous Emulsions of Shalimar Tar Products (1935) Ltd Calcutta; and a Bullock Drawn Sugar Cane Planter was manufactured and marketed during the year by Steel Engineering Corporation, Saharanpur. In addition preliminary trials have been completed in the Arya Chemical Works, Calcutta, for the production of a Can Sealing Composition developed at the National Chemical Laboratory; Pilot plant trials for production of Citric Acid based on the process developed by NC have been successfully completed by Sarabhi Chemicals, Baroda. Tulsi Industries Poona have completed installation of a plant for production of Cation Exchange Resins from Cashew Shell Fluid also developed by NC; Poona, while P. Ramanlal & Co, Bombay have completed the installation of plant for production of Ethyl Ether according to the process developed at the Shri Ram Institute for Industrial Research.

The Estimates Committee in their Report mentioned above had commented on the time lag between the reporting of an invention to the laboratories and completion of arrangements for commercial utilisation. The NRDC report does not furnish information on which improvement has been effected in this respect since the Estimates Committee reported in March 1960.



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BUSY SEASON

Extreme Pressure in Prospect?

THE returns of the Reserve Bank for the second Friday in November disclose a spectacular expansion in currency circulation, possibly one of the largest on record for any single week; and there is also the indication that Scheduled Banks' recourse to central banking credit has been substantial. While to some extent it may be argued that there has been spillover of the month-early demand for money into the second week, there can scarcely be any doubt that the main reason for the very steep rise in Active Note Circulation, as also for the prematurely large utilisation of Reserve Bank credit by the banking system, is to be found in an early start of the 1961-62 busy season. It needs moreover to be suggested that industrial production, which had tended to be somewhat slack since the beginning of the year, may quite likely be in process of recovery and swifter growth. Not for some years now has the busy season started so early; and that fact bodes extreme pressure upon the money market over the next five months. There are various implications, naturally.

It is almost certain that expansion in Scheduled Banks' Advances should set a new record. In the 1960-61 busy season, some element of reduction in Advances in March-April consequent upon the Central Government's end-of-fiscal-year disbursements served slightly to soften the pressure of demand for money. In fact expansion in Advances, despite a slowing-down in the rate of growth of industrial production, exceeded Rs 200 crores. We may take it that the current busy season may witness an increase of not less than 10 per cent over that figure.

We cannot be equally certain that there will be proportionate improvement in Deposits, though the experience during the 1961 slack season has been heartening. On the other hand what is beyond doubt is that the quantum of expansion in Advances will greatly exceed the rise in Deposits. Banks will inevitably need to replenish their resources in two ways, since the authorities in Government and in the Reserve Bank will not wish that credit is denied to enterprises engaged in raising industrial output.

Disinvestment in giltedged may be resorted to in larger amount than in the last year or two; and borrowings from the Reserve Bank should swiftly reach the level whereat the highest of the three-tier bank Rate will be applicable. Reluctance to borrow at six per cent and a desire to minimise the quantum of borrowings that will attract the 6 per cent rate will both mean that, if at all that were possible, banks would prefer sales of giltedged.

But what is the entity to which the banks can sell giltedged? Government securities suffer from an extremely narrow market, and the Reserve Bank is almost the first and last resort.

Unfortunately sales of giltedged pose their own problem. If interest rates are steadily pushed up—and of course they will be—the yield pattern on Government securities is also bound to rise: so prices will fall, and banks will face the unpleasant choice of selling giltedged at a loss, or borrowing at 6 per cent. We would offer two solutions, in order that the giltedged market is not allowed, as happened in 1956, almost to collapse.

The first of our suggestions is that there be suitable modification of the usance bills scheme, whereunder bills relating to busy season financing are left out of the reckoning of quotas for determining the rate at which central banking credit can be obtained. That is to say usance bills pertaining to busy season financing should be discounted by the Reserve Bank at 4 per cent. Otherwise it will inescapably be busy season requirements which will be given short shrift; industrial borrowers are "steady" customers, and banks may give them preference.

The second of our suggestions is that the Reserve Bank be prepared to enter into "badla" transactions with banks in regard to giltedged. The Reserve Bank should be a "spot" purchaser and a "forward" seller of giltedged; and vice versa as far as the banks are concerned. This will enable banks to convert their holdings of giltedged, to the extent necessary, into cash in their time of need—in the busy season; and to repurchase such parcels when their cash position is better—in the slack season. Such transactions will ensure that the selling pressure in giltedged does not get reflected in a drop in prices.

The interest rate structure will be forced upward, with the distinct possibility that inter-bank call money will command very nearly 6 per cent by the mid-point of the busy season—or may be even earlier. A warning is necessary in that banks would be well advised to desist from any raising of rates paid on Deposits in a futile hope that thereby they will attract new Deposits. Tightness in the money market may also act as a bear factor upon Stock Exchanges.

Lastly the prospect for banks' profits should immensely improve. The greater slackness of the 1961 slack season will have affected banks' earnings. But the high level of Advances till around March 1961, and prospectively the week-by-week expansion in bank credit in November and December 1961, may together serve so to augment banks' earnings as to offset the "loss" during the slack season.

From the next week it is proposed to publish a table marking the progress of the 1961-62 busy season, with comparative figures for the last two busy seasons.

BANK RETURNS

Vast Expansion in Active Notes

On top of last week's currency expansion of Rs 24 crores (including outflow of Rupee Coin), the returns of the Reserve Bank for

10 November show that, partly as a result of spillover of month-early disbursements but largely owing to the gathering stride of the busy season, Active Note Circulation has risen by what may be a record figure of Rs 42.27 crores; and Rupee Coin that has gone out into circulation amounts to a further Rs 2.73 crores. Foreign Securities are unchanged at Rs 117.76 crores, and currency has been expanded against Rupee Securities for Rs 50 crores (to Rs 1,608.84 crores) by transfer from the Banking Department. The Reserve Bank's cash in the till, in consequence, has improved by Rs 4.99 crores to Rs 18.85 crores.

Inter-governmental transactions are indicated in the return for the Banking Department. States' balances are lower by Rs 7.44 crores at Rs 10.22 crores and their ways and means borrowings have increased by Rs 1.88 crores to Rs 65.85 crores. The Centre, recipient of such largesse, reports its balances as having risen by Rs 2.54 crores to Rs 65.40 crores. It would appear that the Centre has cancelled ad hoc for about Rs 20 crores, since Investments merely reflect the transfer to the Issue Department, whereas they should have been higher by Rs 20 crores in respect of the purchase of securities in such amount from the State Bank. But we may infer that the disinvestment by the State Bank largely related to Treasury Bills, as the Reserve Bank's relevant portfolio of bills purchased and discounted marks a rise of roughly Rs 20 crores to Rs 46.85 crores.

The rise of Rs 3.48 crores (largely on account of the State Bank) to Rs 77.65 crores in Reserve Balances of member banks belies any pressure upon the banking system due to the emergence of the busy season. That in fact banks have begun to feel the pinch can be gathered from the considerable rise of just under Rs 13 crores to Rs 154.70 crores in the Reserve Bank's Other Loans and Advances—the bulk of the rise presumably attributable to increased recourse to central banking credit by the banking system. Advances against usance bills, as if to confirm such a reading, have gone up by Rs 5 crores to Rs 12.69 crores.

Balances Held Abroad continue to behave erratically, and the eccentricity is to be explained in terms of foreign aid receipts. In the latest week they have risen by Rs 5.21 crores to Rs 25.74 crores (foreign assets held by the Reserve Bank now exceed Rs 143 crores). While the export season is in full swing, we must remember that imports for the Third Plan are also heavy. Hence foreign aid receipts appear to make the difference between foreign exchange loss and gain.

It is to be hoped that foreign assets shown in the Reserve Bank returns will be built up to Rs 175-200 crores before the end of March, when seasonally exports begin to taper off.

The return of the State Bank for 10 November shows that spillover of month-early disbursements and busy season pressure are reflected equally in a drawing down of Deposits by constituents and in an increase in Advances. Deposits are lower by Rs 5.68 crores at Rs 526.45 crores, whereas the total of Advances has mounted by Rs 5.46 crores to Rs 245.87 crores. With a view to arming itself with resources for meeting further demands for money, the State Bank has disinvested for Rs 20 crores, reducing holdings of Government securities to Rs 251.88 crores. As we have pointed out earlier, the disinvestment may relate to Treasury Bills. As an end result, cash balances including money at call have improved by Rs 3.11 crores to Rs 27.88 crores. The rise of just around Rs 5 crores to Rs 29.65 crores in Other Assets

18 November 1961

would suggest that certain inter-office adjustments are pending action.

Beginning of the month disbursements, and possibly the onset of the 1961-62 busy season, are fully reflected in the return of Scheduled Banks for 3 November. Net Demand Deposits have shrunk by Rs 8.95 crores to Rs 823.13 crores, while net Time Deposits are nominally better by Rs 1.24 crores at Rs 1,121.95 crores. The loss in Deposits attributable to other Scheduled Banks is even greater, since in the relevant week the State Bank reported a rise of Rs 1.04 crores. The total of Advances has risen by Rs 3.82 crores to Rs 1,228.98 crores (excluding Rs 10.35 crores due from banks). Disinvestment in giltedged has been avoided, with the portfolio in fact rising by Rs 5.80 crores to Rs 630.73 crores—the State Bank accounting for about Rs 5 crores of the rise. But borrowings have been heavy. Indebtedness to the Reserve Bank has risen by Rs 10.03 crores to Rs 16.52 crores, and borrowings from the State Bank by Rs 1.47 crores to Rs 20.14 crores. Even so, cash balances including money at call have fallen by Rs 10.16 crores (State Bank's share: Rs 8.17 crores) to Rs 183.79 crores.

The next return of Scheduled Banks will presumably attest to intensification of busy season pressures. Borrowings from the Reserve Bank will have gone up, perhaps by some Rs 13 crores to nearly Rs 30 crores; some Rs 13 crores to the State Bank may also and indebtedness to the State Bank have risen, though slightly. If the State Bank's figures for 10 November are any pointer, the impact upon Scheduled Banks of the busy season pressure should be two-fold: the busy season pressure should be a fall in Deposits coupled with a rise in the total of Advances. Maybe, also, there will be some element of disinvestment in giltedged.

TREASURY BILLS Suspension of Auctions Suggested

There is little point in continuing, for the present, with public auction of Treasury Bills. A low rate of discount contrived by subscriptions from special quarters will achieve precious little by way of contributing to stability in the interest rate structure. No bank is in a position to ex-ante short-term accommodation to Government; and hence the public auctions should be suspended for the duration of the busy season.

Sales of intermediates should also be stopped. Renewals in respect of holdings of the State Bank could of course, without disruption to the money market, be continued. What is public knowledge should be given official recognition.

Furthermore, we would suggest that by and large Reserve Bank policy must be to effect sales of Treasury Bills during the slack season, so that maturities can help to add to resources of banks in the busy season. Indeed the offers during the slack season can be raised and so adjusted as to permit banks to earn their 2½ per cent for 91 days, and then to provide banks with funds for meeting each successive year's busy season demand.

In this context, it would be worthwhile to examine the possibility of issuing Treasury Bills with a maturity of 182 days. For almost invariably banks can "spare" funds in six-monthly lots. Secondly, as we have seen in many a year, a really "slack" season still does not obviate pressure upon the banking system in the busy season that follows, since banks for purposes of keeping idle resources at a minimum are more or less compelled to invest in giltedged. Thus, what is necessary in Indian conditions is a type of security or investment which has due regard for the pattern of availability of bank funds and for the

needs of the busy season. Between April and June, a choice of 91 day and 182 day Treasury Bills could be offered for banks' investment; and between July and October, the public auctions could be restricted to the 91 day variety.

Treasury Bills

Tenders for Rs. 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 14 November 1961. Total amount offered was Rs 2,00,00,000. Tenders at Rs. 99.370 per cent were allotted in full. Total amount accepted was Rs. 2,00,00,000, the average rate of accepted tenders being Rs. 2.520 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, 20 November 1961. Successful tenderers should make payment on Friday, 24 November 1961. Other conditions are as usual.

During the week ended 10 November 1961 Government of India Treasury Bills for Rs 65,47,75,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills sold from 8 to 11 November 1961 amounted to Rs 35,00,000.

91 days' Intermediate Treasury Bills will be sold from 15 to 18 November 1961 at Rs 99.386 per cent. Sales can be stopped at any time without notice if Government think it necessary.

Hot Money Influx Continues

By Paul Einzig

THE setback in sterling through the anticipation of a Bank rate reduction and through its materialisation on 2 November has proved to be short-lived. The influx of hot money which the Bank rate cut was intended to check continues unabated. This is only natural, seeing that the difference between British and American interest rates is even now over 3 per cent, while the cost of covering the Forward Exchange is under 3 per cent. Moreover, only part of hot money reaching London is invested nowadays in the conventional type of short loans. It can be invested much more profitably in municipal Treasury bills or in deposits with hire purchase finance companies controlled by the clearing banks. Before the acquisition of control over those companies by the banks the risk attached to depositing money with them corresponded more or less with the high interest rates they were prepared to allow. Once they have

come under the control of one or the other of the leading banks, or even if the latter only acquired a substantial minority participation in their capital, it has become inconceivable that they would be allowed to default on their deposits. The high deposit rates allowed by them much more than compensate for such additional risk as may exist.

Curiously enough, the mere anticipation of the Bank rate cut was sufficient to result in a contraction of the premium on forward dollars. The reduction of interest rates was fully discounted, so much so that forward rates remained virtually unchanged following on the Bank rate cut. The reduced interest differential is more or less offset by the smaller cost of covering the exchange risk. It is a great pity neither the British nor the United States authorities deemed it expedient to check the unwanted movement of hot money from New York to London by ensuring a widening of the premium on forward dollars against sterling. From the point of view of British authorities this would have obviated the necessity for an inopportune Bank rate cut, while from the point of view of the United States it would have prevented an unwanted decline of the gold reserve.

There is reason to believe that the Exchange Equalisation Account did in fact engage in forward operations during recent months, though their extent was not sufficient to keep the discount on forward sterling wide enough to discourage the influx of hot money. The only conceivable argument against operating on a much larger scale is that, while spot dollars can be converted into gold, the only way in which any risk of a depreciation of sterling could be covered would be by means of forward gold purchases which would be costly. Actually the risk of a dollar devaluation at present is negligible and in any case, Britain's balance of payments position being what it is, such a devaluation would be certainly followed by a corresponding devaluation of sterling, so that no loss would arise on any official dollar holdings of forward claims. On the contrary, since sterling is at a relatively high premium the odds are more in favour of an appreciation of the dollar by a cent or two before forward contracts mature.

From the point of view of the American authorities it would be 'certainly worth-while' to incur a fractional loss in order to bring about an appreciation of the forward dollar and thereby obviate an inopportune decline of the gold reserve. In face of a heavy speculative pressure on the dollar such tactics would be of no avail. Since, however, there is no such pressure they could be applied usefully. It is indeed a pity that there is not a sufficient degree of cooperation between the British and American authorities to engage jointly in such operations and to share the negligible cost involved.

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Notes

INDUSTRIAL ESTATES Review of a Seminar

The ECAFE Seminar on industrial Estates which concluded its 11-day session in the Madras city, has spotlighted the role of industrial estates in the industrial growth of developing economies. In the course of the session, the Seminar dealt with every aspect connected with the development of industrial estates and has made about 150 recommendations having a bearing on the healthy development of industrial estates. Besides indicating the principles that should underlie Government policy in developing industrial estates, the Seminar devoted special attention to the problems of size, location and finance that arise in connection with the promotion and growth of industrial estates. The main subjects discussed at the Seminar were the objectives and policies in establishing estates, planning of industrial estates, organisation, management and financial arrangements, integration of industrial projects with programmes of urban or regional development and the role of international and regional co-operation in the development of industrial estates. In their sum, these recommendations form an

impressive corpus of ideas on the subject. An essential prerequisite for planning of industrial estates was stated as being the clear formulation of Government policy regarding the purpose, type and geographical distribution of the estates proposed to be set up. Within the framework of such a policy, it was indicated, certain surveys should be undertaken for ascertaining the feasibility, prerequisites and industrial growth prospects for each proposed estate. While the Seminar expressed itself in approving terms of the initiative and responsibility generally taken by Governments in the developing countries in the starting of industrial estates, it recommended that Governments should progressively encourage the entrepreneurs to assume such responsibility by joint action through the formation of companies or co-operatives. In the encouragement being given by the Governments, the Seminar has underlined the undesirability of providing special concessions and facilities which were not available to units outside the estates. Provision of ready-made factory accommodation is considered sufficient inducement to make the programme attractive.

In respect of the location of industrial estates, it was stated at the Seminar, that they should be planned with more emphasis on availability of basic facilities like power, water supply, transport, proximity to market and sources of labour and raw materials. It has favoured the provision of general purpose factories and necessary common services in the estates sponsored publicly in the less developed localities like the smaller towns and rural areas. Though the necessity of developing industrial estates in the rural areas was recognised, a selective approach was considered prudent for reasons of the comparative shortage of the basic facilities in the rural areas. Regarding size, it has been stated, that an estate should be large enough to achieve practical economies of scale and utilise fully the special buildings and services provided within the estate. The Seminar has cautioned against big concerns being permitted to get a foothold in the industrial estates meant for the development of small industries whether by direct or indirect investment of control. Preferential treatment to new types of production as against traditional ones and to industries capable of earning foreign exchange has been suggested in the matter of admission to estates. In the matter

of finance, the seminar took note of the fact that in the countries of the ECAFE region, financing of industrial estates was almost entirely done by Government agencies. In view of the rigidity and limits to such finance provided by the government and its agencies, it has been suggested that banking institutions and insurance companies should be induced to take up the financing of industrial estates, and as a measure of safety, it has proposed that the governments should stand guarantee for such institutional loans.

The suitability of industrial estates for developing large scale industrial centres and complexes and promoting industrialisation projects connected with the development of ports, airports, larger power plants, petroleum refineries has also been underlined. In order to promote such large industries, it would not be necessary for public authorities to provide the service and assistance usually extended to small scale industries in industrial estates. What it suggests is that public authorities might acquire land, develop it and give it on sale or lease basis for development as industrial estates. These projects might be called "Industrial Areas" to be distinguished from "Industrial Estates" which will be confined to the development of small industries.

The Seminar has also laid stress on the scope for international and regional co-operation in the field on industrial estates among countries in the ECAFE region. Among the suggestions it has made for furthering such co-operation are organisation of study tours and observation teams, and setting up of research centres and institutions for drawing up norms for layouts, factory designs specification for building materials. The role of the UN and other such international agencies in the matter of undertaking detailed studies of the specific problems of small industries and industrial estates like financial arrangement, promotion of ancillaries, administration and management of industrial estates has also been emphasised.

AGRICULTURAL LABOUR Deterioration in West Bengal

The Second Agricultural Labour Enquiry for the West Bengal State the results of which have now been published, has disclosed a further accentuation of pressure on land and deterioration in the conditions of the agricultural labour in the State since 1950-51 when the First Agricultural Labour Enquiry was conducted. The increasing pressure on land is reflected in the rise in the number of rural households, and the increase in the size of the agricul-

tural labour household and the average number of wage earners per household. There has been a rise of about 8.9 per cent—from 10,78,999 in 1950-51 to 11,63,100 in 1956-57—in the number of agricultural labour households in the State. The percentage of landless agricultural labour households was also higher at 63.49 in 1956-57 as compared with 53.71 in 1950-51. A further aggravating factor to the problem of increasing numbers on land was the increase in the average size of the agricultural labour household to 4.30 in 1956-57 from 4.0 in 1950-51. There is also a corresponding rise in the average number of wage earners per household to 1.52 from 1.50 in 1950-51.

The report has highlighted the increase in the average annual income of an agricultural labour household at Rs 657 in 1956-57 against Rs 608 in 1950-51 in the face of the decrease witnessed in the daily wage rate of adult male casual workers and of adult women. The daily wage rates for these two are shown to have come down to 143 nP and 98 nP from 166 nP and 104 nP respectively. The increase in income has however been more than matched by the rise in consumption expenditure which is shown to have increased from Rs 625 in 1950-51 to Rs 725 in 1956-57 with the result that the annual deficit in income in the case of the agricultural labour families has been further widened during the period between the two enquiries.

It is the figures relating to indebtedness that offer the most conclusive evidence of the continuing adversity of conditions faced by agricultural labour in the

tate. The latest report shows that 69 per cent of the agricultural labour households was indebted during 1956-57 as against 33 per cent in 1950-51. Further there has been rise in the average accumulated debt per household from Rs 15 to Rs 39 and in the average debt per indebted household to Rs 55 from Rs 44. The report also shows a decline in the proportion of debt incurred for consumption and a rise in the proportion for production purposes. In the face of the substantial rise in the position of indebtedness of the labour families, these changes leave the picture for 1956-57 unaltered as compared with 1950-51. These findings are a depressing commentary on the ineffectiveness of planning in tackling one of the most crucial problems of our economy.

FLOOD CONTROL Urgent Rethinking

Flood control has of late become a major preoccupation with the Centre and the State Governments and the idea of chalking out adequate programmes has, particularly after the unprecedented floods that surged almost in all parts of the country this year, gained further momentum. The recent floods, which in their wake have wrought heavy havoc to persons, property and livestock, have exposed the inadequacy of the prevailing arrangements in controlling the river waters. The recurrence of floods at regular intervals has also evidenced that all is not quiet on the water front. In his address to the 33rd annual meeting of the Board held in New Delhi Mr U. Ananda Rao, the President of the Central Board of Irrigation and Power, has underlined the urgency for a complete re-orientation of the flood control programmes and advocated for the constitution of a separate ministry for coping with this formidable task.

There can be little doubt that the floods this year have made drainage more important than irrigation and additional dams on the main rivers appear necessary. Equipment for construction made locally may help in the execution of projects for flood control. It is true that there are disputes over the further use of river waters and expert arbitration has been undertaken in respect of the Godavari and Krishna on the score that reorganisation of States demands a new adjustment of riparian claims and rights. Flood control, as applied to river basins in other countries, may have some value for India. Finance need not be a problem. The idea of a betterment levy may be extended to secure extra funds for flood

control schemes. A levy on an acreage basis or a royalty on the land directly benefited is obviously necessary. Not even thoughts of election hazards must be allowed to forget that high yields or high prices justify a new levy similar to that collected in the past in the Damodar river valley. The States must decide on a uniform levy and a special share in agricultural income tax can be set apart for flood control. A levy on commercial crops in dry areas may be inexpedient, but it is known that wet cultivation has increased in recent years in the South and the recovery of a part of expenditure undertaken by the State Government from the cultivators would be both just and expedient. The diversion of flood waters into new canals will certainly enlarge the supply for irrigation and a revision of revenue settlement appears overdue. Taxation of property in land has not changed much after the war and most of the States have failed to increase land reve-

nue owing to their preference for indirect taxation like sales tax, whereas cultivators who have changed over from paddy to other crops have made far better profits. The promise of Central grants may entail recourse to a new levy on land, graduated perhaps in the light of social justice, and that is one issue that must be faced in the next budget. The fact that power supply comes from major irrigation schemes is one argument for a levy which must be taken as the people's contribution. It is futile to think of getting labour gratis and it is only fair that the poor should get work in the slack season. The States hereafter should explain how flood control preserves property values and try to get popular approval for a levy to meet the cost. The Poona dam disaster is certainly one reason for going into the designs and materials used. But that may be less important now as compared with the apportionment of the cost of

flood control in future. The Centre has little responsibility for expenditure which must mainly fall on the areas served. Conservation of irrigation works is facilitated by flood control. This is another reason why agriculturists should cheerfully bear part of the cost of flood control.

HEALTH SURVEY A Realistic Appraisal

The report of the Health Survey and Planning Committee is both realistic in its appraisals and firm in its recommendations. The committee which was headed by Dr A. Lakshmanaswami Mudaliar was constituted two years ago to make an evaluation of developments in the field of health and medical services since independence and make recommendations keeping in perspective the needs of

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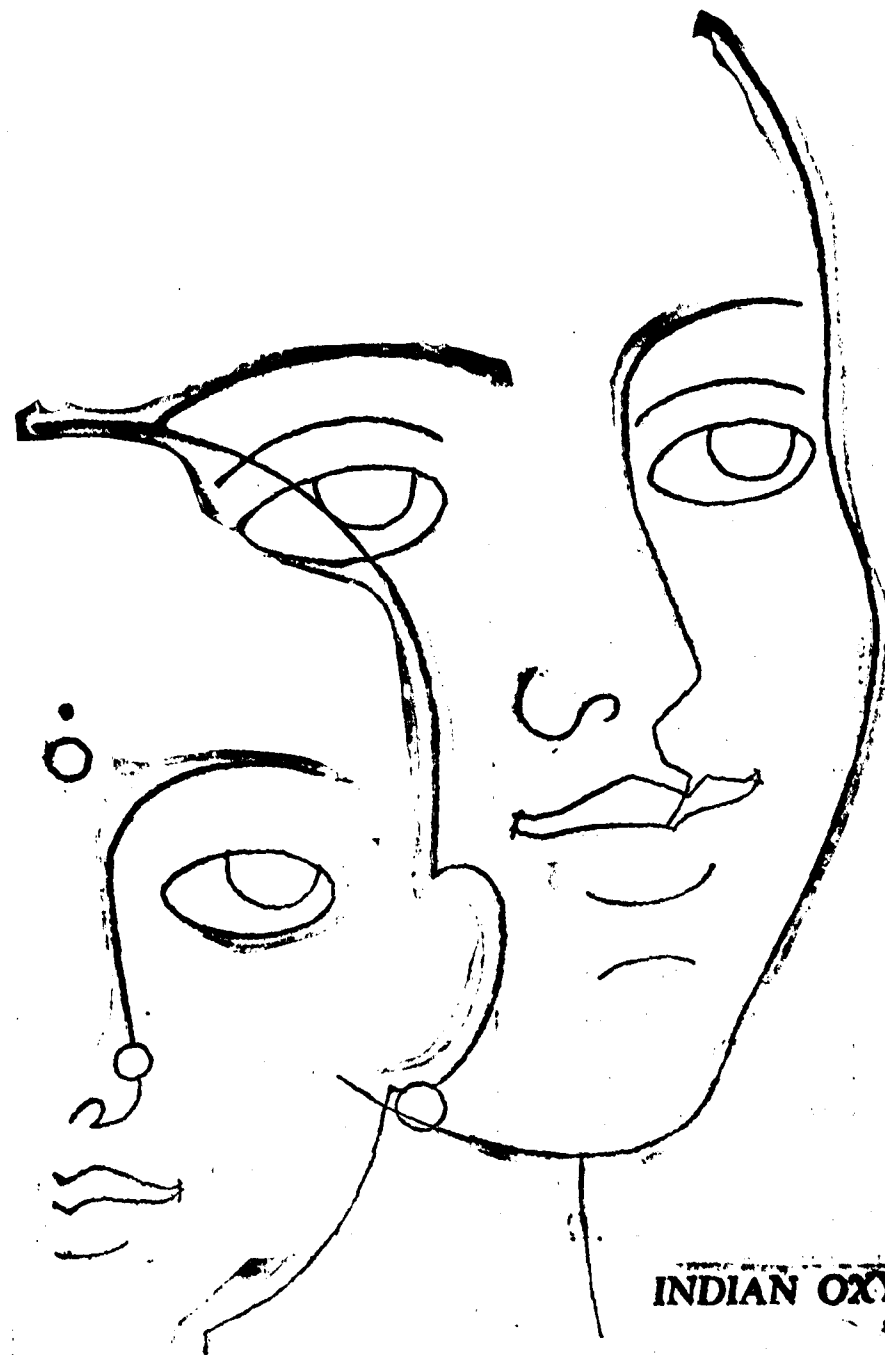
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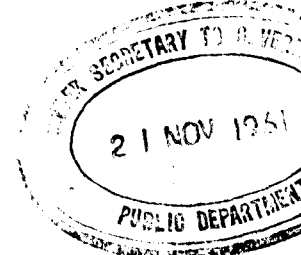
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he next 10 to 15 years. On the question of providing free medical service on the scale visualised by the Bhore Committee, the committee is of the opinion that it is not feasible. The objective of providing one bed for every 1,000 population too may probably be attained only in the course of the next two or three plan periods. Finance will continue to be the biggest stumbling block in the way of a rapid development of health services and the committee as admitted that the question of financing of medical care needs careful study. However, the objective of bringing the benefit of health services to the population at large need not be kept in abeyance pending the mobilisation of the required finance. The committee is of the view that except

in the case of "genuinely indigent patients" a system of graded charges in hospitals may be adopted. An alternative would be, as the committee has pointed out the levy of a health cess.

While the committee is fully aware of the inadequacy of personnel to man the medical services, it does not hesitate to disapprove of any short-cut to training of personnel. The target set by it is one doctor for ever 3,500 people by the end of the Fourth Plan. The number of medical colleges required computed on the basis of one college for 5 million people will come to 90 even at the present level of population. However, the committee has not hesitated to emphasise the need for maintaining a high quality in professional education. It has

proposed a limit of 100 students in a medical college, so that there is scope for greater personal contact between student and teacher. It is also gratifying to note that it has cautioned against adoption of any consideration other than merit in granting admission to medical colleges. Even in the case of sections of population whom the Constitution has assured special treatment the rule should be to select the best available candidates.

Hard work faces Government and others concerned with the improvement of the health services in the country. The committee has made valuable recommendations in regard to drug control, water supply and sanitation, nutrition, communicable diseases, research, administrative organisation and population problem. Far-reaching suggestions have been made in regard to population problem and it is a matter that can brook no delay. That fact that the committee has gone to the extent of suggesting the legalising of abortion indicates how seriously it views the rapid growth of population in the country.

★ PRICES Need for Definition

In his presidential address to the Second Quarterly meeting of the Indian Chamber of Commerce, Calcutta, Mr S. P. Jain referred to the bearing which a rational price policy has on the smooth and successful implementation of the Plan. The trend and behaviour of prices are obviously matters in respect of which the greatest uncertainty attaches both in view of the inherent unpredictability and the weaknesses of Government policies. Though the importance of a stable price level has been recognised by the Government and the Planning Commission, there is yet to emerge a coherent and comprehensive policy which would succeed in keeping the prices within the desired bounds. The Third Plan objectives in the price realm are couched in general terms and lacks precision in respect of the relations that should subsist between prices in various sectors. The basic weakness of the price policy, is that it is based on a sectoral approach and pays scant attention to the overall efficiency of the economy. For instance, there is much extravagant enthusiasm in the Government's policy of encouraging dispersal of industries which when unrelated to the locational advantages and accessibility and sufficiency of raw materials leads to the emergence of uneconomic size units. The deleterious effects that have flown from this policy are evident in the huge idle capacity that has developed in many industries in the country with its bearing on

prices. The problem of maintenance importance is another adverse development.

It is agricultural prices that hold the key to the general behaviour of prices and the performance of the economy during the Third Plan. While the Second Plan experience in respect of controlling prices in the agricultural sphere has been extremely disappointing, it should be a matter for gratification that supply factors have now turned more favourable. Particularly in respect of food-grains, the buffer stocks being built up with imports under PL 480 agreement with America, and the indications of increase in internal productions are factors that should help to bring prices down. While the supply position may offer satisfaction, there is room for doubt about the adequacy of the means proposed by the Government to stabilise price levels in the agricultural sphere. State trading has not been a success having hardly brought down prices in any sphere. The behaviour of sugar prices even in the midst of a surfeit of production and supplies has reinforced doubts about the working of the price controlling machinery of the Government.

★ IRRIGATION The Vast Undone

The need for extending the irrigation facilities and the development of electric power in a country which is predominantly agricultural and on the developing stage require no special emphasis. During the past decade of planned growth considerable headway has been made in these spheres, but that much leeway has to be made remains an indisputable fact. The quantum of water flowing annually through the different rivers in the country is estimated at 1,356 million acre and the utilisable portion has been placed at 450 million. Unfortunately for the country, only 120 million acre feet have so far been harnessed for these purposes and the Third Plan envisages an addition of 40 million to this. The irrigated area on the eve of the First Plan amounted to 51 million acres and subsequently 20 million acres have been added. Power development during the past decade was more than doubled from 2.31 million kw in 1950 to 5.70 million kw. This is no doubt a creditable achievement but there is nothing to gloat over, for the country's hydro-electric potential is estimated at 40 million kw. Considering the restricted reserves of coal in India, the exploitation of water resources for the generation of electricity becomes all the more prominent and the scope in this regard, barring perhaps in a few States like Madras where all the hydro-potential has almost been exhausted, is indeed vast. The extension of water for irri-

gation and other purposes also requires immediate consideration for some States are more often than not faced with scarcity or non-availability of water particularly during the summer seasons.

Inaugurating the annual general meeting of the Central Board of Irrigation and Power at New Delhi, Mr Lal Bahadur Shastri, the Union Minister, spotlighted the significance of inter-State co-operation for the maximum utilisation of water resources in the country. The disputes between the States will have to be ironed out in the best interests of all and an attitude of give and take will help in narrowing regional jealousies. The examples set by the States of Kerala and Madras and Rajasthan and the Punjab are worthy of emulation by other States. The proposal to link large rivers and thereby connecting different parts of the country by a net-work of navigable canals is an idea well worth considering because of its economic potentialities as also for its possibilities as an instrument of national integration.

★ EDUCATION An Imaginative Gift

The US Administration has announced the formation of an Educational Consortium for India to help the country set up an Institute of Technology at Kanpur. The message conveyed by President Kennedy himself to Mr Nehru on his birth-day, has come as a second gift, apart from the ceremonial cake, to Mr Nehru on the fateful occasion. Seeking of aid was no part of Mr Nehru's visit to the US, but the announcement has been timed to coincide with his visit and comes as an unusual and thoughtful birthday present.

The Kanpur Institute which has already been set up is designed to be one of the four leading technical institutes of its kind in the country. Three other such institutes at Khargpur, Bombay and Madras are already well set and have made considerable headway in expansion of facilities and improvement of standards. The Kanpur Institute, was started later than the other three institutes and delay in the construction of a new building, has impeded its progress. Now that American assistance has been promised for the Institute, it should be possible for it to make greater headway and catch up with its counterparts in the other three cities.

The US aid for the project is being sponsored by the Agency for International Development. The support of the AID will be channelled through the "Educational Consortium" which is being formed with nine major US Universities and Institutes of technology, viz. the California Institute

of Technology, Carnegie Institute of Technology, Case Institute of Technology, Massachusetts Institute of Technology, Ohio State University, Princeton University, Purdue University, University of California and University of Michigan. The Consortium will be administered by the Educational Services Incorporated of Watertown, Massachusetts under an AID-financed contract.

The assistance from the Consortium will mainly be in the form of sending of US faculty members to Kanpur in an advisory capacity, provision of advanced training in the US institutions to Kanpur faculty members and advising the institute on its need for equipment and also providing some of the equipment which is

not available in India. Further, part of the rupee costs of constructing the new building to house the Institute will also be paid by the US Government from rupees derived from the sale in India of US surplus wheat and rice. The Consortium representatives are already in India developing working understandings with Indian and US authorities. On the basis of the exchange of visits, the AID and ESI are expected to chalk out plans for actual operations to begin early in 1962.

★ INVENTIONS Fugitive Talents

The Inventions Promotion Board in the Union Ministry of Commerce and Industry has honoured

19 independent workers by awarding cash prizes ranging from Rs 50 to Rs 2,500 for their novel inventions of different sorts. This constitutes the first series of cash prizes awarded by the Board for the sole purpose of fostering a spirit of invention among independent workers, artisans and technicians in the country. The first prize of Rs 2,500 was awarded to Mr Ram-jilal of Deoli for designing the Azimuth Calculator (Sun), a useful instrument for the defence and meteorological services. He has further worked out Polaris and grid convergence graphs and Sun/Star bearing tables.

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per substitute for the Beggs Deformometer and has been proved useful for the measurement of deformation on models. The capacitance type electronic moisture content meter, having the potentiality to record directly moisture contents in terms of percentages of total moisture present, is claimed to help increase the productivity and quality control in textile and similar industries. Another important invention is the improved device for reeling yarn bottoms. This can be employed for removing residual yarn from bobbins and pins returned from winding and weaving departments of the textile mills. In comparison with the conventional method of stripping it has been found that with this machine the output per person can be doubled. A self closing water tap which utilises water pressure for its operation is yet another invention which will soon find a wide application. A young school boy of 15 years has

designed an electro-timer, a simple device using two alarm time-pieces which, when put to any circuit, acts as a time switch to put on and to put off the supply at pre-set times. It is heartening evidence of fugitive talents. Besides awarding such prizes, the Board also extends financial assistance to guide the country's inventive talent through the proper directions. The encouragements and assistance offered by the Board are, in the long run, destined to pave the way for more and more inventions, which in their wake, can make for radical changes in the various industrial and technical fields in the country.

RAILWAYS Higher Charges in the Offing?

Railways are contemplating a closer look at operating statistics

to discover if certain railway charges could be raised. The Port Trusts have met rising costs by putting up all charges besides taking toll of rising traffic. But export trade considerations may limit increases by the Railway. Besides new higher rates for smalls it is possible to contemplate a rise in charges on goods traffic. But a limitation of extra-legal charges that go to the staff must precede a plea for upgrading railway charges. Subsidies for ore or coal may be justified, if high-rated traffic increases with the prevention of pilferage. Statistical studies can have value, only if rates are raised in line with the greater speed of traffic.

The application of cost accounting to the railways as a State undertaking may help the other State enterprises to determine costs and prices. The duty to make a profit is axiomatic under the Third Plan and the adjustment of rates for long distance traffic may also be justified in view of the

Indian Finance

increase in the competitive inter-State traffic by road. The reclassification of goods undertaken for two decades under the impulse of wartime pressures is another argument for readjustment. The other is that the cost of claims which will go up, when the railways have to accept legal responsibility as a common carrier. The tax on passenger fares may limit the chances of raising charges for passengers but it is admittedly necessary to achieve improvement and safety rather than cheapness in passenger services. Railway economics as evolved by Kailash and others may stand in need of revision if the rule of "charging what the traffic will bear" needs to be applied in the case of priority movements. The concessions offered even to staff must also be limited in future, if net revenue is to be kept up at a rising rate in order to meet debt servicing. The credit-worthiness of the State Railways will rest on the growth of revenue and the duty to avoid the experience of the British railways after the war is clear enough. Regional and other pressures must be ignored and the railways must take into account the lift in prices of commodities like cotton and oil seeds this year. A part of the increase can well be absorbed by measurement of volume originating from the producing centres in order to counter the fall in movement to ports, owing to the fall in some exports. The rule of internal free trade cannot be infringed by the application of differential rates including special rates. With larger goods trains in vogue, speed must be raised. Railway users may concede that the revision of rates is necessary provided they are satisfied that it will result in greater operational efficiency.

INDO-GERMAN TRADE Need for Expansion

Speaking at the fifth annual general meeting of the Indo-German Chamber of Commerce held in Bombay last week, Mr Morarji Desai, the Union Finance Minister, expressed concern at the imbalance in trade between India and the Federal Republic of Germany and pleaded for liberal terms for reversing this unfavourable trend. He, however, acknowledged the growing awareness of West Germany in India's development programmes and the quantum of assistance provided by that country. But at the same time Mr Morarji brought home the fact that under no circumstances can aid be considered as a proper substitute for trade. There is no gainsaying that financial aid is propitious for accelerating the pace of development of under-developed nations, particularly in the initial stages, but the creation of the wherewithal for repaying

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it is equally important. It is in this regard the role of a balanced trade looms large.

Our trade deficit with West Germany in 1959 was of the order of about Rs 99.11 crores and in 1960 it was marked slightly lower at Rs 96.95 crores. The need for bridging this yawning gap therefore becomes obvious. The quota restrictions imposed by the West German Government acted as an impediment of a serious nature in bolstering our exports to that destination and the crippling import duties left the competitive ability of our goods considerably weakened. Viewed in this light some slackening in the restrictions on quotas and easing of the burdensome import duties are necessary for stimulating exports from India. Another solution for this problem lies in the indigenous production of the machinery, for the supply of which we depend on the Federal Republic. It is a matter for gratification that more and more products of German designs are now manufactured in India by the joint Indo-German industrial undertakings. As the time element has to be reckoned in our march toward self-sufficiency the imbalance in the trade is likely to continue for a few years.

In his welcome speech, Mr G. Wilhelm, the President of the Chamber, drew attention to the slight improvement registered in exports from India to West Germany during the first seven months of the current year. This development was largely the result of direct contacts between Indian business and their counterparts in that country. Such dealings, as averred by the President, will prove fruitful in boosting our exports to West Germany. But the question of Indo-German trade is bound up with the question of Britain's entry in the European Common Market.

US Improved Balance of Payments Position

According to estimates discussed at last week's annual convention of the National Foreign Trade Council, US commercial merchandise exports this year will approximate \$19,500 million. This is about the same as last year's total, and is in line with projections offered last January. Actually, US exports have been at record levels for the past two years. But the fact that 1961's total now is running barely above 1960's raises the question whether the current export boom is coming to an end. Involved in this are the economic trends in Western Europe, which is a major market for US goods. There seems little, if any, doubt that West European prosperity will continue, but much obviously will

depend on the extent to which the nations of that region can maintain their remarkable economic growth rates of the past several years.

Members of the National Foreign Trade Council, a leading private body comprising a representative and influential cross-section of American companies engaged in various aspects of international commerce, also envisage a US import total for this year of about \$14,700 million. This, too, is about the same as last year's total, although not quite up to the levels anticipated when 1961 began.

The lag in imports is attributed principally to the effects of the brief and mild recession in US economic activity from mid-1960 to the spring of 1961. With the recession long since over, however, and US economic activity there has been an increasing demand for goods, both foreign and domestic, in recent months. Hence, imports may well be larger next year than this.

On the basis of these estimates, the US trade surplus—the excess of merchandise exports over imports—figures to be about \$5,000 million this year. Again, this is about the same as last year's surplus.

The over-all deficit in the US balance of payments, however, will be much smaller than 1960's abnormally high \$3,800 million. For 1961, the deficit is being estimated at a rather moderate \$1,500 million—\$2,000 million.

The balance of payments, of course, reflects all the international transactions of the United States. Thus, even a healthy \$5,000 million trade surplus has not been sufficient to offset the large outflow of US funds in such forms as US Government economic aid and US private investment abroad.

It is not that there has been any diminishing of these forms of assistance to economic development around the world; if anything, they have been on the rise. But

this year there has been a striking reduction in the flow of short-term money out of the United States. This development is taken here and elsewhere as evidence of renewed international confidence in the US dollar, in the vitality of the US economy, and in the ability of the US Government to keep its balance-of-payment difficulties under control.

This does not mean that the difficulties have as yet been overcome completely. In fact, with imports rising and exports not showing a similar surge, there is the possibility that the all-important trade surplus, representing principal cushion against US capital outflow, could be smaller in 1962 than in 1961.

Hence, from the viewpoint of US Government policy—with which US business interests generally coincide—it becomes important to build up the trade surplus and to spur a larger flow of capital to the United States. One such step is to stimulate travel

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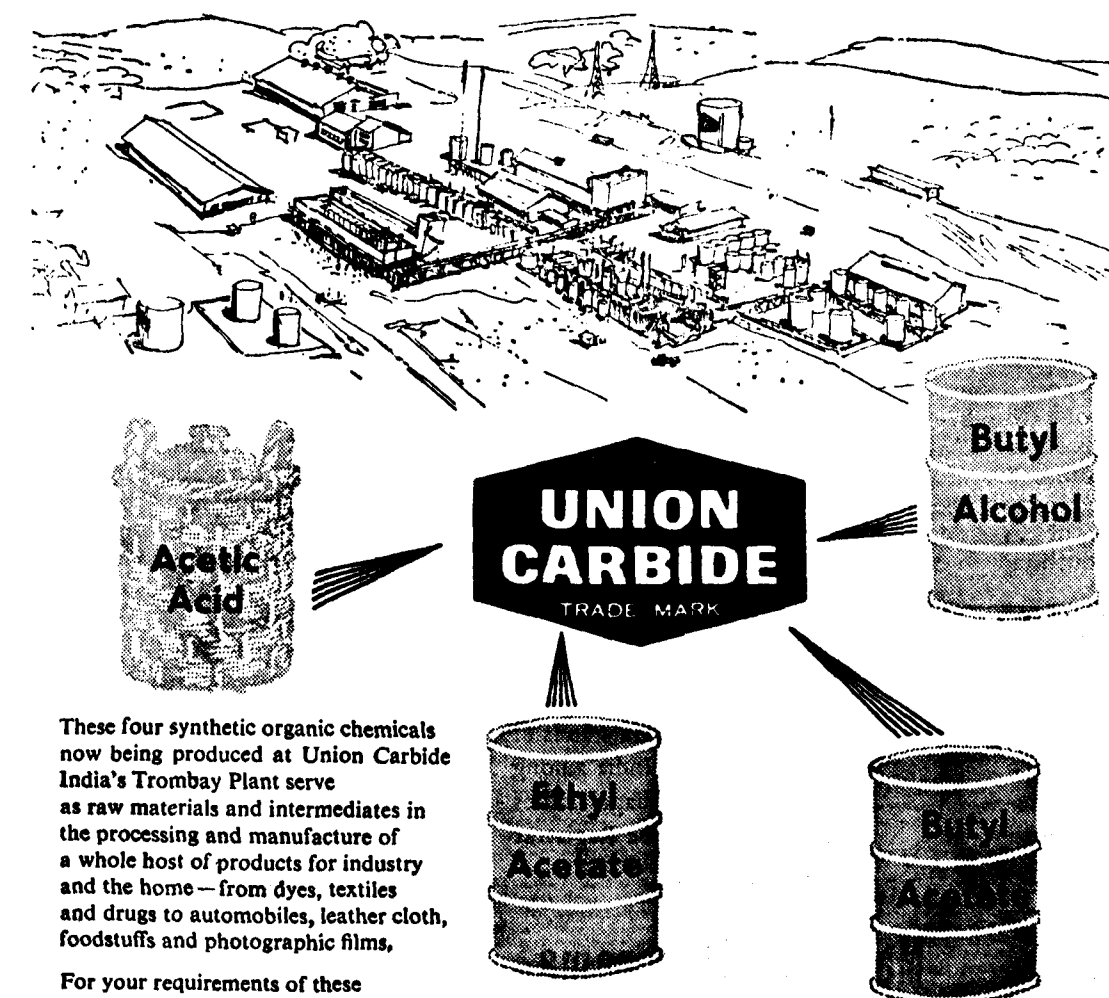
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to the United States, and thus reduce the traditional net outflow of tourist dollars resulting from the heavy US travel to other lands. This is being done through official US Government programmes, and unofficially through private endeavours.

Another step, and the major one, is to keep the US trade surplus as high as possible through an expansion of US exports. To businessmen, this means greater efforts to sell their products abroad and to keep them competitive, price-wise and quality-wise, in world markets.

To the government, this has meant the launching of an ambitious export expansion programme. Exports are being encouraged through such devices as liberalized credit facilities, increased trade missions abroad, establishment of trade centres in important cities around the world, greater participation in international trade fairs, and broadened insurance coverage of American shipments against defaults and political risks.

It is noteworthy that in all this there has been virtually no mention of a general policy of import restriction as a means of bolstering the US trade position. Indeed, while there have been a few special cases requiring special international attention, any thought of resorting to a general policy of import restriction was rejected at the outset as incompatible with the basically liberal trade policies of the US Government. These policies traditionally have sought an expansion of world commerce from which all nations could benefit.

It is important to note that the National Foreign Trade Convention, in its final declaration of policy, also rejected the concept of trade restriction. Instead, it indicated support for further liberalization of the 27-year-old US Trade Agreements Act, which expires next June 30, along lines evidently being considered by the administration of President Kennedy. As outlined to the con-

vention by George W. Ball, US Undersecretary of State for Economic Affairs, one key feature of the new trade programme now under study would be additional presidential authority to negotiate deep, across-the-board tariff cuts.

★

WHEELS INDIA A New Stride in Industrial March

"Wheels India Ltd" a joint venture between M/S TVS of Madras and Dunlops, was inaugurated last week, by Mr K. C. Reddi Union Minister for Commerce and Industry. The inauguration of the project represents a new stride taken by the Madras State toward further industrial growth and development. The capital participation by Dunlops and TVS is in the ratio of 45:55, with the total capital outlay at Rs 1.4 crores. Dunlops' contribution will be mainly in the form of machinery and equipment.

The factory which is located at Padai, a village near Ambattur 8 miles north of Madras, is designed to manufacture wheels for the Dodge, Bedford, Leyland and Mercedes Benz. Production will be confined mainly to two types unlike in the UK, where Dunlops are making 102 different types of wheels. The production capacity for the factory has been fixed at 180,000 wheels on single shift and 210,000 on double shift. The wheels will be of the fully welded type, the latest adopted in the foreign countries. The factory has been equipped with the latest degreasing plant and for the first time in the country, it will be adopting CO₂ automatic welding process. It is also noteworthy that production plans are being so designed that the factory could get into full production on commissioning.

Inaugurating the project, Mr K. C. Reddi underlined the importance of developing the ancillary wing of the automobile industry.

In the advanced countries, the automobile industry is organised essentially as an assembling industry which ensures its economies of specialisation and overheads. In India, on the other hand, the retarded development of the ancillary wing in the automobile industry has involved greater capitalisation for the main automobile manufacturers who have to undertake the production of items usually supplied by the ancillary units. Recent progress in the development of ancillary units has been commendable and there has emerged over 100 units covering a large number of ancillary items such as electrical equipment, wheels, rims and instruments. That the value of production in the ancillary units should have gone up from Rs 2.3 crores in 1956 to Rs 12.5 crores is a measure of the progress made. The scope for the further enlargement of the area of operation of the ancillary units is however still great. The automobile industry still consumes a substantial amount of foreign exchange for import of spare parts and components. The entry of the new project jointly sponsored by the TVS and Dunlops is in the circumstances to be welcomed. In the very first year of production itself, the new factory will enable the country to effect a saving in foreign exchange to the tune of Rs 94 lakhs.

★

CENTRAL REVENUES Buoyant in September

The revenue realised from items on which duties are levied and collected by the Central Government in the first six months of the financial year 1961-62 amounted to Rs 441.30 crores. Of this, Rs 102.33 crores were collected during September 1961. The corresponding figures for the first six months of the financial year 1960-61 and for the month of September 1960 were Rs 367.77 crores and Rs 75.86 crores respectively.

Following are details of the revenue realised under various heads:—

Revenue Head	(In Lakhs of Rupees)			
	September 1961	September 1960	1961-62	1960-61
1. Customs ...	17.71	13.74	95.99	77.95
2. Union Excise Duties excluding Coal Cess and Salt Cess ...	39.06	31.72	229.42	193.80
3. Corporation Tax ...	23.85	14.51	51.58	36.78
4. Income Tax ...	20.50	13.48	58.57	47.02
5. Estate Duty ...	36	14	1.31	82
6. Taxes on Wealth ...	29(P)	27	1,37(P)	1.47
7. Expenditure Tax ...	2(P)	3	12(P)	13
8. Gift Tax ...	4	6	23	23
9. Railway Passenger Fare Tax ...	...	1.11	...	6.95
10. Opium ...	50	80	2.71	2.62
Total ...	1,02.33	75.86	441.30	367.77

(P)—Provisional.

Indian Finance

BURMAH-SHELL Notable Performance

The Burmah-Shell Oil Company has, in a small publication, reviewed the working of the Company during 1960. A noteworthy feature of the publication is the pictorial presentation that has been used to describe the Company's activities. This has greatly contributed to simplicity in understanding the various aspects of the Company's working.

The Survey records the total sales turnover of the Company during 1960 at 3.7 million tons valued at over Rs 172.06 crores. Noteworthy features in the performance on the sales side during the year are an 11 per cent increase in the Company's trade in Aviation Fuel contributed mainly by Turbine Fuel and a rise by 42 per cent in the sales of Liquefied Petroleum Gas. These two however account for only a minor share of the total production by the Burmah-Shell, the more important items being Motor Spirit, Kerosine and Light and Heavy Diesel Oils. The respective shares of these items in the gross proceeds at Rs 172.06 crores are Rs 38.68 crores, Rs 38.37 crores and Rs 49.72 crores.

The break-up of the total gross proceeds into the various elements of expenditure provides an interesting study of the economics of the oil industry. A sum of Rs 58.83 crores amounting to 34 per cent of the gross proceeds is attributed to CIF cost of products. Wharfage and Railway freight are shown to account for a sum of Rs 12.10 crores or 7 per cent of the gross proceeds. Marketing expenses are placed at Rs 22.90 crores. Taxes paid by the Government in the form of sales taxes and Central Government duties and income tax have absorbed nearly Rs 76.03 crores which working out to 45 per cent of the total gross proceeds provides a measure of the heavy burden of taxation which the oil industry has to bear at present. The total profit of the Company after providing for taxation is shown at Rs 2.11 crores or 1 per cent of total

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turnover and as a proportion of the capital employed worked out to 3.97 per cent in 1960. It is however remarkable that this was more than matched by the increase of Rs 3 crores in the net capital employed in the Company's business.

The Survey also attempts a forecast of the future trend in the demand for petroleum products in the country for the next five years. This indicates a likely fall in the proportion of consumption

of kerosine as well as of motor spirit and of light diesel oil. On the other hand, high speed diesel oil and furnace oils figure as items for which the demand will go up. An equally important feature of demand will be its diversified pattern, in which the range of products in demand will be widened.

It is stated that there will be many customers requiring various types of industrial feedstocks such as Light Naphtha, to produce fertilisers and a

wide range of chemicals. This should augur well for the development of a petro-chemical industry in the country.

★ WHOLESALE PRICES Slight Fall

The official wholesale price index (with the year ended March 1953 as 100) receded by 0.4 per cent to 124.0 during the week-ended 21 October, 1961 as com-

pared with 124.5 for the earlier week. The index was lower by 0.2 and 2.1 per cent respectively when compared with the corresponding week of the previous month and that of a year ago.

The index for Food Articles rose by 0.2 per cent to 121.3 as compared with 121.1 (revised) for the previous week due to an advance in the prices of Potatoes (+12%), Rice at Dumka (+6%), Gur and Onions (+5% each), Gingelly oil (+4%), Barley and Grain

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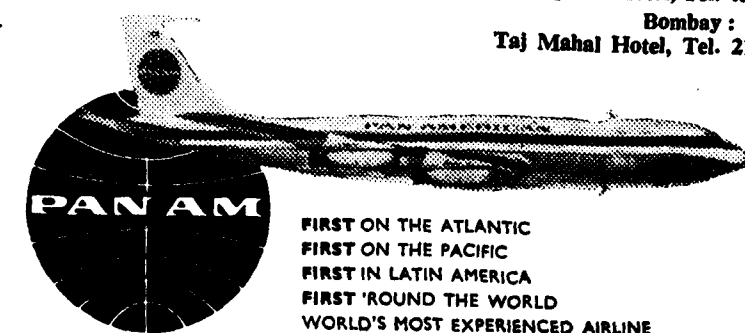
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(+3% each) and Maize, Ragi, Arhar, Masur, Bananas Ghee and Mustard Oil (+1% each) although the prices of Wheat at Sugar and Milk (-6% each), Eggs (-4%), Fish (-3%), Cashewnuts (-2%), Urad, Groundnut oil, Black Pepper, Cardamoms, Betelnuts and Salt (-1% each) showed declines.

The index for 'Tohacco' remained unchanged at its earlier week's level of 96.0.

The index for the Fuel, Power, Light and Lubricants' group worked out to 121.6 as against 121.7 for the previous week. The prices of Castor oil (-2%) showed a fall during the week under review.

Lower prices of Groundnuts (-8%), raw Cotton (-5%), raw Jute and Cotton seed (-2% each) and Castor seed and Gingelly seed (-1% each) brought down the index for Industrial Raw Materials by 2.6 per cent to 132.7. The prices of Rapeseed (+2%) and Raw Silk (+1%), however, moved up.

The prices of Rayon Yarn (+4%) and Coir Yarn (+1%) showed advances while those of Zinc (-6%) and Linseed Oil (-1%) were marked down and in the result the index for Intermediate Products rose by 0.2 per cent to 140.8 during the week under review.

The index for 'Finished Products' stood at 123.8 as against 123.9 (revised) for the previous week. Items which showed variations during the week were —Jute manufactures (-1%) and Bricks and Tiles (+1%).

NEWS IN BRIEF

THE Government of India has decided to extend the benefit of compulsory contributory provident fund under the Employees' Provident Funds Act to industries engaged in stone-ware jars and crockery. This will take effect from 30 November and is applicable to establishments which employ twenty or more persons.

Up to the end of December 1960, the total number of exempted and unexempted establishments covered by the Act was 8,131 and the number of subscribers in such establishments totalled about 2.8 million. The aggregate accumulations of provident fund in exempted and unexempted establishments were Rs 193.45 crores, excluding refunds.

All towns and villages with a population of more than 5,000 will be electrified by the end of the Third Plan. In addition, half the villages, having a population ranging between 2,000 and 5,000 will be provided with electric power.

In 1951, only 3,687 villages were electrified. In the First and Second Plan periods, the number increased to 23,000 which will further rise to

43,000 by 1965-66. This means a phenomenal rate of increase in the number of villages electrified since the commencement of the planning period. A more impressive achievement is that about 40 per cent of the larger villages, having a population over 5,000 will have electricity for agricultural, domestic and industrial use.

Bhilai Steel Plant produced 86,941 tonnes of Pig Iron and 72,225 tonnes of Steel Ingots in October 1961, as against 82,607 and 66,570 tonnes respectively in September. Production of Pig Iron for Sale was 32,531 tonnes as against 31,462 tonnes in September. Saleable Steel production was 51,460 as against 41,755 tonnes in September.

Durgapur Steel Plant produced 61,288 tonnes of Pig Iron and 44,700 tonnes of Steel Ingots in October as against 57,481 tonnes and 42,784 tonnes respectively in September. The production of Saleable Pig Iron was 18,343 tonnes as against 16,812 tonnes in September. Production of Saleable Steel amounted to 37,877 tonnes against 29,612 tonnes in September.

Rourkela Steel Plant produced 39,379 tonnes of Pig Iron and 32,522 tonnes of Steel Ingots in October as against 29,886 and 23,310 tonnes respectively in September. Production of Saleable Pig Iron was 5,903 tonnes. Production of total Saleable Steel rose to 20,397 tonnes from 17,364 in September.

The Government owned Chemicals Company, manufacturing caustic soda, sodium hydro-sulphate, hydrochloric acid, and other chemicals at Eloor in Kerala will shortly embark upon a three-year expansion scheme. The expansion programme, when completed, will step up production of caustic soda from 35 to 100 tons per day and of sodium hydro-sulphate from 900 metric tons to 3,000 metric tons. The Company has also plans to produce 4.2 metric tons of sodium sulphate daily.

Full scale prospecting work by the National Mineral Development Corporation to exploit the country's largest iron ore deposits in Bailadila area in MP will commence from January 1962. Recent experiments conducted by the Indian Bureau of Mines have revealed a high percentage of raw iron blocks upto 82.2. The entire prospecting work is scheduled to be completed before the next monsoon sets in.

According to provisional figures issued by the international rubber study group, world consumption of natural rubber in August totalled 177,500 long tons as against 157,500 tons in July. Consumption of synthetic rubber in the month amounted to 155,000 tons in contrast to 140,000 tons in July.

Kerala Government has sanctioned a Rs 3.4 crore scheme for the distribution of chemical fertilisers to increase the production of coconuts in the State by about 34 million nuts during the Third Plan.

Oil production in the Middle East in the first nine months of 1961, recorded an increase of 8.6 per cent over the same period in 1960. Oil produced amounted to 210,347,000 metric tons compared with 193,705,000 tons in the first nine months of the previous year. All leading countries achieved higher output. Kuwait yielded 61,687,000 tons, Saudi Arabia 50,910,000 tons, Iran 43,686,000 tons and Iraq 36,260,000 tons. Iran had the largest proportionate increase of any of the major Middle East producers.

According to the All-India Automobile and Ancillary Industries Association, production of components for the automobile industry in India this year is expected to touch Rs 20 crores. The component production (excluding tyres, tubes, other rubber items, ball bearings and batteries) is today running at an annual rate of Rs 12 crores in the organised sectors, the residue being contributed by the small sector.

The Government of India has constituted a 11 member study group to conduct a probe into the various aspects and problems of the hosiery industry with Mr I. B. Dutt, Industrial Adviser, Textile Commissioner's office, as Chairman.

A Rs 1 crore plant for the production of wrist watches will be set up in Baroda by the Hindustan Equipment Suppliers Limited. In the initial stages the factory will produce 80,000 watches per annum which will subsequently be raised to 300,000 pieces. Negotiation with a foreign firm for technical and financial collaboration is under way.

Huge iron ore deposits of great importance to Australia's future have been discovered in the north-west of Western Australia. The deposits are expected to total 1,800 million tons five times Australia's total known reserves.

Exports of British commercial vehicles reached the record value of £94,153,420 in the first nine months of 1961. Exports of commercial vehicles, accessories and components were actually 13.5 per cent above the figure for the previous year. With the record exports registered this year Britain has emerged as the world's leading exporter of commercial vehicles.

According to the Indian Bureau of Mines, production of iron ore in September 1961 was 930,000 metric tons. This brings the total output during January-September to 8,645,000 metric tons which is higher by 7 per cent compared to the output during the corresponding period of the preceding year.

Orissa was the leading producing State with an output of 375,000 metric tons followed by Bihar which recorded an output of 232,000 metric tons. Production from Madhya Pradesh, Mysore and Maharashtra amounted to 200,000, 144,000 and 17,000 metric tons, respectively.

Despatches of iron ore for consumption in the iron and steel plants in the same month totalled 690,000 metric tons while despatches for export amounted to 135,000 metric tons.

In early November, the construction of the second stage of Indian Aluminium Company Limited's Hirakud smelter was completed, five months ahead of the original completion schedule. The first stage—10,000 tonnes—of the Hirakud smelter was commissioned in early 1959. The Government of Orissa made available, ahead of schedule, a partial supply of power to the smelter so that half of the expanded facility has gone into operation. The smelter is scheduled to go into full operation early next year when the balance of the power will become available. This expansion will increase the Hirakud smelter's capacity from 10,000 tonnes per annum to 20,000 tonnes and will raise India's total aluminium smelting capacity from 18,000 tonnes to 28,000 tonnes—an increase of about 55 per cent.

The current demand for aluminium in India is about 50,000 tonnes and is expected to rise to about 120,000 tonnes by the end of the Third Plan. Besides the existing units, several new smelters are likely to be established by 1966, which is likely to raise the installed capacity in the country to 97,500 tonnes.

PERSONAL

Mr M. Ct. Muthiah, Chairman of the Indian Overseas Bank Limited, returned to India on 16 November after a tour of Europe, the USA and the Far East.

Mr S. K. Kooka, Commercial Director of Air India International has been appointed a member of the Advisory Committee of the Indian Airlines Corporation and Mr Biren Mukherji, Chief Traffic Manager, of AIC has been made a member of the Advisory Committee of the Air India International.

Mr V. Viswanathan will succeed Mr V. N. Jha as Secretary of the Union Ministry of Home Affairs. He will take over charge on 27 November. Mr Jha has been appointed Chairman of the Union Public Service Commission.

Mr D. S. Joshi, Additional Secretary in the Union Ministry of Commerce and Industry, left for Hungary to negotiate a trade agreement between the two countries for 1962.

Mr G. Parthasarathy, who is at present a member of the Indian delegation to the United Nations, has been appointed as Chairman of the Vietnam Commission. Mr Parthasarathy will be proceeding to Saigon by the end of next week to take up his new appointment.

Clive Street Gossip

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

IN DELHI for a short while last month, I had a glimpse of the Indian Industries Fair taking rather leisurely shape at the exhibition grounds on Mathura Road. It crossed my mind then that, as in an Indian wedding, the real preparations will start only when the guests start arriving. But as in an Indian wedding again, the muhurat will find everybody and everything more or less ready. (Usually, the bridegroom is more, and the bride less, ready.) Reports from Delhi indicate that the late arrival at the Fair is, provided he is not as tardy as his proverbial counterpart, likely to have more fun and greater enlightenment than those whom the call of duty or of pleasure takes there earlier. A visit in early December may prove rewarding, for by then the participants will have got into their stride and the spirit of the thing. But that need not postpone our formal congratulation to those whose energy, resourcefulness and hard work have made this Fair a great showpiece. Like many other things destined to become memorable, the idea of an Indian Industries Fair developed from rather nebulous impulses and with no particular design. But already it has achieved a pattern. The first Fair, held in 1955, provided some tangible evidence of the rather modest strides the country had taken towards industrialisation during the First Plan period. This year's Fair, a more ambitious venture, will bear testimony to the great qualitative and quantitative changes that have come over our economy in a decade of planning. Thus the Fair has imperceptibly become part of the apparatus of planned development, a quinquennial standing back and appraisal of changes in the landscape. Its chief virtue is its palpableness. There is no abracadabra about national income, per capita income, index of production and the rest of the statistician's esoterisms to grapple with. You have visual and concrete evidence of what is being attempted and done. And the fact that it has been jointly sponsored by the FICCI and the Government of India gives, as the Fair itself will do, meaning and content to professions of faith in a mixed economy. Besides a modest sense of fulfilment, the Fair also provides an occasion for a healthy spirit of emulation. This year's Fair, in particular, has had as many as eighteen nations compete with one another in presenting to the Indian public: the best examples of their enterprise

and technological sophistication. Seeing them must engender a certain impatience with our backwardness, but such an emotion need not be negative, especially since these very nations are actively assisting us along the road they have already traversed. The foreign visitor to the Fair will have cause for wonderment too. India's growth as an industrial nation has been remarkable and if the scene is somewhat confusing and helter-skelter, there is little doubt about the vitality of the Indian entrepreneur of the last few years. The range and variety of things we now make come with a vivid shock of surprise to those who have thought of India as the land of Maharajas and rope tricksters.

There is one suggestion for the future I should like to make. Delhi is not necessarily the obvious choice for an Industries Fair in the country, though at the rate they in Delhi have been acquiring experience for this kind of show, it may soon be the only choice. But apart from that, the claims of other cities like Calcutta or Bombay are not easily brushed aside. I would naturally press the claims of Calcutta, but others besides me can easily see how odd it is that an Industries Fair should be so tardy in coming to the industrial capital of the country.

Mr Nehru's visit to the US has been a triumph of a rather unusual kind: normally such visits are exercises in public relations. Even this particular visit was probably so planned. In the event, it had turned out that the essence of Mr Nehru's triumph this time has been his statesmanship rather than his considerable public-relations potential. For this circumstance we have to thank the rather murky atmosphere of misunderstanding that suddenly developed on the eve of his visit. Mr Nehru had his work cut out for him. No synthetic bonhomie would have done and Mr Nehru rose to the occasion. His savoir faire was remarkable: he sailed through searching and even hostile questions with ease and assurance. At the end of it all he gave nothing away and yet successive despatches from America show how the hostility was breaking down progressively and how there is now a more precise and sympathetic understanding of our international stances. How one wishes Mr Menon had a tithe of this gift of Mr Nehru! Mr Nehru evaded no

question, but he was not once brow-beaten into apologetics about our stands that irritated the US. The result has been, if one is to judge by reports, a greater understanding of the vast area of agreement between us and our differences. Belgrade and Russian tests which had become touchstones of sincerity with some Americans reared their heads repeatedly. Mr Nehru was asked, for example, why the Belgrade Conference did not condemn the Russian tests. Mr Nehru answered for himself and said that he did condemn them. This was both a correction on a point of fact and a gentle reminder that he cannot be held answerable for the conduct of all the neutrals in the world. He also drew attention to the fact that he did ask—almost the only man to do so—the nations gathered at Belgrade that they should lift their eyes a little beyond their horizons and take note of the happenings in the larger arena of international politics.

Areas of agreement between the US and India were recalled both by Mr Nehru and Mr Kennedy often enough to have made an impression on even the most impervious. The things that bound us were the important things. A shared dedication to the values of an open society, the tradition of governance by consent and the sanctity of the rule of law constitute a not inconsiderable community of feeling and thinking. And these are the things that matter. Even our neutrality will make better sense if Americans recalled their own early history: Benjamin Franklin, probably the first US diplomatic representative, worked hard at keeping the US away from the French Revolution. The Jeffersonian horror of entangling alliances is understandable in a nation on the make. The compulsions of our neutrality are not dissimilar. This point was made by Mr Galbraith also when he told the NBC Television audience last week, "there was a period in our own history when we were isolationists and the same tendencies are unquestionably at work in India."

A rather interesting development reported is the agreement between Mr Nehru and Mr Kennedy to keep constantly in touch with each other and to keep alive a continuous process of consultation. It is possible to read too much into this, but obviously something more than what is now obtaining is being contemplated. Even if it is not to be analogous to the "family" consultations among the members of the Commonwealth, exchange of views at the stage

when policies are being processed, will obviate difficulties that arise when differences come to the surface after policies have congealed. If the right conventions develop, we may see the end of the fits of sulks the two countries go into from time to time.

Last week saw the consummation of one marriage of convenience and the dissolution of another. The Ganatantra Parishad in Orissa has decided to merge itself with the Swatantra Party and the Muslim League in Kerala has walked out of the coalition. Cynics cannot even pretend to be interested in such goings on. The Parishad now sees in the Swatantra Party an ideological soul-mate, but when it entered into coalition arrangements with the Congress some years ago, it fell over backwards professing socialism. It is clear that if things had gone rather differently in Orissa in the last two years, the Parishad would be singing a different tune. But then words are not merely the breath of politicians, it is their food. They eat them continually. Swatantra leadership may have less explaining to do on this liaison with the Parishad than on its dallying with the Dravida Munnetra Kazhagam in Madras. (Its support of Acharya Kripalani who can hardly be classified as a Swatantrite,—indeed, he can hardly be classified as anything—is for well-known reasons a special case.) The DMK's socialism may be phoney, but it can be called a rightist party only in the disreputable sense of being an incipient Fascist one. Even the rather elastic ethics of party groupings for electoral purposes can hardly accommodate this piece of opportunism on the part of a leadership, which, whatever one's differences with it, we respect as fundamentally honest. One can only infer from such arrangement that none of the parties really expects to displace the Congress in the seat of power. For it is clear that such motley groupings are hardly capable of running a government.

The breaking loose of the Muslim League from the Kerala Troika may be considered good riddance by the other two horses, though they too are pulling in different directions. The Congress will be vastly relieved, for it puts an end to an alliance that made nonsense of its professed secularist politics. It has never been a defensible arrangement, even on the rather specious ground that you cannot be too squeamish when it comes to fighting the Communists. Meantime, the PSP-Congress split is apparently on the mend, since both parties have agreed to abide by Mr Giri's decision on the one major quarrel that is festering relations. But then the situation is bound to be unstable so long as the major partner in the coalition is playing the minor role.

EAVESDROPPER.

Olympus

TOP ADMINISTRATION Engineers Stake Their Claims

THE problems of management of the big engineering enterprises in the public sector, which stand in the way of getting the best out of these ventures, were highlighted at the symposium of engineers inaugurated in New Delhi last Sunday by the Union Home Minister, Mr Lal Bahadur Shastri. Two points were repeatedly emphasised in the course of the discussions. One was the need for thorough overhaul of antiquated rules and regulations, especially in the matter of financial sanctions, which strangled the growth of the enterprises. The second concerned the selection of proper persons for the posts of chief executives. (The speeches left no room for doubt about the deep dissatisfaction among engineers at the manner in which top administrative positions in technical departments are being filled by non-technical civil servants on short tenures.

Regarding the need for revision of rules and regulations which lead to considerable delay, Mr K. L. Rao, member of the Central Power and Water Commission, has estimated that a saving of ten to fifteen per cent in the cost of works could be effected if the procedures could be streamlined so as to ensure prompt payments. In this connexion Mr Shastri made the important suggestion that a committee consisting of representatives of concerned ministries, engineers and a representative of the Comptroller and Auditor General may be set up to go into the question of streamlining procedures and that the Cabinet Secretary may be asked to take the lead in the matter.

On the question of selection of personnel for top executive positions, Major General Harkirat Singh, President, Institution of Engineers (India) and Engineer-in-Chief, Indian Army, set the pace with a forcible criticism of the organisational set-up of technical departments under non-technical civil servants. This practice, he said, results in a pattern where there is authority without responsibility, and responsibility without authority; for, the Secretary of a Ministry, who had the power to over-rule the technical head of the department, had no responsibility for giving effect to technical or departmental proposals. This point was further elaborated in the different papers presented at the symposium and by the speakers who participated in the general discussion.

The public may have difficulty in following all this talk about the feel-

ing of frustration among engineers; for, as Mr Lal Bahadur Shastri pointed out in his inaugural speech, now, at any rate, there is no denial of opportunities to engineers. At the same time he said that there should be no objection to the appointment of suitable civil servants as top executives of industrial enterprises. Paying a tribute to the successful record of the Railway engineers who had been placed in charge of large projects, Mr Shastri also reminded his audience that it was not Railway engineers alone who had made good. Others also have done equally well. And it is not possible to draw a rigid line in the matter.

While the position as stated by the Minister will be generally accepted as quite reasonable, the sense of frustration among engineers, which found passionate expression at the symposium, is a fact to be reckoned with, especially in view of the pivotal role of engineers in the implementation of Plan targets. It has been estimated that over two-thirds of Plan activities will fall on the engineering profession. The people as well as the Government look to the engineers to ensure the success of the programme of planned development, and sometimes they have the feeling, legitimate or not, that they have been let down.

The Home Minister had referred to the long delay in the execution of projects. During his recent visit to Manipur and Tripura he found that water supply projects for which provision was made even in the First Plan had not yet been completed. He also drew pointed attention to the continuous rise in the estimates of big projects, sometimes amounting to twice the original estimates.

An explanation of the wide gap between original project estimates and actual expenditure later found necessary, as well as of delays in implementation which inflated costs, was offered in a paper submitted by Mr M. Ganapati, former Resident Director of Hindustan Steel at Rourkela. Mr Ganapati has been intimately connected during the last fifteen years and more with a large number of major projects of a varied nature such as Ganga Bridge at Kashi, Chittaranjan, Integral Coach Factory, Madras, Kandla Port and several projects of the Western Railway. The main reason, according to Mr Ganapati, is inadequate planning in the first instance. A certain amount of initial planning is undertaken in the case of all projects which are finally approved for inclusion in the Plan. But this is only the beginning. Considerable detailed planning is necessary before the project could be sanctioned and work commenced. Here we have been depending upon foreign consultants for major projects because of lack of

adequate experienced engineers and consultants in our own country. And the foreign consultants are not always in a position to appreciate the practical difficulties in implementing the project in its various phases, with the result that plans and estimates have to be revised from time to time after the execution of the project had already commenced and much time and money is lost on this account. Mr Ganapati, therefore, suggested that the preparation of the preliminary and final project reports should be done in great detail by people who have intimate knowledge of the conditions obtaining in the country.

Next in order of importance is the question of personnel. In this connexion, Mr Ganapati made the point that shortage of experienced and qualified technical personnel for the intermediate and higher levels makes it all the more necessary that the top executive should have a reasonably intimate knowledge of the working of the project or industry, especially in the early stages. Entrusting the work to non-technical people who cannot have a grasp of the situation cannot but lead to delay and inefficiency.

On the question of the delays caused by interference by Accounts and Audit, what Mr Ganapati had to say is of considerable interest and merits the attention of engineers in charge of projects as well as accounts officers. "While there are cases," said Mr Ganapati, "of impossible account officers who wish to interfere in all stages of work and prevent the smooth execution of projects, it must be recognised that an efficient organisation is absolutely necessary for assisting the executive in planning and controlling expenditure and for ensuring that every rupee spent is worthwhile. It may be tedious to have to convince the accounts department about the justification for expenditure under various heads; but with proper understanding and the realisation of a sense of urgency, it should be quite possible to ensure the cooperation of the accounts department except in cases where individual accounts officers are obsessed with their own importance even to the extent of interfering with the progress of the work. It is, however, necessary that the head of the project must have the last say in the matter as regards any decision. Once the right man is selected for the post, he should be trusted to deliver the goods, and his decision should be honoured as, after all, he will be held responsible for the satisfactory execution of the project." It may be added that the Home Minister, in his speech, expressed his preference for a system of control under which the fullest discretion is allowed to the man in charge, with a special audit where necessary as in the case of Company Law Administration.

Industries Fair

Auspicious showers followed by bright sunshine heralded the formal inauguration by Vice-President Radhakrishnan of the Indian Industries Fair last Tuesday. Coming as he did straight from the concluding session of the International Literary

Seminar, his speech was redolent of the stimulating discussion initiated by Aldous Huxley on what education should aim at in the modern world. Paraphrasing an ancient text inscribed on the *samadhi* of Maharshi Debendranath Tagore at Santiniketan where the Poet was wont to meditate, Dr Radhakrishnan defined the aim as the creation of an integrated personality having "vital efficiency and dynamism, intellectual satisfaction and spiritual wealth." His inaugural address at the Industries Fair was almost a continuation of the speech he had made a few minutes earlier at the Seminar, especially when he warned against losing sight of ultimate human values in pursuit of economic progress.

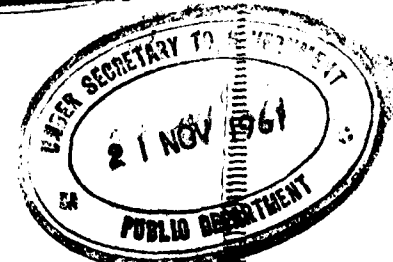
The first Industries Fair was held towards the end of the First Plan. The second, as Mr Madan Mohan Ruia said in his welcome address bears visible testimony to the achievements of the Second Plan, the growing role of the public sector and the participation of friendly countries in India's industrial development. He also expressed the hope that the Fair would help to create conditions for increased trade between India and the rest of the world. It has actually done more. It has served to highlight the trials and tribulations of a developing economy anxious to get out of the ruts of centuries of stagnation, though this was not a part of the plans of the organisers. The incomplete pavilions enveloped in scaffolding, the empty stalls, unopened crates of exhibits, the unmetalled roads which the rain reduced to slush, gave a mute demonstration of the difficulties yet to be overcome.

Role of Exhibitions

Taking advantage of the presence in Delhi of a number of experts from foreign countries who have come to set up their pavilions at the Fair, the Directorate of Advertising and Visual Publicity of the I. & B. Ministry has organised a two-day Seminar on the Role and Techniques of Exhibitions. Mr L. K. Nair, Director of Advertising and visual publicity explained Government's growing interest in Exhibitions as a method of popularising the Plan. Exhibition units had been set up by various Government departments at the Centre and in the States. But many problems have yet to be overcome before Exhibitions could be effective for the purpose for which they are intended. The most formidable, Mr Nair said, was the problem of expenses. Mr T. N. Singh, Member of the Planning Commission, who inaugurated the Seminar admitted that "we have not yet been able to find a solution of the problem of touching the hearts of the people." And he posed the interesting question why Exhibitions in general should need costly sideshows to lure the general public to view the exhibits intended to enlarge their mental horizons. It, however, seems doubtful if any answer to this question would emerge out of the discussions, except the one suggested by Mr J. P. Mathur, that Exhibitions represent the effort to bridge the gap between entertainment on the one hand and education on the other.

DESIGN...

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Of all aspects of industrial endeavour the most intriguing is thermo-dynamics, for it is this medium that provides industry with its greatest power—steam. Therefore, wherever high pressure steam-raising plant is used, there is a story... a story of experience, analysis and design.

Varying Conditions

Wherever new steam-raising plant is to be installed, either for generating power or in industry, it is essential that skilled investigation and analysis be carried out to ensure that the plant is tailor-made to give optimum performance under varying local conditions and requirements.

Fuel

Having established the purpose for which the steam power created will be required, it is necessary for the design engineer to identify the type of fuel to be used, either oil, gas or coal. Coal is by far the most widely used fuel, but its thermal content varies and it is therefore necessary to make an analysis to establish the percentage of principal heat-producing elements present. The thermal content of fuel has an important bearing on the designing of the kind of plant to be installed. Generally low-grade coal is used with anything up to 50% ash content. It should be remembered that steam must be raised as economically as possible.

Waste fuel

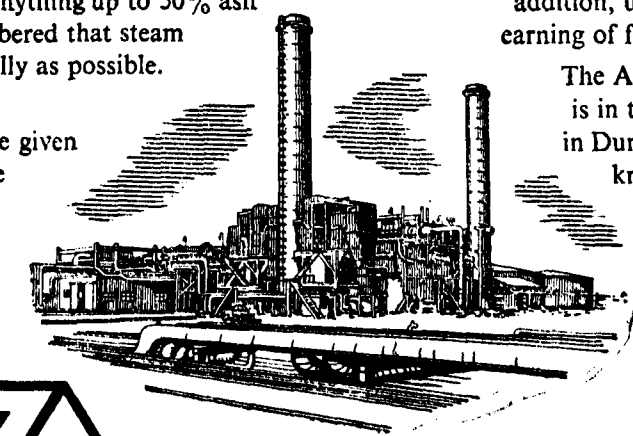
Particular attention has to be given to industries that wish to use waste material as fuel. For instance, the sugar industry absorbs vast quantities

of waste material in the form of bagasse for fuel; again in the pulp and paper industry it is now the practice to combine the processes of chemical recovery and steam raising by burning the 'black liquor' from the digestors in a special type of boiler unit. Of course, these industries cannot keep their steam-raising plant functioning entirely on waste materials. So, in their designing and planning, the technicians and design engineers must allow for varying fuels to be used and at the same time achieve optimum performance.

Powerful Ally

The new and powerful industrial group of ACC-Vickers-Babcock Ltd., with its vast resources of technical knowledge and the rich, wide experience of its partners, will undoubtedly prove a powerful ally in achieving the high target set by the government for the installation of boiler and thermal power plant during the third Five-Year Plan. AVB will be able to draw on the finest engineering minds to study, design and draw up plans that will tailor-make not only vital steam-raising plant but also heavy mining and cement-making machinery which will help meet the exigencies of industrial expansion and, in addition, ultimately contribute towards the earning of foreign exchange through export.

The AVB industrial plant at Durgapur is in the final stages of erection. Here, in Durgapur, all the advanced technical knowledge of AVB will be utilised to the fullest extent to ensure that each project is designed for the finest possible performance.



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The Calcutta Electric Supply Corporation Limited

Sir Harry Burn's Review

The Sixty-fourth Annual General Meeting of The Calcutta Electric Supply Corporation Limited was held on November 9 in London.

Sir Harry Burn, K.B.E., F.C.A. the chairman, presided.

The following is his review which had been circulated with the report and accounts:—

There were increased sales to all classes of consumers during the year ended March 31, 1961. The total energy sold of 1,955 million units shows an increase of 138 million units over the previous year. Sales of energy have increased each year for the last 14 years and over that period sales have increased more than threefold, thus reflecting the ever-increasing need of electrical energy particularly for industrial uses. It is indicative of the expansion that has been going on in India and our forecast shows that this expansion will continue. Later on in this report I refer to the grave shortage of power in the industrial areas of West Bengal and Bihar and the extensions to your company's plant that are being made.

Industrial demand accounts for 50 per cent of the energy sold for various purposes. The balance is shared equally between sales to waterworks and for domestic use, the latter being used mainly for air-conditioning and refrigeration. There was a 15 per cent increase in sales to the jute mills, our largest consumer responsible for 34 per cent of the total industrial demand. An acute shortage of raw jute made conditions very difficult for the jute mills. Once again the textile mills and engineering works showed a large increase in their consumption rose by 15 per cent. Next in importance are cotton mills, chemical works and paper mills; in these their consumption rose 10 per cent. The five classes of energy mentioned above were responsible for 80 per cent of the company's sales of high tension energy for industrial purposes.

And for low tension industry expanded further with increasing by 9 million units million units; the number of consumers rose by over 1,200 more than 16,700. Consumption of public waterworks increased to the extent of 4 per cent solely due to larger demand from the Calcutta Corporation. Sales of domestic power showed a substantial rise, due to the growing popularity of small air-conditioning

units suitable for residences and small offices.

Sales of energy for lights and fans increased by 16½ million units to 259 million units. Housing development continues, but is mostly confined to the outskirts of the Calcutta suburbs.

Public lighting sales have increased by approximately one million units in each of the last two years. Expansion of electric street lighting by the Calcutta Corporation has not been as extensive as hitherto.

The Calcutta Tramways Co., Ltd. is the sole consumer for traction purposes. Improvement in their operating conditions is reflected in the increase in consumption of 2½ million units.

Bulk supplies are given to some nine distributing undertakings, seven of which are owned by the State Electricity Board and the remaining two by the Riverside (Bhatpara) Electricity Supply Co. Ltd. and the Chandernagore Electric Supply Co. Ltd. The State Board was responsible for 94 per cent of the total sales of 89½ million units and for almost all of the increase of 23 million units over the previous year. The largest State undertaking is the North Calcutta Grid which distributes energy entirely outside the Company's licensed area.

Sales under special contracts increased by nearly 8 million units to more than 100 million units. The bulk of those sales, and of the increase in consumption, were at our special tariff to owners of large office and residential buildings, public institutions, cinemas and hotels. That tariff is particularly designed to give relief to our low tension distribution. The remaining consumers under special contract are the Central and State Governments, the Calcutta Corporation and the Calcutta Port Commissioners; their consumption showed little change from that of the previous year.

REVENUE ACCOUNT

I have already referred to increased sales to all classes of consumers. Despite the restrictions I refer to below sales of energy for the current year continue to improve. The revenue account shows that the revenue from the sale of current rose by nearly £1 million to £9,800,000. The gross revenue exceeded for the first time £10 million. Interest received amounts to £88,305 an increase of £44,578 over the previous year and is attributable to the return on treasury bill investments and interest on bank deposits. Commensurate with higher revenues is heavier expenditure.

The cost of generation and distribution rose by £530,000 to £5,088,000. Coal accounts for £414,000 of this increase. Expenditure on coal including handling and ash disposal charges amounted to £3,240,000 (consumption 1,293,000 tons) and accounts for 80 per cent of the total operating cost of generation. Power purchased from the Damodar Valley Corporation cost £288,000 more than the previous year, 390,406,000 units were imported, an increase of 87,850,000 over the previous year, but the power made available was insufficient to give the relief necessary to allow essential and urgent plant overhauls to be taken in hand. I will revert later to the present power position. Increases in wages include adjustments of dearness allowances and overtime rates. Cost increases in respect of materials call for no special comment and are commensurate with the expansion of the Company's system. By comparison with the previous year administration and general establishment charges show a considerable increase. This is mainly due to expenditure in the previous year having been reduced by the writing back of a provision created during other years and no longer required. Nevertheless there was a moderate increase in expenditure during the year under review and it was mainly due to higher salaries and wages costs. The wealth tax, for which there was a charge of £99,723 in the previous year, was abolished with effect from April 1, 1960. The depreciation charge has risen by £31,500 to the figure of £960,600. The balance on revenue after taking into account the depreciation charge has increased by £213,000.

I will now deal with the net revenue account. The Indian tax charge is £1,164,387 as compared with a charge of £595,923 for the previous year which was materially eased by the adjustment of provisions set free on settlement of appeals relating to assessments of previous years. It will be noted from the directors' report that the sum of £356,541 has been transferred to net revenue account in order to equate the Company's clear profits with its reasonable return. This transfer has been made from reserves created in the past specifically for this purpose, and leaves a balance at the end of the year of £187,816 all of which it is expected will be utilised during the current year. When these reserves are exhausted it is essential that the Company's tariff structure should be able by itself to earn the reasonable return and thus ensure the provision of the internal finance that will be required during the next three or four years in connexion with the major extensions at New Cossipore to which I refer below. Initial allowances for depreciation eased the burden of taxation during the period these were operative. This acceleration of the depreciation charge as permissible for tax purposes connoted higher assessments and therefore higher taxation in future years and as stated above the Company has now entered this period. Our rates have been held unaltered for the last 15 years, but now with the steadily rising costs of generation, distribution, repairs and maintenance and an increased tax charge it has become necessary to place the structure of the Company's tariffs under close examination with the object of ensuring that, when required, rates are so adjusted as to earn the reasonable return permitted by the Electricity (Supply) Act, 1948. An investigation into the Company's rate structure is, therefore, now being carried out.

The allocation for the contingency reserve fund has been made as required by the Act and it is proposed to make the customary contribution to the retiring gratuity fund. Provision has been made for the debenture interest and sinking fund charges. The continued expansion of the Company's operations makes it essential to conserve our finances to meet the consequent capital expenditure. The board have, therefore, deemed it advisable to appropriate a sum of £550,000 to special appropriations for plant expansion, replacements and contingencies. Dividends on the preference stock amounting to £63,650 have been paid and it is proposed to pay a final dividend of 4 per cent (actual) for the year. The balance left to be carried forward on net revenue account is £124,585.

BALANCE-SHEET

The balance-sheet shows an increased holding in Treasury bills, £979,300 as against £771,700 at March 31, 1960. Thus funds are available to meet current commitments in respect of plant and other payments falling to be made in the United Kingdom. Payments of Indian tax falling due during the concluding months of the year, to which reference was made in last year's review, have reduced the deposits with bankers to £55,000. At the end of the previous year these deposits stood at £531,000.

Capital expenditure during the year amounted to £1,332,000, and was almost entirely for our trans-

mission and distribution system. The greater part of the expenditure was on mains and service connexions. As a provision for capital expenditure during the year there was available the sum set aside for depreciation of 960,000 and the allocation to special appropriations for plant extension, replacements, and contingencies amounting to £550,000, making a total provision of 1,510,000. During the period January 1, 1951, to March 31, 1961, the outlay on capital expenditure was £13,400,000, which as met by the internal finance made available over that period from depreciation reserves and appropriations for plant expansion and replacements.

In July of 1960 Mr. Macpherson and Mr. Hobson visited Calcutta and met the Chief Minister, officials of the Government and of the State Electricity Board and representatives of the Damodar Valley Corporation. The company's assessment of the supply position and the impending shortage of power it revealed was conveyed at a conference convened for the purpose and permission was requested to install a fourth station at the New Cossipore generating station as providing a further contribution to the generating capacity available in the state as a whole. Permission for this project, to which reference was made in last year's review, was not then forthcoming.

I was in Calcutta this year throughout the month of February and discussed the matter with the Chief Minister when he informed me that we were then at liberty to go ahead with the project. During my visit I also met the chairman of the State Electricity Board, the chairman and the general manager of the Damodar Valley Corporation and leaders of commerce and industry in Calcutta and West Bengal with whom I had talks on the power situation. I went over all sections of our organization and was afforded ample evidence of the care and attention which our staff devote to their work. Dr. Roy, the Chief Minister, and his officials take a keen interest in the Company's activities. They are fully aware of our problems and the service we render to the industrial and residential communities. I desire to say how much the board appreciate the assistance given by Dr. Roy over the issue of importances and supplies of the necessary indigenous materials.

Our secretary, Mr. Colley, who is commercial manager in Calcutta for a number of years, accompanied me during my visit and carried out an inspection of the various sections with which he is concerned.

Special attention continues to be given to the training of Indian engineers. Quite a number of our permanent staff were originally appointed under our technical

training scheme which was started in 1946 for young Indian graduates chosen by a selection committee in Calcutta for training in the United Kingdom. In addition, short refresher periods of training in the United Kingdom are given to selected members of our permanent staff. We are grateful to the Electricity Council the Area Boards, and various manufacturing companies who provide facilities for this training.

POWER SITUATION

In last year's review I referred at length to the question of the future supply within the Company's licensed area and recounted the steps which had been taken over the decade and a half that had elapsed since the end of the war to meet the growth of demand on the system. I also related the circumstances which brought the Damodar Valley Corporation into the picture and how our expectations for an adequate supply of power from this source—as provided for by agreements entered into in April, 1954, and January, 1959, had not been fulfilled. We anticipated, however, that by the end of 1960 the Damodar Valley Corporation would have commissioned sufficient new generating plant to have enabled them to honour their commitment to us of 95 mw. for the year 1960-61. Unfortunately our hopes were not realized and despite our most persistent requests throughout 1960 and early 1961 to the Damodar Valley Corporation to afford us power up to their full contractual obligation they never found it possible to afford us a supply of more than 60 mw. at the time of our daily system peak. As a result we were unable to take out of service for routine maintenance the turbo-alternators at our New Cossipore Station all of which were long overdue for overhaul. I regret to have to report that all three failed on load, the 50 mw. Machine on the 9th February this year followed by the two 30 mw. Machines on the 1st and the 11th April. All three turbines failed by a breakdown of blading and this can be directly attributed to the necessity to keep the machines in commission beyond the time when they were due for normal overhaul. The Company took the view that they would be failing in their duty to consumers had they not accepted the considered risk of keeping these machines in service at a time when they were entitled to expect an early augmentation of the import from the Damodar Valley Corporation. The 50 mw. Machine was recommissioned on the 7th May and the 30 mw. Machine No. 2 on the 25th May, thus restoring the Company's total effective generating capacity to about 275 mw. The remaining machine required extensive overhauling which was not completed until the 21st August on which date the machine was again on full load. I wish now to express

the board's high appreciation of the work carried out by the agent, Dr. Bowker, and the chief engineer, Mr. Kanga, and the station engineers and those members of their staff concerned in getting the station on load again and in dealing with the allocation of power during this period of emergency—their hours were long and the work arduous. I also desire to pay a warm tribute to the turbine manufacturers and the craftsmen they so promptly sent out to remedy matters and get the machines into commission with the minimum of delay.

The maximum demand on the Company's system at the time of these failures was approximately 385 mw sent out and although the Damodar Valley Corporation were able at times to increase their export to 85 mw (and for a short period to 105 mw) the outage of the New Cossipore plant totalling 110 mw entailed load shedding on an extensive scale. In shedding this load the Company endeavoured at all times to maintain its low tension supplies, particularly to hospitals, pumping stations and other essential services the restrictions falling mainly on high tension consumers, including unfortunately those taking high tension supply for domestic purposes. The board desire to express their very great appreciation of the voluntary acceptance by its large industrial consumers particularly the constituents of the Indian Jute Mills Association and the Indian Engineering Association of restrictions on their demands on the Company at the time of its peak loads during this crisis. These restrictions which were devised to spread the burden on the most equitable basis over all sections of industry, mitigated to a very considerable degree the hardships imposed on other sections of the community.

Although the breakdowns to which I have referred greatly increased for the time being the impact on the public of a shortage of power in the city, a shortage is bound to continue to a lesser extent for the next few years, since the demand in the area is already outstripping the Company's maximum generating capacity augmented by the off-take available from the Damodar Valley Corporation. As I explained in my review of last year the Company has been assured by Government that they will provide the ultimate solution of the problem in the shape of a bulk supply through the West Bengal State Electricity Board, first some 60 mw (not now expected to be available until January, 1964) from Government's Durgam Chatterjee Station and thereafter increasing supplies from the station they intend to build in the Bandal area near Calcutta which will increase their supply to some 120 mw by January, 1966. The Company now anxiously awaits these additional supplies and our best wishes are with the State

Board in the speedy accomplishment of the various power projects they are now engaged on. We trust that the construction and commissioning of the plant will proceed smoothly as planned.

In the meantime I am glad to be able to report that Government, reversing the decision communicated to us a year ago, have now agreed that we should, with the utmost dispatch, proceed with our plan to increase the capacity of our New Cossipore Station by the installation of a further machine of 50 mw. Finance in respect of expenditure to be incurred in India has been arranged on reasonable terms and, advised by our consultants, Messrs. Merz & Mclellan, we are now engaged in negotiating the necessary contracts. It is hoped to commission this machine, at an all-in cost of some £3,500,000, towards the end of 1963, some 12 months before the State Board anticipate having their new Bandal Station in operation.

Even before the recent crisis, it was apparent that the growing load on the Company's system was bound over the next few years to exceed the total power resources available and we accordingly requested Government to arrange for the control of the distribution and consumption of electricity under Section 22B of the Indian Electricity Act. Government accordingly appointed an Electricity Supply Control Advisory Committee on whose advice they issued orders that no new or additional supply of electrical energy for a connected load of 100 kw or above shall be given to any impending or existing consumer as the case may be without the prior sanction of Government. Provided the full contractual supply of 100 mw is available from the Damodar Valley Corporation this restriction, taken in conjunction with the continued voluntary agreement by certain large industrial units to restrict their demands at the time of the Company's evening peak loads, should, as far as can be seen, enable the Company without further substantial load shedding to carry out proper and regular maintenance of its plant and thus alleviate the position until our new plant is commissioned two years hence.

Following the recent breakdowns at New Cossipore to which I have referred, there has been a certain amount of ill-informed criticism in the press and in particular it has been suggested that the Company's generating plant is largely worn out. This is far from true, as in fact the plant at New Cossipore (now completely repaired) and that at Mulajore are in first class condition and capable of many years of useful service, while the Southern Station, though old and not so efficient, has been well maintained and will continue to provide a satisfactory source of power especially during peak load periods.

Mr. W. H. Thompson, C.S.I., has intimated his intention to retire from the board after the annual general meeting and I therefore, take this opportunity of stating how much we appreciate his services to the Company and the keen interest he has taken in its affairs. He was secretary from 1936 to 1945 and became a member of the board in the latter year. Mr. Thompson had a distinguished career in the Indian Civil Service and on retirement in 1922 he became general manager of the Bengal Telephone Corporation Ltd. He also represented the Bengal Chamber of Commerce on the

Bengal Legislative Council until he returned to the United Kingdom in 1936. During the war he was assistant secretary, Ministry of Home Security in charge of the Air Raid Warning System. Mr. Thompson has our best wishes for pleasant years of retirement which he contemplates in the countryside of his choice.

Tribute to Staff

It affords me much pleasure to express our thanks to the staff and employees in Calcutta. The expansion of the Company's operations and their devoted efforts in meeting the calls on their ser-

vices bear witness to the interest and zeal they take in the affairs of the Company.

Mr. Henderson demitted his charge as agent on March 31, 1961, having carried out his responsible duties with care and competence. Mr. Canning, the acting chief engineer, also retired after many years of yeoman service particularly at the generating stations. We wish them both happy years of retirement.

Dr. Bowker, our chief engineer, took over the post of agent as from March 31, 1961. He has a wide

experience of the Company's affairs, having been with us since 1936, is well qualified to carry out the duties of agent and has amply illustrated this during recent months. I also desire to record the board's appreciation of the able manner in which Mr. Colley has carried out his duties as secretary.

The report and accounts were adopted.

Note: The above statement is not a report of the proceedings of the Annual General Meeting referred to.

With 39.44 million pounds in August 1961, tea exports from Ceylon have also increased to 289.69 million pounds in the first eight months of the current year from 281.65 million pounds in the corresponding period of 1960. Tea exports from South India were, however, slightly lower at 34.4 million pounds in the six months ended September as against 38.23 million pounds in the corresponding period of last year. Exports from East Africa were slightly higher at 3.16 million pounds in August as against 3.07 million pounds in August last year.

Meanwhile, in the Export Sale held in Calcutta, offerings were 71,934 packages. Although the market opened with a good demand, prices eased considerably as the sale progressed. Prices were sometimes a little irregular, but the trend was easier. Plain broken and Fannings eased by 20 nP to 25 nP. Useful liquoring orthodox Assams meet with good support at easier rates; but the plainer sorts were a weak feature and were often neglected. CTC types were irregular and often up to 20 nP easier with more demand for Fannings than broken. Off-grades were very irregular. Legg-cut teas were 10 to 15 nP easier.

There was a fair enquiry for Darjeeling teas at generally easier rates. Plain whole Leaf teas were sold at up to 30 nP easier; but the more stylish ones were a weak feature and there were many withdrawals. Tippy teas met with a fair enquiry at easier rates. Following rates were quoted:—Clean Plain Pakoe Rs 4.00 to Rs 4.10; Plain BP Rs 3.80 to Rs 4.00; Plain Fannings Rs 3.60 to Rs 3.80; Medium Assam CTC BP Rs 4.40 to Rs 4.60; Medium Assam CTC BP Rs 4.90 to Rs 5.20 and Best Assam CTC Fannings Rs 4.90 to Rs 5.30.

In the Internal Sale, offerings were 27,047 packages of Dusts. Demand was good and general. Better liquoring CTC dusts opened up to 20 nP dearer; but they became irregular as the sale progressed. Plain CTCs were generally easier, particularly the fibrous types which proved difficult of sales. Orthodox dusts came to a good market, the exportable varieties being generally 10 nP to 15 nP easier. The small and better absorbed at firm to dearer rates with the tin plain liquoring types easier. Following rates were quoted:—Plain Orthodox Dust Rs 3.70 to Rs 4.00; Medium Assam Dust Rs 3.95 to Rs 4.15; Legg-cut Dust Rs 4.10 to Rs 4.60; Medium Assam CTC Dust Rs 5.20 to Rs 5.60 and Good Assam CTC Dust Rs 6.00 to Rs 6.40.

In the Cochin market, offerings were 518,000 kg of Leaf tea. Against fair demand, prices were 20 nP to 30 nP a kilo lower for every type except best liquoring Nilgiris, which were irregular.

In the export sale held at Chittagong, offerings were 7,923 chests. Sentiment was steady and there was good demand for clean neat BOPs, which were frequently dearer. Best liquoring Fannings were fully firm; but the cleaner varieties showed an easier tendency. Legg-cut fannings ruled steady, varying from Rs 1.50 to Rs 1.60 per pound. BOP was quoted at Rs 1.80 and BP at Rs 1.40 (nominal). The next export sale

will be held on 22 November, when the offerings are expected to be 8,200 chests.

In London auction, offerings were 28,072 packages including 21,979 packages from Northern India. Except for the poorest descriptions, there was a good demand with prices generally maintaining last week's level.

Production of tea in North-East India was lower at 98.85 million pounds in October as compared with 101.11 million pounds in the corresponding month of last year. Production in Indonesia was lower at 7.00 million pounds in July as against 7.4 million pounds in July 1960. Total production of Indonesian tea, in the first seven months of the current year are, however, higher at 57.6 million pounds as against 56.8 million pounds in the corresponding period of last year.

COTTON Special Margins on Hedge Contracts

THE imposition of special margins by the Forward Markets Commission on the cotton hedge contracts in Bombay, Akola, Ujjain and Ahmedabad with a view to curbing the rigging of prices does not brook any surprise to those who have been closely observing the activities of the Commission, particularly its intervention in the groundnut futures a few weeks back, and the uptrend in prices of cotton futures. The margins imposed in Bombay will be at the rate of Rs 60 per bale whenever the price of the Jarilla March, 1962, hedge contract in cotton at the East India Cotton Association is above the marginal line of Rs 645.50 per three quintals and at the rate of Rs 120 per bale whenever the price is above Rs 665.50 per three quintals. Clarifying the stand taken, the Forward Markets Commission in a press note states that the forward prices in cotton have risen appreciably during the past few weeks and the FMC considers the time has come to introduce measures on the freedom of the operation in futures market in cotton.

In an earlier press note published by the Commission on 6 July, while agreeing to the request of the cotton trade to permit forward trading in cotton during the current season without restrictions, it has been clearly indicated that the Commission will in no circumstance hesitate to reimpose special margins should the conditions so warrant.

Expressing grave concern at the FMC's action, Mr. Madanmohan Ruia, the President of the East India Cotton Association, described the reimposition of special margins as quite unwarranted and detrimental to the trade. While listing the various difficulties that the trade will be forced to confront on this score, Mr. Ruia felt that it would only result in the concentration of business in the hands of a few with adequate resources and that the small traders will be squeezed out of the trade altogether. He also added that the step will further reduce the utility of hedge con-

tracts and will culminate in diminution of business in the forward contract market. His allegation that the imposition came as a bolt from the blue fails to make any impression, for the Commission has already warned to that effect and the threat was dangling all the while. The cotton futures market, during the past week, opened on a subdued note. But as the week progressed largely due to the active demand it once again firmed up and touched a high of Rs 644.75 per three quintals. Bears were found active to cover their sales presumably due to the rumours of the delay in the movement of crop in some cotton growing areas. Spinners from Coimbatore and Ahmedabad figured as the leading buyers during the week.

The malpractice of mixing of cotton, despite the warning issued by the Textile Commissioner, continued unabated and adulteration in many upcountry centres were reported to have been carried out on a lavish scale. Mills were found anxious to secure cotton for the November-December delivery and they were found ready to pay even higher prices for the popular varieties.

The announcement of the import quota for 175,000 bales of cotton stipulating 1-1/16" and above, failed to produce any effect on the market mainly for two reasons. Firstly the trade felt that the quota allowed is far short of their expectation and secondly that the quota will be valid for shipment only after 31 December. The trade also pointed out that on the basis of the price indications the Sudanese growths and East African varieties should be preferred to Egyptian cotton.

The Uganda cotton delegation which came to India to explore the possibilities and selling more cotton to India expressed its willingness to allow export of about 200,000 bales to India every year. The suggestion for concluding a special Rupee payment agreement between the two countries is understood to have been made and it is known that the Uganda delegation was not sympathetic to the proposal considering the adverse balance of trade of that country. It has been announced that Uganda would sell 175,000 bales of cotton to India during the current season. The delegation was not optimistic of the cotton output in Uganda in the current season. At one time it was expected that the crop would amount to 450,000 bales but subsequently it has been revised downward due to the havoc caused by flood and heavy rain on the crop and is estimated at a low of 350,000 bales.

Piecegoods

Barring the bright spell created by the moorat transactions, the piecegoods market at Bombay depicted a dull trend during the past week. The total turnover during the moorat trading amounted to 0.15 million bales in Bombay and about 75,000 bales in the Ahmedabad market. Though the quantum of transaction cannot be reckoned as sizable, considering the lull prevailing in the market for the past couple of months, the volume of transaction can be regarded as considerable.

The cheerful note evinced on the moorat day, however, proved to be shortlived. This was largely attributed to the conspicuous absence of any appreciable follow-up demand from the upcountry centres. Stray business was reported in some of the available varieties. During the week under review a pronounced shift from winter garments to summer clothing was visible. Naturally enough, enquiries for saris, voiles, mulls, long-cloths and other sorts flowed on an increased scale. Demand for coat-dings, flannelettes and gadlapats, on the contrary, tapered off.

The UK again came to the lime-light on the export front and a good deal of business was transacted in the expectation of export licences in the immediate future. The issue of licences by the Government of Burma to the Joint Venture Corporations, Co-operative Societies and other private and public limited companies, has in its wake, brightened the scope for increased trading with that destination. The chances of expanding India's trade with Canada are also rated high in view of the fact that quotas for the imports of goods from Japan have already been fixed. All other destinations, during the week, were practically inactive.

Wool Market Active

The new Wool export policy for the period October 1961-March 1962 has now been announced. There is no change. Quotas on contract basis are to be released through licences available to all categories of shippers on a first-come-first-served basis on production of Agmark certificates. No separate quotas are fixed for individual exporters. A ceiling of 100 bales per shipper, on consignment basis is fixed.

Following the announcement of the above policy, the Delhi wool market has become very active and operators have been busy covering their commitments. Arrivals, which have increased, average 200 to 300 maunds daily during the past fortnight. But, the foreign buyers—UK, USA and the Continent—still find Indian quotations high and they have lifted very small quantities. The home industry is still the main buyer.

Exports of home-grown wool from India, during the April/June quarter of 1961, rose by 57 per cent as compared with the previous quarter to 8.1 million pounds, actual weight. This was, however, 9 per cent less than in the second quarter of 1960. The rise between the two latest quarters was due mainly to the resumption of exports to the Soviet Union; and shipments to that market rose from nil in January/March to 2.2 million pounds a quarter later. Exports to the UK and the USA increased by 15 and 4 per cent as compared with January/March to 3.0 and 1.8 million pounds respectively.

Woolen and worsted yarn production of the mills during January/June 1961 fell slightly to 58.5 thousand quintals (one quintal equals to 210.35 lbs) as compared with 59.1 thousand quintals in the corresponding six

Markets

JUTE Problem of Price Stabilisation

ALTHOUGH no steep decline has taken place in raw jute prices during the past few weeks, there is the lingering apprehension in some quarters that raw jute values may be pushed down further whenever arrivals tend to increase. The demand therefore has been made for the early commencement of jute purchases by the buffer stock authority. In an assessment of the jute supply position as against the fibre consumption needs of the mills, the Central Supervisory Body for Jute at its meeting in Calcutta this week has pointed out that merely by regulating mill purchases it should be possible to maintain jute prices at reasonable level this season. The meeting noted that the jute shortage of the past season had now disappeared and the major problem of price stabilisation had more or less been satisfactorily solved. The points to note are the steadiness of raw jute prices from September onwards both in Calcutta and in the secondary markets and the near parity of prices between Cossipore and the upcountry markets. The progressive increase in production by the jute goods industry will bring about an increase in the demand for raw jute and this factor will help stabilise jute prices. Already mills have stepped up their purchase and the quantity purchased by them during the last two months is placed at around 700,000 bales of Indian jute each month. Referring to the import of jute cutting from Pakistan, it is pointed out that so far a total of 350,000 bales of cuttings had been licensed since July. The import policy in this regard has been governed mainly by the need to supplement the limited fibre supplies in July and August and then to assist the mills in competing with Pakistan in the overseas sacking markets. It is also pointed out that further imports, if any, would be permitted only to the extent that they did not adversely affect Indian jute prices. It is, however, to be

noted that Authority is making ample provision for meeting any emergency. Even though it is believed that there will be no occasion for the buffer stock authority to buy any jute, the organisation is nevertheless kept ready to intervene in any emergency. Apart from the steady buying by mills, indications are that the demand for raw jute will record some improvement in coming weeks. Firstly, stocks of jute with mills are still not sufficient to meet the demand without quick replenishment and production is being progressively increased. Secondly, the earlier idea of very big crops both in India and Pakistan is being revised especially after there have been reports from Pakistan that the crop in that country is not expected to be as large as originally anticipated.

The jute goods market ruled steady in earlier dealings on continued speculative interest in the ready and near delivery positions. Toward close of the week under review there were rumours that the East India Jute and Hessian Exchange might reimpose margins on both futures and

JUTE GOODS FUTURES BANNED

The East India Jute and Hessian Exchange has banned all fresh dealings in jute goods futures. A press note issued after an emergent meeting of the Board of Directors of the Exchange on Thursday says that all fresh transactions in jute goods futures (Standard Contract number one hessian cloth and Standard Contract number two sacking bags for November 1961 delivery) has been prohibited with effect from 18 November 1961. This decision of the Board has the approval of the Forward Market's Commission. Offsetting transactions will however be allowed in respect of outstanding transactions prior to this prohibition.

PRICE TRENDS

	As on 9 Nov. Rs.	High- est Rs.	As on 15 Nov. Rs.
Hessian:			
45" x 11 ozs. ...	56.50	58.00	58.00
40" x 10 ozs. ...			
Ready ...	49.70	51.25	51.00
December ...	47.50	48.85	48.50
January-March ...	45.75	46.75	46.25
40" x 8 ozs. ...	40.50	42.00	42.10
40" x 7 1/2 ozs. ...	37.75	39.25	39.10
Sackings:			
B Twills—			
Ready ...	135.25	141.50	139.75
December ...	128.75	131.75	131.25
January-March ...	124.50	126.75	125.25
Heavy Ceers (Green) ...	136.00	139.00	139.00
Cornsacks ...	138.00	141.50	140.00
Cubans ...	170.00	173.00	175.00
A Twills ...	164.00	167.00	166.50
L Twills ...	155.00	159.00	158.50
D. W. Flours ...	162.00	164.50	164.50
Sugar Twills ...	156.50	160.00	160.00
Ready Raw Jute:			
Assam Bottoms ...	32.00	32.50	32.00
Northern Bottoms ...	31.50	32.00	32.00
Dalsee ...	34.00	34.50	34.50
Futures:			
Hessian—November ...	48.26	50.46	49.86
Hessian—February ...	45.30	46.16	46.16
Sacking—November ...	131.60	136.50	135.30
Sacking—February ...	123.50	126.25	124.80
Raw Jute—December ...	31.80	33.04	32.54

Note:—The futures market remained closed on 14 and 15 November. The closing rates given are from 13 November.

pucca goods and consequently a quiet tendency prevailed.

Earlier, forward trading in jute and jute goods was suspended for two days by the authorities. This followed the existence of emergency in the trade arising out of a squeeze in jute goods caused by shortage of ready goods.

The raw jute market ruled generally unchanged during the past week. Some improvement was noticeable around midweek but by close prices were back at the starting level. If a reactionary trend had not set in, it was largely because of small but sustained mill buying throughout the week.

PRODUCTION OF JUTE GOODS October 1961

	Oct. 1961	Sept. 1961	Oct. 1960
Hessian ...	31.5 (31.0)	30.5 (30.0)	38.6 (33.0)
Sacking ...	37.6 (37.0)	36.3 (35.7)	45.9 (43.2)
Others ...	8.6 (8.5)	9.3 (9.2)	6.4 (6.3)
Grand Total ...	77.7 (76.5)	76.1 (74.9)	85.4 (84.5)
Hours worked ...	178.5	181.0	238

TEA Rise in Exports

According to the figures released this week, direct exports of North-East Indian tea to the UK have risen sharply to 27.94 million pounds in August from 15.24 million pounds in the corresponding month of last year. This put the total direct exports higher at 46.67 million pounds in the five months ended August 1961 as compared to 33.45 million pounds in the corresponding period of last year.

Cut of the total exports in April-August 1961, shipments to London accounted for 43.23 million pounds against 31.02 million pounds and those against private sales and forward contracts for 3.44 million pounds against 31.02 million pounds and 2.43 million pounds respectively in April-August last year. Earnings from the exports of tea, during the first half of the year, increased to Rs 40.78 crores from Rs 35.58 crores in the corresponding period of last year. This improvement in earnings is entirely due to the high prices obtained in the first half of the year.

months of last year. It was 9.5 thousand quintals lower than the previous six months (July/December 1960). Woollen yarn production fell to 29 thousand quintals from 32 thousand quintals during January/June 1960. A greater fall was recorded from the previous six months' production of 37 thousand quintals. Worst yarn output at 29.5 thousand quintals showed a rise of 2.46 thousand quintals over the corresponding period production of 27 thousand quintals. It was, however, lower than the July/December 1960 production of 31.1 thousand quintals.

In the wool market abroad a better tone prevailed at Bradford following improved prices obtained at the Australian and London sales and quotations for most higher quality tops showed the first upward trend for some weeks. The better tone in wool markets is causing top makers to adopt a much firmer attitude in the top market. Some topmakers are managing to sell at a rate which keeps pace with their current production. Most spinners, however, are buying only hand-to-mouth, though they are believed to have yarn business on their books, which is yet to be covered in tops. Covering awaits the arrival of greater stability in prices and this week is believed to show a move in that direction.

SUGAR

Sugar markets have continued to rule weak as demand from the consuming areas is poor. In the Muzaffarnagar market, prices have shown a further decline of 50 nP per bag to quote around Rs 107.50. While most of the factories are still holding good quantities against the previous releases, available for sale, a number of mills are reported to have finished the sales of the entire quantities released till the end of October.

According to the latest reports, production of sugar in the country, till 15 October, amounted to 29,72,000 tons and the industry had stocks of 12,99,000 tons. Factories in Western

Uttar Pradesh will be starting their crushing operations during the second fortnight of the current month. It is estimated that the industry has carried over stocks of nearly 15,00,000 tons to the new season, while stocks at the end of the 1959-60 season were about half of this figure. Unless proper outlets are found immediately for the huge stocks of sugar with the factories, the problem will be further aggravated with the commencement of production in the current season.

Against this background, domestic consumption is still running at a low level and has not kept pace with the rise in production. It looks as if no worthwhile improvement will take place unless consumption is promoted by reducing the price of the commodity. On the export front, too, the outlook is far from encouraging, as there is at present a glut in world sugar markets. Whether there will be an improvement in the international price of the commodity, depends on the fate of the International Sugar Agreement. The International Sugar Conference will meet at the end of this month.

In this connection, the Indian Sugar Mills Association has suggested that the first measure to lighten the burden of huge stocks is to encourage internal consumption by reducing the market price of the commodity. This may be done by reducing the excise duty. The Association has also suggested another way to reduce stocks. This is to maximise export of sugar and sugar products. In order to ensure smooth and uninterrupted exports on a large scale, it is necessary that the export policy of the Government for sugar in the current season is clarified and planned efforts are made to increase exports. To encourage the export of sugar products, ancillary industries like confectionery, fruit canning, etc., should be encouraged to produce more with the supply of sugar at the export price. Apart from these measures, the Government should create a buffer stock of about 500,000 tons to give an immediate relief to the industry.

PEPPER

Conditions in the Pepper market have continued to remain quiet as demand from overseas buyers has been at a low ebb. Both the futures and the ready sections have closed with considerable net losses, reflecting discouraging advices from overseas and inland markets. In the Cochin market, the rate is quoted around Rs 349.50 per quintal for the ready position and Rs 346.50 for the December delivery.

Exporters are showing apathy to make definite commitments and are in a mood to wait for prices to settle at lower levels following increased arrivals of the new crop, which have already started arriving at many terminal markets. Market sources predict that prices will fall further if the present inactivity on the export front persists. Moreover, the reports, that the next crop is going to be a good one, has already exercised a bearish influence with sellers, who are anxious to dispose of their stocks.

World production and consumption of pepper is delicately poised at around 60,000 tons a year and stock of Lampong is believed to total nearly 7,000 tons. Thus, there seems to be a danger of a pepper glut. Consequently, prices have dropped sharply, as dealers and growers are trying to convert their stocks into cash before it is too late.

FOODGRAINS

Barring wheat which displayed a hardening trend, the Hapur Food-grains market ruled quiet during the week under review. Wheat improved by 50 nP to Rs 15.50 a maund for the average quality and to Rs 17.50 for the farm variety. The market for Rice continued to be depressed, as the new crop was reaching the market in increased quantities. Following the easy supply position, the Uttar Pradesh Government lowered the rice procurement levy.

Gram sought lower levels due to easier advices from the Punjab. Although new Maalze arrivals were reported to be heavy at 10,000 maunds, mostly from Rampur, prices remained steady at Rs 12.81, thanks to good consumer support. In the Pulses section, Peas and Arhar declined further on selling pressure from stockists. Although some demand was reported for conversion into dal, loading difficulties accounted for the depressed tone. Urad and Moong, however, continued to attract demand at the previous levels.

CHEMICALS & DYES

Conditions in the Bombay market for Dyes and Chemicals have continued to remain depressed. Even the long-awaited moorat transactions were not able to brighten up the situation. There was no demand even at the current low levels. Some items attracted the attention of the buyers when the prices were about a rupee lower. These included bleaching power and Ammonium Bicarbonate.

In the Dyes section, however, prices are comparatively steady although the demand has been at a low ebb. A delegation of dyestuff traders is expected to submit a memorandum to the Government, narrating the grievances arising from the changes recently effected in Government policies. The memorandum is expected to point out how the revision of the tariff list has completely upset the price structure. The price of Naphthol has declined from Rs 10.15 to Rs 8 with forward goods on offer at Rs 7. There has been a similar decline in RC Base. Pointing out the losses sustained by the trade as a sequel to the Government's decision to assess the import duty on Naphthols and Bases on the basis of their c.i.f. values, the trade will request the Government to re-include naphthols and bases in the tariff schedule. A suggestion has also been put forward that the tariff value of naphthol should be fixed at Rs 30 per kilo and that of bases at Rs 25.

NON-FERROUS METALS

Prices on the Bombay Non-Ferrous Metal market showed a mixed trend.

While a steady tone prevailed in the Tin and Copper sections, prices of Zinc and Lead displayed an easier tendency.

Although reports from the ready section were quieter, owing to paucity of enquiry, speculative operators found it worthwhile to lend support. They felt that the supply position would get tighter with the rapid depletion of the existing stocks under pressure of constant consumption. Advices from London and Singapore were also considered to be encouraging. Although the US had begun the sale of tin from its stocks, the stockpile release was not expected in any near future by the traders.

There was improved bull support for Copper and all offerings at higher level were easily absorbed. Reports of apprehensions over a probable strike at Chilean el Salvador and Portrerillo mines after the end of the sixty-day truce induced a steadier tendency here also.

After initial steadiness, prices of Zinc developed a reactionary tendency due to increased offerings and a contraction in demand.

Conditions in the Lead section were quiet on reports that lead prices in US had touched the bottom. A weaker trend on the London Metal Exchange owing to reported sale by Russia and other Communist countries, was also a contributory factor.

GOLD & SILVER

Prices on the Bombay Bullion Exchange showed a mixed trend. With increased buying by Calcutta operators and the firmness in the ready section, Silver prices developed a hardening tendency. Arrivals amounted to 12 bars as against an offer of 10 bars. Ready silver (below .996) changed hands at Rs 207.10 to Rs 207.15.

The Gold section, however, ruled weak. Weakness in the ready section due to increased arrivals and selling by spot dealers of about 15,000 tolas created uneasiness among the bull operators. Delhi operators, however, appeared as buyers and consequently the decline in prices was arrested towards the close. Gold ready changed hands at Rs 124.50 to Rs 124.70, while Sovereign remained firm at Rs 98.

OILS & OILSEEDS

The Bombay market for Oils and Oilseeds presented a weak appearance and the volume of business was extremely small, reflecting the lack of interest by bull operators. Although futures trading was resumed from 6 November, the imposition of a ceiling of Rs 215 on the January contract for groundnut tended to create a sense of disappointment. But, the main factor contributing to the increased selling pressure was the improvement in the marketing of the new crop in the major producing areas. The inflow of the new crop was stated to be increasing fast in Andhra, Karnataka, Saurashtra and Maharashtra. On the other hand, the demand from crushers and vanaspati manufacturers tended to decline after their pre-Diwali purchases. In

the circumstances, bulls were inclined to reduce their holdings. Groundnut Bold ready was quoted at Rs 43.75 and Groundnut Oil at Rs 18.25.

In the absence of overseas demand for castor oil, prices in the Castor-seed section turned easy. Moreover, a steady declining trend in shipments from the country during the recent months caused a growing concern among the exporters and operators. Castor ready was quoted at Rs 31.75 and Castor Oil, commercial quality, at Rs 13.25.

Trading in the Linseed section continued to be dull and the overall tendency was bearish in line with the bearishness of the groundnut and castor-seed sections. The lull in demand for linseed oil from the paint industry also tended to impart easiness to the market. Linseed ready was quoted at Rs 39.75 and Linseed Oil at Rs 17.20.

In the Calcutta market, however, the price of linseed hardened further to Rs 31 a maund for ready delivery.

THE BARNAGORE JUTE FACTORY COMPANY, LIMITED.

(Incorporated in England)

Liability of Members Limited

DIVIDENDS

The following Dividends have been recommended in respect of the year ended 31st March, 1961, payable on the 27th December, 1961:—

- (1). On the Preference Shares @5% (Five Shillings per share) less U.K. Income-tax of seven shillings and nine pence in the £ Sterling.
- (2). On the Ordinary Shares @ 10% (Ten Shillings per share) less U.K. Income-tax of seven shillings and nine pence in the £ Sterling.

Payment of any Dividend declared will be made only to those Member whose names are registered in the Books of the Company on 20th December, 1961 or to their Mandatees.

Dividend Warrants to Members on the Calcutta Register will be made payable in Calcutta.

No applications for warrants will be necessary. Claims on behalf of holders of shares on blank transfer will not be entertained.

The Share Transfer Books will be closed from 7th December to 20th December, 1961, (both days inclusive).

By Order of the Board,
JARDINE HENDERSON, LTD.
D. FORDWOOD,

Secretary,
Agents.

4, CLIVE ROW,
CALCUTTA-1,
9th November, 1961.

due to acute shortage of seeds and the decreased arrivals from the up-country centres. Moreover, there was keen demand from the crushers, but their requirements were not being met.

The price of Linseed Oilcake was also firm due to the increased local demand. The bullishness was accentuated by poor stocks. The oil market was also active and ready goods were sold at higher prices. Forward transactions were, however, limited in the absence of declared sellers.

After the control by the Forward Markets Commission, the price of groundnut oil and kernalis in the Madras market kept steady throughout last week. Calcutta interests have also been buying without interruption. Kernel arrivals have also kept up the quantity both locally and in southern centres.

Forward positions of oil remained fairly at lower levels, while the groundnut oil quotations tended to be firm. It was probably due to keen demand for spot goods for which even higher rates were paid for fulfilling commitments. Another reason for the firm trend was perhaps that shipments had to be done willy nilly, while the ships were berthing at Madras port or expected soon to carry oil cargo to Calcutta.

Due to rainy season, groundnut oil from Telangana and other Andhra centers normally expected at Calcutta this part of the year could not be shipped. A small quantity had been shipped to Calcutta only last week; but it was not much to fill up the demands made by that market.

As and when weather improves in Andhra, more shipments of groundnut oil is possible.

This week local demand for oil had now slackened as Diwali is over.

Madras State has begun to get intermittent rains and sometimes there are also heavy downpours hampering arrivals of groundnut into the City market. Despite this, the arrivals daily are reported at 75 to 100 tons locally, while both North and South Arcot markets report receipt of about 500 tons daily. This is good. South centers sold heavily to the crushers and they expect the same demand to continue for another fortnight.

An analysis of the groundnut oil and groundnut prices for the past year and the year before shows that there had been an erratic trend. The seeds and oils markets closed with the following rates: Groundnut oil per quintal ex-Madras godown expeller Ready 3 per cent FFA: Rs 170.90 (Rs 408 per candy of 500 lbs), November-end Rs 174.20: (Rs 395 per candy): January 1962 Rs 169; Groundnut kernels per 80 kgs new crop Rs 68; Castor oil per quintal Rs 158.75; Coconut oil per tin Rs 40.25 to Rs 40.50; Gingelly oil per maund Rs 25; Gingelly seeds per bag Rs 74/75 and Groundnut cake Rs 27.50.

In as much as the spot oil was quoted around Rs 180/181 per quintal there was not much change throughout the week. The oil price for spot was quoted at Rs 180.80 on November 9, it went up to Rs 181.65.

on the 10th and again went down to Rs 180.75, all per quintal. On Monday, the price was further lower at Rs 179.90. The January 1962 quotation also did not vary much. In the middle of last week, it was at Rs 170 and progressively declined to Rs 168 on November 10, Rs 166 on November 11 and went up by three rupees Monday last. As for new crop of kernels, the price was at Rs 66 last week, gained a rupee on November 10, and remains at Rs 68 consistently till today.

In Southern markets, kernels price was around Rs 69 in the northern side like Guntur. In the southern centers, the price was quoted at Rs 65/66, whereas the groundnut oil price varied from Rs 410 at Guntur to Rs 390 in Pollachi.

Steady conditions are expected to continue for sometime more.

HIDES & SKINS

With a fair reimbursement of tanned cow hides in the market, clearances were good with moderate prices. In the CIF section, previous little business was reported and it was reported and it was stated that the high prices were the reason for the dullness.

There were no changes in tanned cow calf and tanned buff calf.

In tanned goat skins, it would appear there was an attitude of wait-and-see from overseas traders. Prices of raw skin continued to rule high. Also in tanned sheepskin market, there was not much to report.

The following were the prices of tanned skins and hides (per lb):— tanned cow 5/5½ lb Rs 2.87 to Rs 2.94; 6/6½ lb Rs 2.56 to Rs 2.62; 8/8½ lb Rs 2.19 to Rs 2.22; 10½12 lb Rs 1.94 to Rs 1.97; inferior fths 4/4½ lb Rs 2.44 to Rs 2.50; 5/5½ lb Rs 2.31 to Rs 2.37; buffalo hides 10/12 lb Rs 2.00 to Rs 2.03; buff calf 1½/2 lb Rs 2.75 to Rs 2.81; cow calf 1½/2 lb Rs 3.50 to Rs 3.62.

BALMER LAWRIE & CO. LTD.

NOTICE is hereby given that the Board of Directors has today declared an Interim Dividend of 7% (subject to deduction of Income-Tax) in respect of the year ending 31st December, 1961, payable on or after 11th December, 1961 to those members whose names are entered in the Register of Members of the Company on that date. Dividend Warrants will be despatched to members and no application to the Company is necessary.

NOTICE is also hereby given that the Register of Members of the Company will be closed from 23rd November, 1961 to 11th December, 1961, both days inclusive.

By Order of the Board,
D. MANSON
Secretary.

21, Netaji Subhas Road,
Calcutta,
13th November, 1961.

THE CENTRAL BANK OF INDIA LIMITED

(Established—December, 1911).

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

Authorised Capital ..	Rs. 6,30,00,000
Subscribed Capital ..	Rs. 5,77,50,000
Paid-up Capital ..	Rs. 3,15,00,000
Reserve Fund & Other Reserves ..	Rs. 4,15,79,722
Deposits as at 31-12-60 ..	Rs. 2,00,07,37,976

DIRECTORS:

Sir Homi Mody, K.B.E. (Chairman).	Sir Jamsetjee Jeejeebhoy, Bart.
Cooverji Hormusji Bhabha, Esq.	Jaykrishna Harivallabhdas, Esq.
Shriavaji Hormusji (Vice-Chairman).	Shriavaji Sorabji Khambata, Esq.
Dharamsey Mulraj Khatau, Esq.	Nani Ardesbhai Palkhivala, Esq.
C. P. Wadia, Esq.	Nityanand Mangesh Wagle, Esq.
Chimanlal Bapalal Parikh, Esq.	

Mr. N. K. KARANJIA, General Manager.

Branches and Pay Offices in all important Commercial Centres of India, Pakistan and Burma.

LONDON BRANCH: 150, Fenchurch Street, London, E.C.3.

NEW YORK AGENTS—Morgan Guaranty Trust Company of New York. The Chase Manhattan Bank.

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

LOCAL BRANCHES

Ballygunge ... 157-A, RASH BEHARI AVENUE.	Hatibola ... 100, SOVAMAZAR STREET.
Bombay ... 71, JAMUNALAL BAZAR STREET.	Howrah ... 18-A, GRAND TRUNK ROAD.
Bhubaneswar ... 86, SHYAMAPROSAD MUKHERJEE RD.	Kidderpore 3/1, DIAMOND HARBOUR RD.
Calcutta ... 33, NETAJI SUBHAS ROAD,	New Market 10, LINDSAY STREET.
College Street 1, CORNWALLIS STREET,	Shambazar 11, BHUPEN BOSE AVENUE.

Branches in West Bengal:—Asansol, Bankura, Burdwan, Durgapur, Jalpaiguri, Kalimpong, Raiganj, Siliguri, Purulia.

Branches in Bihar:—Arrah, Bettiah, Bhagalpur, Chapra, Darbhanga, Deoghar, Forbaganj, Gaya, Jamshedpur, Jaynagar, Jharia, Katihar, Khatwa, Kishanganj, Lohorisara, Lakhisarai, Mochihari, Monghyr, Muzaffarpur, Patna, Patna City, Ranchi, Samastipur, Sahibganj, Samastipur, Siwan and Supaul.

Branches in Orissa:—Bambalpur, Branch in Assam:—Gauhati.



We manufacture

- C.I. Domestic Hotwater Boilers
- C.I. Sewer Flushing Syphons
- C.I. Revolving Distributors for Sewage Disposal
- C.I. Turnstiles
- C.I. Locking Type Manhole Covers

J. B. NORTON & SONS LTD.
CALCUTTA-1

Phone: 23-5101

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Company Reports

Brooke Bond Tea Pays Less

A substantial reduction in the crop harvested from 14,06,874 kg to 12,15,847 kg as a result of severe drought conditions is reflected in the working results of the Brooke Bond Tea Estates India Limited for the year ended 30 June, 1961. Although the average sale price realised is higher at Rs 5.31 as compared to Rs 5.00 per kilo for the previous year, the average garden cost of production has increased by about 49 nP per kilogram over that of the previous year, mainly as a result of a fall in the manufactured crop.

The net profit for the year, before providing for Depreciation and Taxation, amounts to only Rs 11.09 lakhs as against Rs 15.24 lakhs for the preceding year. In respect of allocations, the Depreciation amount is raised to Rs 2.32 lakhs from Rs 2.42 lakhs and Capital Reserve to Rs 21,986 from Rs 10,850. Taxation provision is, however, lower at Rs 3.35 lakhs against Rs 5.20 lakhs and Development Rebate Reserve at Rs 5,400 against Rs 21,000. No provision is made for General Reserve against Rs 2.00 lakhs. The dividend on the Ordinary shares is reduced from 15 to 10 per cent, subject to tax.

The directors have, in their report, stated that the Assam Carriage Tax was found unconstitutional by the Supreme Court in August, 1960. Payments from the company's estates ceased in July, 1960; but the Assam Government introduced a new Act, viz, the Assam Carriage Tax Act, 1961, seeking to revalidate their previous legislation with retrospective effect and to allow the continuation of the tax until March, 1962. The company has filed a write petition and obtained a stay order against the Assam Government. The decision of the Assam High Court is still awaited and is expected before the end of this year.

Replanting of uprooted areas continues and the company has obtained permission to plant out new extensions of about 20 hectares on Dhullie and 14 hectares on Dibru-Darrang.

Board of Directors.

Year ended June	1961 Rs.	1960 Rs.	1959 Rs.
Outturn kgs	1,215,847	1,406,874	1,451,188
Av. Price per kg	5.31	5.00	5.05
Net profit	1,108,987	1,523,757	1,615,085
Taxation	335,000	520,000	702,000
Depreciation	262,216	242,487	237,869
Reserve Fund	...	200,000	...
Development Rebate Reserve	5,400	21,000	20,000
Other Funds	21,986	10,850	3,214
Div. Amount:			
Ordinary	350,000	525,000	437,500
Preference	199,850	210,000	210,000
Carry Forward	163,299	228,764	434,344
Div. % Ord.	10T	15T	12T
Div. % Pref.	8T	6T	6T

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

Liabilities.	1961 Rs.	1960 Rs.	1959 Rs.
Capital Paid-up:			
6% T.C. Pref.	3,500,000	3,500,000	3,500,000
Ordinary	3,500,000	3,500,000	3,500,000
Share Premium	105,000	105,000	105,000
Capital Reserve	134,836	112,850	102,000
Reserve Fund	735,000	735,000	535,000
Other Funds	563,900	558,500	537,500
Loans unsecured	347,559	352,074	311,243
Taxation Provn.	1,288,218	1,310,103	1,566,213
Debts	1,290,449	1,370,473	1,518,885
Carry Forward	163,299	228,764	440,470
Total	11,628,261	11,772,764	12,116,311

Assets	1961 Rs.	1960 Rs.	1959 Rs.
G. Block	9,720,006	9,438,743	9,094,703
Depreciation	3,563,381	3,417,209	3,287,558
Block (net)	6,156,625	6,021,534	5,807,145
Cap. Exp. in progress	146,303	79,469	231,431
Stores	891,421	963,097	967,923
Nurseries	117,856	87,960	76,865
Stocks	791,715	591,617	708,867
Outstandings	40,827	30,596	33,349
Mis. Deposits and Advances	664,639	757,539	605,663
Investments	11,982	509,590	508,840
Deposits in Banks	2,000,000	2,200,000	2,900,000
Cash	806,893	531,362	306,228
Total	11,628,261	11,772,764	12,116,311

Waverly Jute Repeats

Although the mill remained closed during the year ended 31 May, 1961; the revenue obtained from the sale of loom-hours and rent of godown have enabled the Waverly Jute Mills Company Limited to show a profit.

The net profit, after providing for Depreciation and Taxation, amounts to Rs 2.64 lakhs as against Rs 2.52 lakhs. Apart from providing Rs 2.00 lakhs for General Reserve, the Depreciation amount is reduced to Rs 45,392 from Rs 1.05 lakhs and Taxation to Rs 1.90 lakhs from Rs 2.50 lakhs. The dividend on the Ordinary shares is, however, maintained at 30 nP per shares, less tax.

Secretaries: McLeod & Co. Ltd.

Year ended May	1961 Rs.	1960 Rs.	1958 Rs.
Sala of Loom	...	...	...
Hours	355,086	...	...
Sales of Jute	850,718	...	...
Net profit	499,162	606,995	422,894
Taxation	190,000	250,000	9,400
Depreciation	45,392	105,254	114,484
Reserve Fund	200,000	...	...
Div. Amount:			
Ordinary	75,000	75,000	62,500
Preference	86,250	86,250	144,642
Carry Forward	96,614	194,094	103,603
Div. % Ord.	30T	30T	25
Div. % Pref.	11.5T	11.5T	15*

Annual General Meeting on 30-11-61 at 3-30 p.m.
*Preference dividend for two years ended 31-5-58 and 31-5-59 at 5 per cent per annum, and an additional 5 per cent for year ended 31-5-59.

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

Liabilities	1961 Rs.	1960 Rs.	1959 Rs.
Capital Paid-up:			
6% C. Pref.	750,000	750,000	750,000
Ordinary	250,000	250,000	250,000
3 1/2% Debentures	...	1,000,000	1,000,000
Reserve Fund	385,000	185,000	185,000
Other Funds	335,000	335,000	335,000
Taxation Provn.	447,115	257,463	20,398
Debts	487,296	426,741	371,524
Carry Forward	96,614	194,094	103,603
Total	2,751,025	3,398,298	3,015,525

Assets	1961 Rs.	1960 Rs.	1959 Rs.
G. Block	5,480,727	5,486,746	5,514,746
Depreciation	4,597,547	4,553,966	4,448,712
Block (net)	883,180	932,780	1,066,034
Cap. Exp. in progress	17,273	...	...
Stores	185,085	283,495	408,603
Outstandings	212,047	138,930	325,615
Do. More than 6 months	56,552	100,012	...
Mis. Deposits and Advances	50,542	113,756	67,566
Investments	119,515	60,000	60,000
Deposits in Banks	1,000,000	1,890,000	1,036,500
Cash	244,821	79,325	51,207
Total	2,751,025	3,398,298	3,015,525

New Savan Sugar Fares Well

Thanks to a higher net profit of Rs 2.39 lakhs against Rs 2.52 lakhs, the New Savan Sugar and Gur Refining Company Limited has been able to raise the dividend from 50 nP to 56 nP per share less tax, for the year ended 31 May, 1961.

In respect of allocations, Depreciation is raised to Rs 1.37 lakhs from Rs 95,901 and Taxation to Rs 73,000 from Rs 53,000. No provision is made for General Reserve against Rs 50,000.

The lessee factory crushed a total quantity of 33,85,358 maunds of cane with a recovery of 9.48 per cent during the 1960-61 season as against the crush of 28,47,570 maunds and a recovery of 9.78 per cent for the previous season. The increase in the crush is a direct result of improvement in the varietal position resulting into higher yield.

Secretaries:—Karam Chand Thapar & Bros. (Private) Ltd.

Year ended May	1961 Rs.	1960 Rs.	1959 Rs.
Cane Crushed	3,385,358	2,847,570	2,022,403
Mds.	289,177	230,383	166,007
Royalty	288,732	251,839	125,597
Net profit	73,000	53,000	6,000
Taxation	137,068	95,901	66,050
Depreciation	...	50,000	...
Reserve Fund	17,096	...	5,393
Development Rebate Reserve	...	...	...
Div. Amount:			
Ordinary	61,600	55,000	40,700
Carry Forward	8,408	8,440	10,502
Div. % Ord.	5.6T	5T	3.70T

Annual General Meeting on 30-11-61 at 12-30 p.m.

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

Liabilities	1961 Rs.	1960 Rs.	1959 Rs.
Capital Paid-up	1,100,000	1,100,000	1,100,000
Reserve Fund	325,000	325,000	275,000
Other Funds	200,330	183,234	183,234
Loans Secured	25,276	24,498	25,839
Loans unsecured	161,318	127,853	166,827
Taxation Provn.	126,980	64,850	16,727
Debts	74,202	105,578	252,189
Carry Forward	8,408	8,440	10,502
Total	2,019,514	1,939,453	2,030,318

Assets	1961 Rs.	1960 Rs.	1959 Rs.
G. Block	4,562,947	4,489,469	4,929,289
Depreciation	3,198,949	3,071,337	2,986,570
Block (net)	1,363,998	1,418,132	1,942,719
Outstandings	107,968	23,407	3,191
Do. More than 6 months	1,590	...	...
Mis. Deposits and Advances	464,762	413,709	6,891
Investments	57,187	57,188	57,187
Cash	24,009	27,017	20,330
Total	2,019,514	1,939,453	2,030,318

Hindustan Wire Skips Dividend Again

Labour troubles in the company's factory and the consequent loss of production are reflected in the working results of the Hindustan Wire Products Limited for the year ended 31 March, 1961. Sales are shown lower at Rs 20.11 lakhs against Rs 23.12 lakhs, while the accounts reveal a loss of Rs 3.87 lakhs against a net profit of Rs 1.52 lakhs for the preceding year. No depreciation is provided for the year on the assets and this amounts to Rs 2.20 lakhs. In the previous year, a sum of Rs 1.52 lakhs was provided for Development Rebate Reserve.

The directors state that services of foreign technicians are availed of by the company for improving the quality of its products and also for making necessary alterations in the machines to bring down the cost of production. This has resulted in considerable improvement.

Board of Directors.

Year ended March	1961 Rs.	1960 Rs.
Sales	2,011,116	2,311,779
Stocks	317,151	658,585
Raw Materials	560,483	624,225
Stock in progress	189,605	82,671
Net profit	—387,108	151,719
Development Rebate Reserve	...	152,380
Carry Forward	—387,108	Nil
Div. % Ordinary	Nil	Nil

Assets	1961 Rs.	1960 Rs.
G. Block	1,514,922	1,453,786
Depreciation	47,533	50,723
Block (net)	1,467,389	1,403,063
Preliminary Exp.	900	900
Stores	308,515	197,821
Stocks in Progress	189,605	82,671
Raw Materials	789,987	873,888
Stocks	317,151	658,585
Outstandings	351,838	236,782
Do. More than 6 months	91,006	1,077
Mis. Deposits & Advances	82,412	76,691
Cash	13,985	8,887
Debit Balance	387,108	...
Total	3,981,896	3,540,347

For the Investor

INVESTMENT GOSSIP

Buoyant Trend

The stock market is in a buoyant mood with several shares quoting at the best levels so far in the current year. It is, however, difficult to point to any particular fresh development that may be properly regarded as responsible for the sustained bullish fervour that has been noticeable for the past several days. As has been already noted in this column, the fact that Government has decided, notwithstanding the suggestion of the Estimates Committee, to let the LIC continue to deal with the investment of its funds as hitherto may perhaps be marked out as the most important favourable factor in recent weeks. It is quite on the cards that operators have logically concluded from this that the LIC may soon resume its buying of equities in right earnest. Otherwise, there has not emerged any fresh development of specially bullish import which had not been there some two weeks ago or even earlier.

The statement that the present situation is the result of the success of the bulls in their tussle with the bears can be only partially true. It would appear that bears have been overextending themselves over the past couple of months or so encouraged by the major uncertainty of the coming general election and once bulls have begun to assert themselves, the former have been caught napping. But the fact that the re-

Dividend Doubled By Kallinugger & Khoreel Tea

The Kallinugger & Khoreel Tea Company has presented the reports and accounts only for 1959. The net profit amounts to Rs 85,741 (including Rs 13,000 transferred from provision for Taxation) as against Rs 39,554 (including Rs 20,000 transferred from Contingency Reserve).

A sum of Rs 11,097 (Rs 10,388) is provided for Depreciation and Rs 20,500 (Rs 12,879) for Taxation. The dividend is doubled to 6 per cent, less tax. It may be added that the dividend for the previous year was paid out of Contingency Reserve.

Year ended Decr.	1959 Rs.	1958 Rs.	1957 Rs.
Outturn (mds).	3,365	3,910	3,087
Av. Price per lb	1.85	1.64	1.58
Net profit	85,741*	39,554†	—18,547
Taxation	20,500	12,879	...
Depreciation	11,097	10,388	11,815
Div. A'mt. Ord.	27,000	13,500	9,000
Carry Forward	32,236	5,092	2,305
Div. % Ord.	6T	3	2

(Annual General Meeting on 29-11-61 at 10-15 a.m.)
*After transferring Rs 13,000 from provision for taxation.
†After transferring Rs 20,000 from Reserve for Contingencies.

Tools Private Limited and has now been converted into a public company. The factory is situated at Coimbatore and the company has paid a dividend of 5 per cent for the year ended 31 March 1961. The authorised capital is Rs 50 lakhs, divided into 50,000 equity shares of Rs 100 each. The issued, subscribed and paid-up capital is Rs 2.76 lakhs. The present issue is for Rs 24.90 lakhs, of which Rs 2.90 lakhs has been taken by the directors and their friends and the balance of Rs 22 lakhs is the actual offer to the public.

Jay Shree Textiles

Jay Shree Textiles Limited has decided to issue 2,45,900 new ordinary equity shares to the existing shareholders of the company, at par, in the proportion of one new share for two existing ones, held by those shareholders whose names are registered as on 30 November 1961. Transfer Books will be closed from 21 to 30 November, 1961.

Hindustan Oxygen

The Hindustan Oxygen Gas Company Limited, Rajkot, is expected to enter the market by the middle of next month with an equity issue of 30,000 shares of Rs 100 each. The authorised capital of the company is Rs 1 crore. Of the issued capital of Rs 30 lakhs, the promoters, directors and their friends will take up shares worth Rs 11 lakhs. The balance of Rs 19 lakhs is offered for public subscription. The company will produce industrial gases, principally oxygen and dissolved acetylene. The factory will be located at Ahmedabad. The company has secured licences for the import of plant, machinery and equipment and has made arrangements with its US suppliers for the necessary technical know-how. The plant will have a production capacity of 2,81,16,000 cubic feet of oxygen and 70,29,000 cubic feet of acetylene.

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

Liabilities.	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up	450,000	450,000	450,000
Capital Reserve	...	...	21,411
Reserve Fund	200,000	200,000	200,000
Other Funds	130,000	130,000	150,000
Loans Secured	142,901	69,331	111,311
Taxation Provn.	157,640	183,296	219,371
Debts	243,827	248,174	256,161
Carry Forward	32,236	5,092	2,305
Total	1,356,604	1,285,893	1,410,558

Assets	1959 Rs.	1958 Rs.	1957 Rs.
G. Block	370,924	357,446	352,381
Depreciation	46,075	34,977	24,558
Block (net)	324,849	322,469	327,779
Stores	68,485	33,701	52,093
Stocks	223,787	264,874	178,228
Outstandings	311	10	8,07
Mis. Deposits and Advances	548,406	475,706	440,23
Investments	178,805	178,805	401,09
Cash	12,241	10,328	3,06
Total	1,356,604	1,285,893	1,410,558

Glass Corporation

The Glass Corporation Private Limited, Dholpur, Rajasthan, having a paid-up capital of Rs 1,00,000 has been accorded consent to issue bonus shares of the total value of Rs 35,00 in the ratio of 7 bonus shares to 20 shares held on capitalisation of the company's reserves to a like extent.

Canara Industrial & Banking

The Canara Industrial & Banking Syndicate Limited, Mysore, which has a paid-up capital of Rs 47,21,411 has been granted consent to the issue of capital of Rs 50,00,000 in 5,00,000 (B) class ordinary shares of Rs 1 each for cash, at a premium of Re per share, to the existing shareholders on rights basis. The proceeds will be utilised for strengthening the bank's capital structure.

the Central Government permits these shares to be issued in two instalments. The LIC has been approached for a Debenture loan of Rs 30 lakhs to finance the company's expansion programme. The company has two projects in hand - a solvent extraction plant to be set up in Bombay and the manufacture of fans and fractional h.p. motors in Delhi. The company needs Rs 60 lakhs for these two projects. The production of ceiling and table fans has already started.

R. R. Engineering

R. R. Engineering Company Limited, which is formed by taking over the business of the partnership firm of R. R. Engineering Company, proposes to set up a factory in Uttar Pradesh for the manufacture of machine tools, sugar mill machinery and steel structures, steel castings and alloy steels. The capital outlay on the project is estimated at Rs 42.50 lakhs, which will be financed by the issue of shares to the tune of Rs 25 lakhs; loans from banks to the extent of Rs 11.50 lakhs and Deferred payment credit of Rs 6 lakhs. Out of the issued capital of Rs 25 lakhs, the directors and promoters have subscribed for Rs 8 lakhs of ordinary capital. The balance of Rs 17 lakhs will be offered to the public in 70,000 equity shares of Rs 10 each and 10,000 preference shares of Rs 100 each. The preference shares will carry a dividend of 10 per cent subject to tax. The company has entered into technical collaboration agreement with various German firms.

India Metal Agencies

India Metal Agencies of Bombay, which is importing house service

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED

(Incorporated in England)

5%RUPEE DEBENTURE STOCK, 1970

Interest for the Half-year ending 31st December, 1961.

Notice is hereby given that interest at the rate of Rs. 25/- (less Indian Income Tax) per Rs. 1,000/- of Stock will be paid on 1st January 1962 to Debenture Stockholders registered on the books of the Company on 19th December 1961. Applications for transfers received at the Company's Office at Victoria House, P. B. 304, Chowringhee Square, Calcutta-1, upto 19th December 1961, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above interest.

Debenture Stock Transfer Books will be closed from 20th December, 1961 to 31st December, 1961 both dates inclusive.

By Order of the Board,
H. C. BOWKER
Agent.

Victoria House,
Calcutta, 16th November, 1961.

metres, water metres and marine and locomotive engines, proposes to set up a plant for the manufacture of electric house service metres. The company has obtained the necessary licence. The manufacturing programme will be undertaken in two phases. In the first phase, it is proposed to manufacture 55 per cent of the components and the balance will be imported. In the second phase, which will be undertaken after a period of two years, the factory will produce 85 per cent of the components. A public limited company will be formed to undertake this project. The estimated capital outlay on the first phase of the programme is Rs 50 lakhs, of which Rs 30 lakhs will be in Indian currency and the balance in foreign exchange. Of the proposed capital, Rs 12.5 lakhs will be taken up by the promoters and their associates. The LIC is expected to take up Rs 5 lakhs and the balance of Rs 12.5 lakhs will be offered for public subscription. Efforts are being made to secure foreign collaboration and to get a major part of the cost of the machinery financed by the foreign collaborator.

INVESTMENT NOTES Mirzapur Electric

Subject to the consent of the Controller of Capital issues, the Mirzapur Electric Supply Company Limited has proposed to capitalise Rs 49,500 out of the balance standing to the credit of the net revenue and appropriation account of the company for the year ended 31 March 1961. The company proposes to issue 5,500 equity shares of Rs 9 each, at par. Such shares are to be appreciated as capital and distributed among the existing equity shareholders of the company as on 27 November 1961 in the proportion of one new share for every 10 existing shares held by them. The new shares will rank pari passu with the existing shares, but they shall not be participating in any dividend declared prior to 27 November 1961. Instead of declaring dividend, the company will be issuing the above bonus shares with a view to conserving liquid cash required for its expansion programme.

M CLM Bank

It has been announced that the two series of Debentures for Rs 1 crore each, offered by the Madras Co-operative Central Land Mortgage Bank Limited, have been subscribed in full. The Debentures carry interest at 4½ per cent and the 15-year Debentures at 4¼ per cent. The issue price in both cases was fixed at par.

Khandelwal Udyog

Khandelwal Udyog Limited, a company belonging to the "Khandelwal group" of Bombay, has proposed to commence the manufacture of industrial furnaces. The company has concluded a technical collaboration agreement with an Italian firm. The collaborators are one of the leading furnace manufacturers in Italy and their equipment is already being manufactured in other European countries under licence. When in

full production, Khandelwal Udyog's furnaces department shall be manufacturing furnaces worth Rs 25 lakhs per annum. Their manufacturing programme shall include both electric and combustion furnaces and shall specially serve the growing requirements of the engineering and metallurgical industries. Their range shall cover various types of furnaces and shall include the manufacture of Bell Type Furnaces for bright annealing of wires and strips and continuous automatic lines for heat treatment of ferrous and non-ferrous components. The company will also manufacture furnaces for the glass and ceramic industries. It is expected that the major portion of the furnaces shall be manufactured indigenously right from the commencement with the exception of the automatic controls and instrumentation.

Mill Merger

Subject to the sanction of the High Court and in accordance with the scheme to merge the Lakshmi Cotton Manufacturing Company Limited with the Vishnu Cotton Mills Limited, the shareholders of the Lakshmi Cotton will be given shares of Vishnu Cotton in the following ratio:—One (54 per cent) first Cumulative Preference shares of Rs 250 each of Vishnu will be given for one (5 per cent) Preference share of Lakshmi; and 4½ equity shares of Rs 100 each in Vishnu Cotton will be given one equity share of Rs 250 each of Lakshmi Cotton. All dealings in Lakshmi Cotton shares, done until 25 November 1961, will be settled on 30 November, 1961. Shares received against such contracts will have to be transferred before the closure of the Transfer Books. No dealings in Lakshmi Cotton shares will be permitted after 25 November, 1961.

IN BRIEFS

Balmer Lawrie & Company, Limited has proposed a taxable interim dividend of 7 per cent for the year ended 31 December, 1961, payable on or after 11 December to those shareholders registered as on that date. Transfer Books will be closed from 23 November to 11 December, 1961.

Cauvery Sugars have raised the dividend from 6 to 8 per cent, taxable, for the year ended 30 June, 1961.

Rajagiri Rubber has recommended a final dividend of 10 per cent, making a total of 20 per cent, taxable, for the year ended 30 June, 1961, same as in the previous year.

Nelliampathy Tea has raised the dividend from 13 to 15 per cent, taxable, for the year ended 30 June, 1961.

Blue Mountains Coffee has reduced the dividend from 12½ to 10 per cent, taxable, for the year ended 30 June, 1961.

Waterfall Estates have also reduced the dividend from 12½ to 10 per cent, taxable, for the same year.

Dyeer Meakin Breweries Limited has produced excellent working results for the year ended 31 March, 1961. The net profit for the year at Rs 55.25 lakhs represents an increase of Rs 11.62 lakhs over that of the

previous year. The directors have proposed to recommend a dividend of 30 per cent, taxable, on the increased capital as against 25 per cent on the original capital.

The maiden balance sheet of General Tyres Limited, for the period from 14 June, 1960 to 30 June, 1961, shows a net loss of Rs 1.05 lakhs after providing Rs 1,337 for depreciation and Rs 1,337 for taxation.

The India Jute Company, Limited has reported a net profit of Rs 16.12 lakhs for the year ended 31 March, 1961 as against Rs 18.08 lakhs. The dividend is reduced from Rs 1.75 to Rs 1.50 per share, subject to tax.

The Megna Mills Company, Limited has, however, shown a marked rise in the net profit from Rs 14.20 lakhs to Rs 23.12 lakhs for the same year. The dividend is raised from Rs 1.20 to Rs 1.25 per share, less tax.

★

STOCK EXCHANGES

Watch-Dog Writes:

A Consolidation

STOCK markets have had the best week of the year. Trading has continued to be brisk and there is again a spurt in prices, as operators appear to be optimistic about the near-term outlook. The scarcity of floating scrip and the reserve of holders have also helped to push up prices.

The market has, however, turned somewhat cautious from Thursday. In the absence of fresh development, there is naturally a hesitancy to enlarge commitments and enough evidence is available to indicate that there is a general tendency to book short-term profits. The undertone, however, remains basically healthy.

After recording a fresh rise in prices, the Calcutta Stock Exchange developed a slightly reactionary tendency towards the closing days of the week.

Price movements on the Bombay Stock Exchange were rather erratic due to alternate bouts of buying and selling.

There was hesitant trading on the Madras Stock Exchange where the favourites remained in the background due to the cautious attitude of the operators.

★

CALCUTTA

Friday Evening.

THE rising trend of prices, noticed on the local stock exchange towards the previous week-end, gathered further momentum during the week under report. While encouraging Bombay advices stimulated sentiment, short-covering in regard to selected shares accentuated the price-rise.

In brief, the trading pattern reflected the domination of the bulls over the market for the second week in succession. Bulls increased their support due to a number of favourable developments. First, there was scarcity of scrip. As a substantial "short" position had been built up in earlier months, bears were forced to cover their purchases in a rising market.

Secondly, hopes were entertained that the LIC might buy more freely than hitherto in view of the Government's decision not to take over the investible funds of the Corporation. Thirdly, the reports of the Government thinking of promoting exports by giving tax concessions were welcomed. Fourthly, the substantial rise in active note circulation gave rise to a feeling that inflationary pressures might increase and the shares would be a useful hedge against inflation. Finally, excellent corporate news provided further encouragement.

But, the sharp gains in prices were not held till the close of the week. Apart from the fact that the slight setback in sentiment arose mainly from technical considerations, the market appeared to be a little tired after its recent upsurge. In the absence of fresh development and in view of the many difficulties still facing the industry, operators were inclined to book profits before entering into fresh commitments. Nevertheless, no material damage was done to the general price level and the remarkable steadiness in several shares, despite profit-taking, indicated that the market might resume its upward movement.

Gilt-edged securities continued to remain dull due to lack of institutional support. Interest was limited to only a few loans and changes were against holders. Against the previous week-end closing of Rs 72.05, 3 per cent 1986 Conversion Loan eased off to Rs 71.75.

Bank shares were generally steady. Punjab National were enquired up to Rs 20.62 from Rs 19.81, while United Commercial turned rather quiet at Rs 94 against Rs 94.50.

Although selected shares continued to attract attention as a result of the LJMA's decision to unseat 2½ per cent of the loans from Monday this week, the Jute section, in general, encountered heavy profit-taking. Apart from the fact that the recent upswing in values had been rather steep, there was a complete absence of support from investors, who were not inclined to take an entry into this section. There was a growing feeling amongst them that it would take months, if not years, of profit-taking working to offset the loss of the mills which had suffered earlier in the year. Birlas were at one time taken up to Rs 29.62 from Rs 29.19 (Rs 28.75); Howrah up to Rs 22.75 from Rs 21.12 (Rs 22.25); Ganges up to Rs 12.50 from Rs 12.12 (Rs 13.00) and New Central up to Rs 19 from Rs 17.69 (Rs 18.62). Nuddea were a narrow market moving between Rs 62 and Rs 63.50, while Dalhousie came in for offer at Rs 115.50 against Rs 120 with Barnagore well maintained at Rs 135.50, despite the reduction in dividend from 30 to 10 per cent for the year ended 31 March, 1961.

Although turnover in the Coal section continued to be restricted due to reports of wagon shortage, prices tried to look up in sympathy with the general trend of the market. Bengal were enquired up to Rs 387 from Rs 354; New Beerboom up to Rs 22.81 from Rs 22.25; Central India up to Rs 12.50 from Rs 11.84 and Western Bengal up to Rs 9.62 from Rs 9.12. Burrakur moved erra-

tically between Rs 18.87 and Rs 19.44 on alternate buying and selling, to close finally at Rs 18.69.

The Tea section was 'devoid of interest and dealings were few and far between. Apart from a general fear of a further decline in auction prices, it was believed that supplies would be more than adequate during the current season. Banarhat changed hands at Rs 278 to Rs 281; Bhatkawa at Rs 18 to Rs 18.37; Dauracherra at Rs 6.87 to Rs 7.06; Grob at Rs 9.87 to Rs 10.12 and Tezpor at Rs 17.50 to Rs 17.62.

Apart from Dyer Meakins which were keenly sought after up to Rs 45 from Rs 40.87 following the company's proposal to diversify its activities and raise further capital, Sugar shares were generally neglected in view of the obscure outlook for the industry. Carew were slightly better at Rs 13.69 against Rs 13.62, while Cawnpore were marked back to Rs 12.94 from Rs 13.19 and SKG to Rs 10.75 from Rs 10.87.

Although Textile shares presented a firm front on expectation of better results for the current year, higher levels attracted considerable profit-taking. Jay Shree touched a new high of Rs 19 from Rs 18.69, (Rs 18.62); Kesoram Rs 32.75 from Rs 31.87 and J. K. Rayon Rs 21.50 from Rs 21.06 (Rs 21.06). Elgins closed better at Rs 24.12 and Cawnpore at Rs 9.81, after touching low levels of Rs 23.87 and Rs 9.75 respectively.

Price movements in the Engineering section were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to heavy speculative buying till the close on Thursday. After opening higher at Rs 25.44, Indian Irons gradually advanced to cross the Rs 26 mark to touch Rs 26.10 before reacting at the close to Rs 25.88. In sympathy, TEXMACO were at one time pushed up to Rs 20.70 from Rs 20.25 (Rs 20.35); Guest, Keen, Williams up to Rs 41.25 from Rs 40.50 (Rs 40.75); J. K. Steel up to Rs 23.62 from Rs 23.06 (Rs 22.62); Binani Metal up to Rs 13.25 from Rs 12.44 (Rs 13.06); Indian Standard Wagon up to Rs 123 from Rs 107 (Rs 119.50); Jessop up to Rs 21.56 from Rs 21.06 (Rs 21.50) and Kumardhubi up to Rs 7.12 from Rs 6.75 (Rs 7.12). Dalmia Iron were in demand up to Rs 10.87 from Rs 10.37 and so also Britannia up to Rs 13.81 from Rs 13.44. Figures shown within brackets were the week's closing rates.

After recording fresh higher levels, Miscellaneous issues were subjected to heavy profit-taking towards the close, as will be clear from the following prices of a few selected shares:

	As on 11 Nov.	High-est Rs	As on 17 Nov. Rs
Orient Paper	37.90	38.90	38.10
Shree Gopal	26.69	27.69	27.37
Sirpur	16.69	17.87	17.44
Bengal Paper	97.50	102.00	99.75
Titaghar	35.25	37.00	36.62
Alkali Chemicals	40.00	44.25	43.25
Rohtas	16.75	18.34	17.87
Dunlop Rubber	58.69	60.12	59.37
H. Motor	20.87	21.62	21.44
H. Lever	54.25	61.56	61.56
J. K. Synthetics	14.00	14.87	14.31
Goodyear	40.50	45.75	44.37
Phillips Carbon	19.94	25.25	25.25

Asso. Battery	36.56	40.25	39.37
Union Carbide	50.75	55.37	54.75
Aluminium Corpn	16.37	17.31	17.25
I. Oxygen	39.25	42.50	40.00
I. Cable	36.50	37.62	36.81
I. Aluminium	38.87	39.12	37.81
I. Steamship	7.59	7.75	7.62
I. Copper	4.93	5.12	5.00
General Tyres	7.25	7.44	7.19
BIC	9.62	9.72	9.31
Isaac Holden	19.12	19.25	19.06
British Paints	27.62	28.50	28.37

MADRAS

THE tone was generally steady and mild profiteering occurred in shares whose quotations rose sharply. Nothing worthwhile was recorded in banks. Electrics were without any features. Sugars noted weakness. Plantings were steady. Teas, however, noted a fall generally. Textiles remained quite firm and steady. Miscellaneous continued to attract wider attention.

Banks: Indian Bank continued to be available at Rs 182.00, Indian Overseas at Rs 193.00, Punjab National was fifty nP higher at Rs 20.50.

Electrics: There were no changes in this counter. Cochin was at Rs 12.25. Negapatnam was transacted at the listed rate of Rs 10.60. South Madras was at Rs 10.22 and West Coast was quoted at Rs 14.00.

Sugars and Breweries: Cauvery was at Rs 120.00, Deccan did not change at Rs 12.25, KCP was unaltered at Rs 24.00, Kothari was at Rs 8.10 and United Breweries was at Rs 104.00.

Plantings: Blue Mountain was available at Rs 2.98, Cochin Malabar closed at Rs 7.50, Coffee Lands was lower at Rs 18.15 and Consolidated Coffee was done at Rs 21.80. Coonoor unchanged at Rs 26.50. Kil Kotagiri was at Rs 5.12, Midland was the

same at Rs 11.10, Mysore Coffee was sold at Rs 5.19 and Mysore Plantation was sold at Rs 1.95. Nilgiri declined to Rs 8.50, Ouchterlony was unchanged at Rs 3.65.

Neelamalai was quoted at Rs 4.50, Nelliampathy was at Rs 2.80. Nilgiri was fifteen nP lower at Rs 8.50. Pariakaramalai was quoted at Rs 3.85, ten nP higher. Stanes Amalgamated was at Rs 16.62 with 10 per cent dividend. Swinton did not change at Rs 2.92. Travancore Rubber was at Rs 12.25, TR & R was higher at Rs 11.15.

Textiles: Adoni was lower today at Rs 13.00. Bangalore Woollen and Buckingham both registered higher levels at Rs 245 and Rs 255 respectively. Cauvery spinning did not change at Rs 16.00. Lakshmi was the same at Rs 169.00. Madura was improved to Rs 43.25. Premia was lower at Rs 352.00. Rajalakshmi gained at Rs 113.50. Ranga Vilas was quoted at Rs 55.50. South India Viscose was quoted at Rs 191.05. Travancore improved further to Rs 47.50.

Miscellaneous: Aluminium Industries was quoted at Rs 23.90. Ashok Leyland was at Rs 9.60, a gain of 40 nP per share. Dalmia Cement was quoted at Rs 12.12. FACIs was higher at Rs 11.75. India Cement was at Rs 6.70. Madras Aluminium was at Rs 24.00. Indian Steel Rolling was at Rs 12.00. Mettur Chemical was better at Rs 15.15. Mysore Electrical Industries was quoted higher at Rs 225.00. Mysore Lamp was another improved share at Rs 32.45. Orissa Cement gained at Rs 15.45. Parry Confectionery was at Rs 4.72. Seshasayee Industries was at Rs 10.20 and Seshasayee Papers was at Rs 8.40. Textool was at Rs 186.00. Travancore Chem. was at Rs 22.00. Tube Investments improved by two points to be quoted at Rs 285.00.



CALCUTTA TRAMS

Advertisement Managers:

PSOI The Publicity Society of India Ltd.
1, Waterloo Street, Calcutta - 1

INDEX NUMBERS OF SECURITY PRICES (1952-53=100)

Week ended	29-10-60	21-9-61	28-10-61
Government and semi-Government securities—All-India			
TOTAL	100.8	101.1	101.1
Government of India	100.6	101.0	101.0
State Governments	102.1	102.1	102.0
Municipal, Port Trust, etc.	100.0	99.3	99.3
Debentures of Joint Stock Companies—All-India			
Total	100.7	101.3	101.3
Preference shares—All-India			
Total	86.2	82.4	82.4
Variable dividend industrial securities—All-India			
TOTAL	166.1	181.0	182.0
Agriculture and Allied Activities			
Total	162.5	161.9	162.0
Tea Plantation	155.0	154.6	154.5
Coffee Plantation	201.8	166.6	166.7
Rubber Plantations	168.2	170.8	170.4
Mining and Quarrying: Total	149.0	162.3	162.3
Coal	113.9	118.9	118.4
Other Mining	173.1	192.0	190.7
Processing and Manufacturing: Total	178.5	195.5	196.9
Processing & Mfg. (Food stuffs, Textiles Etc. Total)	179.3	206.1	207.9
Sugar	189.3	158.4	157.8
Cotton, Textiles	147.1	182.1	183.8
Wool Textiles	87.3	83.8	87.7
Silk & Woolen	976.0	1164.1	1172.4
Processing & Mfg. (Metals, Chemicals Etc. Total)	187.5	196.7	197.7
Iron & Steel	149.3	155.7	157.1
Transport Equipment	381.8	389.8	392.8
Electrical Machinery	141.7	160.0	162.2
Machinery Other than Transport and Electrical	204.6	213.0	214.0
Basic Industrial Chemicals	205.8	204.2	203.4
Processing and Mfg. (Others): Total	160.0	160.7	161.6
Cement	141.3	147.4	148.7
Paper	215.3	204.8	203.4
Other Industries: Total	107.2	111.9	113.4
Electricity Generation and Supply	82.0	85.8	85.6
Trading	111.6	120.3	119.4
Shipping and other Transport	103.7	94.5	92.0
Construction	295.9	294.5	295.8
Financial Total	172.3	203.4	205.8
Banks	192.7	229.6	232.8
Insurance	181.2	158.5	154.1
Investment Trusts	88.9	89.5	89.1

Variable dividend industrial securities—Regional	28-10-60	28-10-61	27-10-61
Bombay	170.1	189.0	189.7
Calcutta	153.7	164.7	164.7
Madras	185.4	198.3	199.8
Delhi	218.1	239.0	240.9

*Including "Miscellaneous."
†Including "Edible and Vegetable oils."

SHORT-TERM MONEY RATES

(Per cent per annum)

	28-10-60	28-10-61	27-10-61
Call Money—			
From Banks—			
Bombay	4.48	3.94	4.66
Calcutta	4.57	3.40	4.08
Madras	3.09	3.79	4.75
Deposits at notice of 7 days—			
Bombay	2.00	...	...
Calcutta	2.00	...	...
Madras	...	...	0.00
Fixed Deposits—			
3 Months—			
Bombay	3.50	...	...
Calcutta	3.48	...	...
Madras	3.50	...	3.60
6 Months—			
Bombay	3.50	3.75	3.75
Calcutta	3.31	3.76	3.75
Madras	3.46	3.75	3.75

†No Transaction.

BULLION PRICES

Week Ended	4-11-60	27-10-61	3-11-61
GOLD—			
Spot—			
Highest	116 00	124 85	123 50
Lowest	114 80	123 50	122 25
Average	115 36	124 06	122 77
1st Settlement—			
Highest	116 00	125 65	124 75
Lowest	114 75	124 50	124 06
Average	115 52	125 08	124 28
SOVEREIGN—			
Spot—			
Highest	89 92	96 92	97 58
Lowest	...	...	...
Average	...	...	...
SILVER—			
Spot—			
Highest	195 00	206 90	207 20
Lowest	193 75	205 40	206 50
Average	194 80	206 18	206 77
1st Settlement—			
Highest	195 80	208 15	208 45
Lowest	194 00	205 70	207 75
Average	194 97	207 08	208 04

GOVERNMENT OF INDIA TREASURY BILLS

Week ended,	28-10-60	20-10-61	27-10-61
Amount offered	2.00	...	2.00
Amount tendered	2.40	...	2.00
Amount sold by tender	2.32†	...	2.00
Of which against maturing Treasury Bills	...	...	...
Intermediate Treasury Bills sold	...	90	1.30
Total sales	2.22	90	3.30
Average rate of discount for auction sales	2.565	...	2.500
Sold in favour of Reserve Bank of India	233.64	167.78	197.45
Total amount outstanding	1,187.21	1,014.08	1,017.98

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From To	
Belgium	Fcs. to Rs. 100	104.3 104.2	31-10-61
France	"	103.30 103.40	28-10-61
"	"	103.40 103.20	31-10-61
Switzerland	"	98.80 98.70	31-10-61
Netherlands	Gulden to Rs. 100	75.60 75.50	31-10-61
W. Germany	Mks. to Rs. 100	84.90 83.90	31-10-61
Italy	Lire to Rs. 100	130.15 130.20	31-10-61
"	"	130.20 130.15	31-10-61
"	"	130.15 130.10	31-10-61
Denmark	Kröner to Rs. 100	144.70 144.60	31-10-61
Norway	"	149.60 149.50	30-10-61
"	"	149.50 149.60	31-10-61
"	"	149.60 149.50	31-10-61
Sweden	"	108.60 108.50	31-10-61
"	"	108.50 108.60	1-11-61
Japan	Yen to Rs. 100	76.35 76.21	2-11-61
U.S.A.	Ra. to \$ 100	475.50 475.25	28-10-61
"	"	475.25 475.75	31-10-61
"	"	475.75 475.50	1-11-61
"	"	475.50 475.75	2-11-61
Canada	"	463.75 464.00	28-10-61
"	"	464.00 463.00	31-10-61
"	"	463.00 462.25	1-11-61
"	"	462.25 462.75	2-11-61
"	"	462.75 462.50	3-11-61

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	28-10-60	20-10-61	27-10-61
Forward Contracts—			
Purchases	£ ('000) 730	150	155
Sales	Rs ('00,000) 97	20	21
Deliveries—			
Spot Transactions—			
Purchases	£ ('000) ...	...	...
Sales	Rs ('00,000) 100	1,345	630
Against forward contracts—			
Purchases	£ ('000) 1,000	820	1,195
Sales	Rs ('00,000) 1,33	1,09	1,39
"	£ ('000) ...	...	...
"	Rs ('00,000) ...	...	...

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	4-11-60		27-10-61		3-11-61	
	Price Rs. n.p.	Yield %	Price Rs. n.p.	Yield %	Price Rs. n.p.	Yield %
3½% 1961	99 65	3.46	99 90	3.39	99 90	3.39
3½% 1962	99 31	3.66	99 80	3.56	99 80	3.56
3½% N.P.B.1967	99 25	3.63	99 00	3.70	98 95	3.71
3½% Dev. 1970-75	99 10	4.35	90 79	4.24	90 50	4.29
3½% 1974	99 00	3.85	99 55	3.80	99 54	3.80
3½% (Con.) 1986 or later*	73 94	4.05	72 72	4.13	73 43	4.14

*Running yield.

*Running yield.

INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS

(Base: 1952-53=100)

Group and Sub-Group	21-10-61	14-10-61	22-9-61	22-10-60
Food Articles—	121.3	121.1†	120.4†	121.4
Cereals	103.4	103.0	103.0	105.7
Pulses	91.2	90.3	88.7†	94.7
Fruits & Vegetables	146.3	148.1†	145.5†	110.1
Milk & Ghee	117.4	121.2	116.0	114.3
Edible oils	146.3	146.0†	154.3	152.9
Fish, Eggs & Meat	133.3	135.8†	131.9†	127.8
Sugar & Gur	121.3	116.9†	123.3	125.7
Others	182.2	182.9	171.5	173.3
Liquor and Tobacco	99.5	99.5	99.5	119.9
Tobacco	96.0	96.0	96.0	118.1
Fuel, Power, Lights & Lubricants	121.6	121.7	121.5	119.9
Industrial Raw Materials	132.7	136.3	136.3	148.7
Fibres	123.9	127.7	129.3	162.9
Oilseeds	145.7	150.9	155.1	147.9
Minerals	94.8	94.8	94.8	97.9
Others	127.7	127.7	126.4	126.5
Manufactures—	126.2	126.2	125.2	125.0
Intermediate Products	140.8	140.5	140.0	130.6
Finished Products	123.0	123.0†	123.0†	124.1
Textiles	123.7	124.3	123.2	128.0
Cotton	128.2	128.3	127.8	129.0
Jute	119.1	120.1	118.8	124.7
Woolen	123.1	123.1	123.0	110.1
Silk & Rayon	118.6	118.6	118.6	101.7
Metal Products	147.1	147.1	147.1	146.8
Chemicals	111.9	111.9	112.0	106.1
Oilseeds	144.0	144.0	144.2	142.3
Machinery & Transport Equipment	113.8	113.7	113.5	112.3
Others	121.0	121.3	121.3	116.0
All Commodities	124.0	124.5	124.3	126.6

* = Estimated.

† = Revised.

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

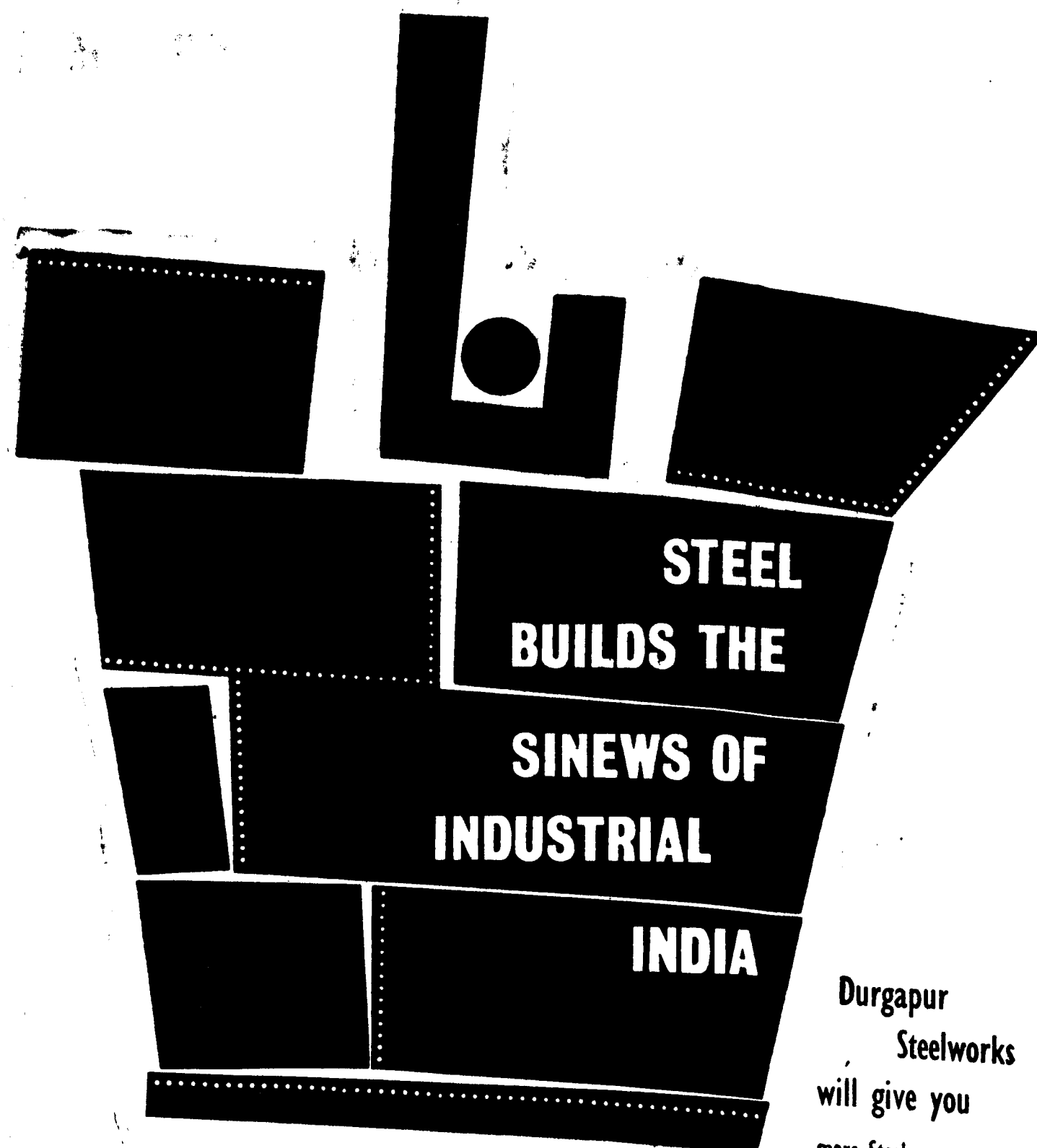
	10-11-61	3-11-61	11-11-60
LIABILITIES:			
Notes in Banking Dept.	18 84 63	13 86 36	14 50 12
Notes in Circulation	1946 52 97	1904 26 18	1827 21 66
	1965 37 60	1918 12 54	1841 71 78
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117 76 03	117 76 03	117 76 03
(b) Outside India	...	...	...
Sterling Securities	116 86 07	116 86 07	123 00 89
Total of A	234 62 10	234 62 10	240 76 92
(B) Rupee Coin	121 91 75	124 64 89	128 89 17
Rupee Securities	1608 83 75	1558 85 55	1472 05 69
	1965 37 60	1918 12 54	1841 71 78
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long-term Operations) Fund	50,00,00	50,00,00	40,00,00
National Agricultural Credit (Stabilisation) Fund	6,00,00	6,00,00	5,00,00
Deposits:			
(a) Central Govt.	65 40 85	62 85 87	53 61 40
(b) Other Govt's	10 21 77	17 65 73	14 85 77
(c) Banks	77 65 46	74 16 81	105 08 54
(d) Others	145 90 37	146 41 57	88 96 13
Bills Payable	19 19 67	21 38 83	24 93 13
Other Liabilities	21 88 74	21 40 87	31 74 37
	481 76 36	484 89 68	449 21 34
ASSETS:			
Notes	18 84 63	13 86 36	14 50 12
Rupee Coin	2 32	2 70	1 25
Subsidiary Coin	3 53	3 49	7 05
Bills Discounted:			
Internal	...	...	nil
External	...	...	nil
Govt. Treasury Bills	46 85 23	25 21 82	19 95 19
Balances held abroad	25 75 59	20 53 49	18 10 30
Loans & adv. to Govt.	65 84 50	63 96 60	34 81 24
Other Loans & Adv.	154 70 43	141 81 83	175 98 89
Investments	150 29 15	200 84 19	223 03 00
Other Assets	18 72 98	18 59 20	12 73 70
	481 76 36	484 89 68	449 21 34

(1) The item "Other Loans and Advances" included Rs. 12,68,50,000 advanced to scheduled banks against usance bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees)

	Week Ended	Week Ended	Week Ended
	4-11-60	27-10-61	3-11-61*
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified bank (A)...	19 89 68	20 59 30	18 95 09
(ii) Other demand liabilities...	770 66 61	832 08 11	832 13 66
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified bank (A)...	16 43 56	30 53 32	19 72 71
(ii) Other time liabilities...	1127 80 47	1120 71 24	1111 94 88
Borrowings in India from the State Bank and/or a notified bank			
(i) Demand Liabilities	9 74 94	8 15 80	9 54 93
(ii) Time Liabilities	60 50	10 51 00	10 59 42
Borrowings in India from the R. B. I. ...	22 62 69	6 48 60	16 52 20
Cash in India	47 00 34	50 53 28	50 82 83



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Indian Finance
Saturday
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Volume LXVIII No 21
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HIGHLIGHT OF THE ISSUE

Problems of coal transport are assumed menacing proportions. Read the first Leading Article.



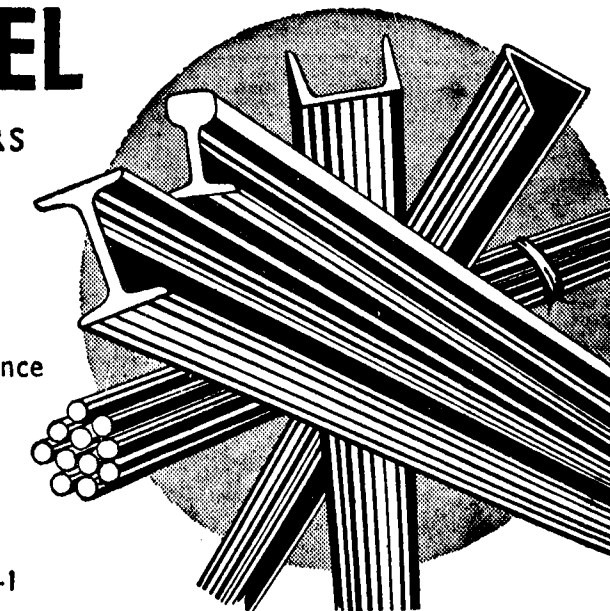
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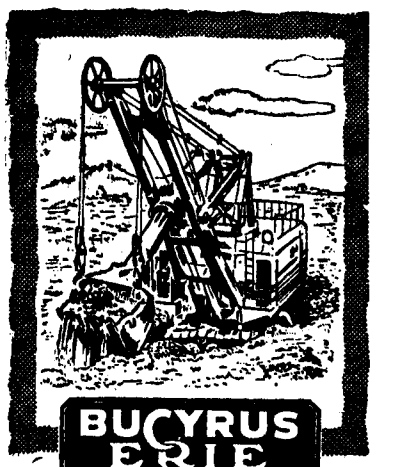
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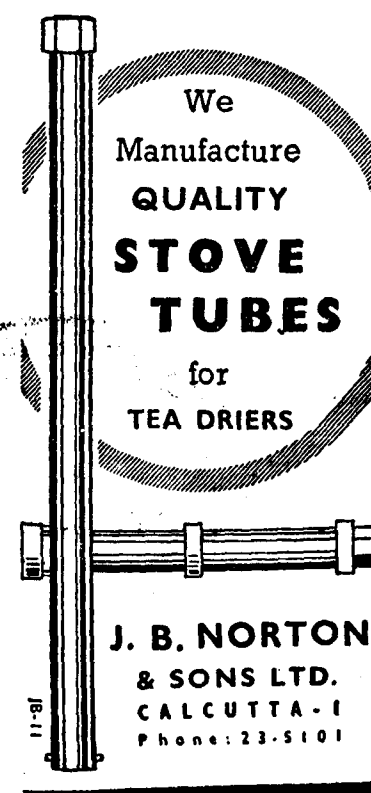
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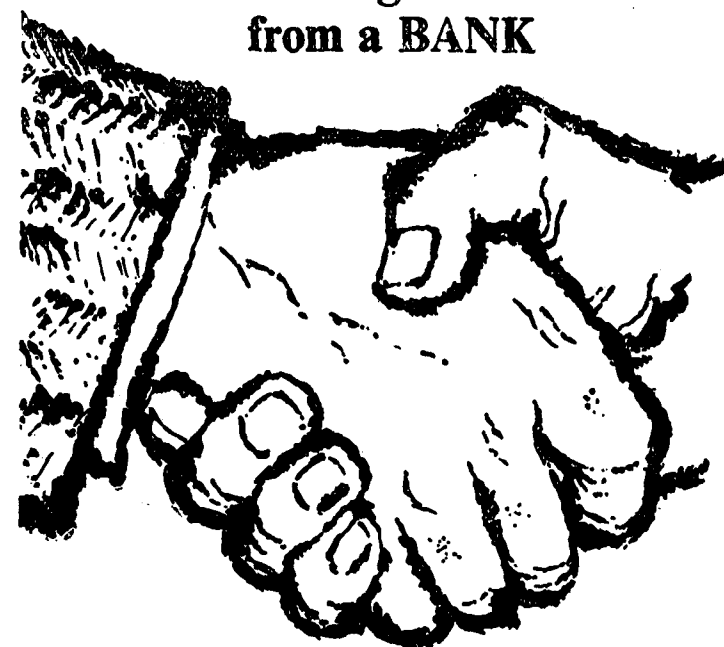
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Capital Issued and Subscribed	...	Rs. 3,00,00,000
Capital Paid-up	...	Rs. 1,50,00,000
Reserve Fund & Other Reserves	...	Rs. 1,61,14,860
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Coal Transport

IT has been evident for sometime now that
the outlook for coal production, the key-point
in the industrial programmes, is clouded by
uncertainties in regard to the facilities for
the movement of coal. More than six months
have passed since difficulties made their
appearance in the realm of coal transport and
though a variety of new measures have been
taken by the Government and the Railway
Ministry to mitigate the strain on the Rail-
ways, the crisis in coal transport has shown
no signs of abatement. Reports of current
production of coal indicate decline in output
in some collieries consequent on difficulties
experienced in respect of movement. Earlier
measures taken by the Government particu-
larly in the direction of diverting more coal
by the sea route to the southern and western
regions of the country have evidently not been
productive of the expected measure of success
in improving the transport situation for coal.
Failure to secure the requisite number of ships
for movement from Calcutta to the Southern
and Western ports has upset the calculations
in regard to the possibilities for transporting
more coal by the sea route. This has been
further aggravated by other factors like dis-
locations due to weather and draft conditions
in the Hooghly, and delays at the destination
ports etc.

In this background and in the context of the
Third Plan demand for coal, the foremost
problem that has to be faced in respect of coal
movement, is the existing deficiency of the
railway system in meeting the demands ori-
ginating for coal transport. This question
has been brought to sharp focus by Mr Darab
C. Driver, in his Presidential address to the
sixteenth annual general meeting of the Coal
Consumers' Association of India held in
Calcutta last week. Quoting Sir B. P. Singh
Roy, Chairman of the Coal Transport Advisory
Committee, Mr Driver, has pointed out that if
the target for coal production fixed at 97 mil-
lion tons in the Third Plan were to be reached,
the daily average number of wagons available
would have to be increased in a progressive
manner to reach a level of 12,339 during the
final year of the Plan. The statement of the
problem makes it necessary to assess the out-
look for coal movement in the Third Plan in
the light of the Government's policy in re-
spect of coal movement.

In framing its policy in regard to coal
movement, the Government has shown little
evidence of appreciation of either the mag-
nitude of the problem that will emerge in re-
spect of coal movement or the effects of the
various measures that have been proposed
to secure improvement in coal movement. The
main points in the Government's policy espe-
cially as it has crystallised after the recent
experience of difficulties in coal movement, are
movement of coal by roads for industries
situated near the Bengal Bihar coal-fields,
the creation of coal dumps to shorten the
hauling of coal by railways and the use of
box type wagons capable of carrying greater
quantities of coal than those now in use.
Movement of coal by road is already being
enforced in the case of some important indus-
tries in the West Bengal State, and the effect
has been far from satisfactory from the point
of view of the efficient working of these in-

dustries. The additional cess of 80 nP that
has been imposed on coal moving from colli-
eries for the purpose of subsidising consumers
of coal brought by coastal steamers, together
with the higher freight charges for trucks as
compared with railway charges, has led to
an anomalous situation in which industries
near Calcutta have to pay even higher freight
per ton of coal than that payable for coal
reaching the Cochin port in the South from
the same originating point of supply. The
case for subsidising coal for industries in the
Bengal area in a manner similar to the sub-
sidy granted for coal movement by sea to the
Southern and Western region is in the cir-
cumstances only obvious.

The Government has also reckoned without
the extra cost and difficulties which indus-
tries will have to face in drawing their
supplies of coal from dumps and also in
the use of box type wagons. The idea
of the box type wagons which could hold
greater quantities than the present wagons
is no doubt good, but as Mr Driver has
drawn attention to, the mechanical device
now being used for unloading the old type of
wagons will need replacement. The utility
of coal dumps to industries is even more
dubious in view of the extra cost and the
very real risk of the coal drawn from such
dumps not conforming to specifications of
size and quality required by the industries.
The condition of the roads near the coal
fields and the availability of trucks are also
hardly likely to permit coal movement on the
scale at present being envisaged by the Gov-
ernment and the Railway Ministry.

There are no doubt other aspects of trans-
port policy which should call for commenda-
tion in view of the relief that would be pro-
vided to the railways. The development of
the Central India coal fields has been accorded
priority in the Third Plan schemes for coal
production. The anomalies involved in a
system of transport which involved long
hauling of coal from the Bengal fields to the
Western region avoiding nearer sources in
Central India are too patent to be ignored.
The use of alternative fuel, more specifically
furnace oil in States far removed from coal
belts is also a proposition that deserves to be
looked into more seriously. In the present
context, however, these measures will have
only marginal significance. The focal point
for transport lies in the Bihar and Bengal
areas and it is on the improvement of trans-
port in these regions that attention will have
to be concentrated.

The main burden of coal transport during
the Third Plan will continue to fall on the
railways and the key to improvement in
movement by rail lies in provision of more
wagons. The present capacity for wagon
manufacture at 28,000 per annum is much in
excess of the wagons required for meeting the
Third Plan demands for coal. While the re-
quirements of other industries will have to be
considered, a more serious limiting factor in
increasing the number of wagons will be the
shortage of steel of the requisite type. Com-
pared to this, the other problems faced in
increasing movement of coal by railways are
insignificant.

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RBI STUDY

Co-operative Banking

THE Reserve Bank of India has, in the October issue of its Bulletin, described, with a wealth of statistics relating to all aspects of functioning, the progress of the State and Central Cooperative Banks which represent, as it were, the two pillars of the cooperative edifice in the country. The study relates to the working of these institutions during the period from 1951-52 and 1959-60, which coincides with the First and Second Five Year Plans. This was a period which witnessed greater official solicitude for the cooperative movement in its major manifestations. The report of the First All India Rural Credit Survey undertaken in 1956 cast special obligations on the Government for the progress of the cooperative movement and particularly for the strengthening of the basic foundations of the institutions operating in the cooperative field. The Reserve Bank study thus provides a stock-taking of the results that have been achieved over the period of a decade. The coverage of the performance of these institutions during the First Plan period provides also the necessary background for an assessment of progress subsequent to the publication of the report of the First Rural Credit Survey which marked an important landmark in the history of credit cooperation in the country.

The Reserve Bank study shows that during the period 1951-52 to 1959-60, the State and Central Cooperative Banks have made tremendous progress the most notable aspect of which was the improvement recorded in respect of the resources position. This could be seen from figures relating to the paid-up capital and reserves which constitute the owned funds of these institutions and deposits and other borrowings which represent the borrowed funds. Between 1951-52 and 1959-60, there was a more than seven-fold increase in the paid-up capital of the State Cooperative Banks, the total having increased from Rs 1.90 crores in 1951-52 to Rs 14.60 crores in 1959-60. It is noteworthy that the rise in the paid-up capital was particularly marked since 1956-57 when consequent on the recommendations of the All India Rural Credit Survey, the support of the State Governments became more abundantly available by way of contribution to the share capital. The rise in the share capital of the Central Cooperative Banks from Rs 4.52 crores in 1951-52 to Rs 31.49 crores in 1959-60, was of the same proportion as that experienced by the State Cooperative Banks and here also increased State contribution since 1956, was a telling factor. In this connection, the Reserve Bank study shows that while the share of the Government has risen from about 19 per cent to about

PROPORTION OF OUTSTANDING LOANS AND ADVANCES TO DEPOSITS

Year	STATE COOPERATIVE BANK			CENTRAL COOPERATIVE BANKS		
	Outstanding Loans and advances	Deposits	(1) as per centage of (2)	Outstanding Loans and advances	Deposits	(4) as per centage of (5)
1951-52	20.0	21.2	94.5	35.9	36.2	94.0
1952-53	20.0	24.2	82.5	35.9	39.1	91.8
1953-54	22.7	24.9	91.1	38.4	41.2	93.2
1954-55	24.4	29.0	84.3	42.9	46.6	92.5
1955-56	34.8	36.7	94.8	54.3	55.7	97.5
1956-57	49.6	38.4	129.3	71.9	58.5	123.0
1957-58	74.7	45.4	164.4	161.0	66.9	151.0
1958-59	101.2	58.4	173.2	130.8	73.0	167.8
1959-60	129.9	60.2	215.9	176.1	95.4	184.6

28 per cent, the share of the societies had declined from 69 per cent to 66 per cent in the total share capital of the Central Cooperative Banks.

Both the Central and State Cooperative Banks have also recorded a fair-sized rise in their deposits. The State Cooperative Banks have very nearly trebled their deposits from Rs 21.18 crores in 1951-52 to Rs 60.15 crores as at the end of 1959-60. The Central Cooperative Banks have also registered a comparable rise from Rs 38.24 crores to Rs 95.41 crores. In respect of both these deposits, there has been a heartening decline in the share of the individuals and others matched by a corresponding rise in the share accounted for by cooperatives. In the case of the Central Cooperative Banks, the proportion of deposits held by cooperatives showed a rise from 30 per cent to 40 per cent.

The most outstanding feature of the working of these institutions during the period was the tremendous rise registered in respect of loans and advances. From about Rs 20.01 crores in 1951-52, the loan and advances (outstanding) of the State Cooperative Banks rose to Rs 129.86 crores. The loans and advances made by the Central Cooperative Banks showed a similar increase from Rs 35.95 crores in 1951-52 to Rs 176.11 crores as at the end of 1959-60. In both cases the rise in credit disbursed has been more pronounced subsequent to 1956, a feature, which is ascribable to the effect of the initiation of the Integrated Credit Scheme at the instance of the All India Credit Survey.

While measured in terms of the rise in the paid-up capital, deposits and loans and advances, there can be no mistaking the enormous strides made by the State and Central Cooperative Banks, there are aspects of working of these institutions dealt with in the Reserve Bank study which give cause for concern. Attention may be drawn to the smaller rate in the growth of deposits in relation to the increase in borrowing and the low proportion constituted by owned funds to the total working capital of the cooperative banks. The borrowings of the State Cooperative Banks have increased during the period

1951-52 to 1959-60 from Rs 11.27 crores to Rs 94.89 crores. The rise in the borrowings of the Central Cooperative Banks from Rs 12.07 crores at the end of 1951-52 to Rs 110.32 crores at the end of 1959-60 was even more marked. As a result of the rise in the paid-up capital, deposits and borrowings, the total working capital of the State and Central Cooperative Banks has also shown enormous increase. From Rs 36.72 crores in 1951-52, the total working capital of the State Cooperative Banks increased to Rs 174.74 crores in 1959-60. The Central Cooperative Banks witnessed a rise in total working capital from Rs 60.11 crores to Rs 247.40 crores at the end of 1959-60. The effect of such pronounced rise in the borrowings unmatched by comparable rise in the deposits, has been to weaken the financial viability of these institutions which is reflected in the decline in the proportions of owned funds and deposits to working capital. The proportion of owned funds to total working capital in the case of the State Cooperative Banks had declined from about 13.7 per cent in 1954-55 to 10.0 per cent in 1958-59. Similarly the rise in proportion of deposits to total working capital had declined from 58 per cent to 34 per cent during a period when the proportion of borrowing to total working capital in the case of State Cooperative Banks rose, from 31 per cent to 54 per cent as at the end of 1959-60. In the case of the Central Cooperative Banks the proportion of deposits to working capital declined from 64 per cent to 39 per cent while the proportion of borrowings rose from 31 per cent to 54 per cent. The position in respect of reserves is also hardly satisfactory particularly in the case of the State Cooperative Banks. While during the period, the paid-up share of capital of these banks increased by about 670 per cent, the rise in statutory reserves was only of the order of 85 per cent. Consequently, statutory reserves as a proportion of paid-up share capital which stood at about 62 per cent as at the end of June 1952 is shown to have gone down to about 15 per cent in 1960.

The smaller rate of growth of deposits in relation to borrowings and total working capital and the unsatisfactory position re-

vealed by reserves indicate the extent to which the finances of the cooperative banks are in need of improvement. The fact that the rise in borrowings has come in the wake of the liberal extension of credit by the Reserve Bank on the recommendations of the Rural Credit Survey, cannot explain for the failure of the Central and State Cooperative Banks to attract deposits on a scale corresponding to the increased activities in the provision of credit. Attracting of more deposits is thus the primary problem to which the Cooperative Banks have to address themselves. For it is on deposits that they have to depend for the inner vitality and dynamism which can carry the cooperative movement on its own. As the Reserve Bank study has observed, the need for stepping up the deposit resources of the Cooperative Banks is particularly great in view of the demands that will arise in the context of the Third Plan schemes for cooperative development. The Reserve Bank study has suggested the usefulness of an increase in the interest rates payable on deposits by the Cooperative Banks for increasing deposits with them.

INTERNATIONAL

Capital Movement

THE movement of capital in Europe especially in the last year and the prospect of freedom to export capital, when the European Common market is an accomplished fact, has made international finance resume its position. In the last century, the export of capital was substantial and financial centres thrived by means of free trade in money on the basis of the gold standard. If exchange controls in the last thirty years impeded the flow of funds from one centre to another, there has been in recent years a move towards convertibility on the basis of stability—not because of the International Monetary Fund but on account of high interest rates in Europe.

Only last month PEP turned in a report on the capital market in Europe while the heads of stock exchanges in Europe propounded a scheme for extended business in international shares. The restoration of Frankfurt and Amsterdam as major centres, like the flight of funds from Africa to Europe, has created a situation in which the money power has become once again a factor. Central banks are not the only element in the situation developing since 1958. Non-banking funds figure in the speculative movements that shift funds, and if Tangier has declined and fallen, Switzerland reportedly is embarrassed by the volume of foreign funds deposited in Zurich.

The lift in gold prices last year together with the weakness of the US dollar was a sign of capital moving in new directions. Not the fall in exports, but the outward flow of US capital then created a measure of diffidence. The adverse balance of trade in the case of developing countries like India was not corrected by the flow of funds there was also hope of relief from Italy which started to export capital in 1960. Adjustment of bank rate to control capital movements or to limit the supply of credit or even to secure extra deposits from abroad for short terms have not altered the problem due to disparity in the very limited value of Bank rate changes in economic policy, and the UK has accepted, in only recently, the need to plan in the economic sphere.

The US recession affected Europe in a new way: the dollar came out in hope of compensating

ment in Europe, while US investment in Western Europe including the UK, started to increase. That big business gains from an enlarged supply of funds is obvious. That investment abroad is a hedge against inflation at home needs no mention here. It may be surmised that the ascent of bullion prices in India is due to the difficulty in sending funds abroad. And international tension has influenced a positive preference for gold and silver, because it is accepted that the usual liquidity preference can be translated easily into terms of gold for hoarding. Credit restrictions at home covering up interest rates cannot affect the depreciation of paper money.

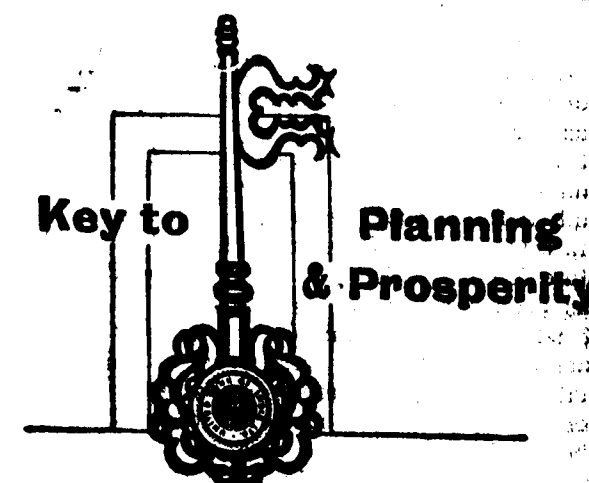
The formal solution that PEP approves is a liberalisation of conditions for the movement of money so as to promote exchange stability, as already envisaged by the European monetary agreement. The banking system can help to discourage 'hot' money liable to withdrawal. Switzerland has done it with success. The Exchange Equalisation Fund can help: so can the IMF, if it is known that austerity in imports is fully accepted as a condition for economic survival. The last Vienna meeting of the IMF did not go into the issue of money in flight across many national frontiers. But it realised (largely at the instance of the French) that easy borrowing can only coincide with a hard money policy, leading to a deflation of costs and restoration of the capacity to export. The avoidance of devaluation is now an article of economic faith and if the placing of orders with foreign firms, for example, for ships means an outflow of capital, it must be accepted as one of the incidents of international co-operation.

What is most significant in the light of the PEP study (made with German and French collaboration) is that outside the organised money market, there is a lot of money being put to work at intervals. Hence, India is not the only country with an unorganised money market which is a constant factor in economic life and activity. The acute need for capital is a relevant factor in appraising the emergence of a worldwide market for available funds. The official agencies for economic aid cannot admittedly meet all the needs. Money must be got—on acceptable terms and foreign investment must be enlarged by guarantees. The regular large-scale investment by Europe in Africa has tapered off and the prospects are clouded by the rise of socialism in the Middle East also. The external stimulus to foreigners to invest abroad can come from tax concessions or permission to diversify and the whole aim of new Investment Centres is to explain India's circumstances and policy. European countries that need more money do not take the same line since the Marshall Plan over ten years did the job of patching up ravaged economies efficiently. The retention of controls can be justified by India though the PEP publication does not like them to survive in Western Europe at present. Access to the new issue market is still hedged in by conditions, it is noted. It is true that the Treaty of Rome looks forward to a new Investment Bank that would integrate the economy of the six countries—seven, if the UK joins up.

One of the issues raised is whether the UK can invest on a considerable scale in the Commonwealth, if Europe offers more opportunities for quick profits. The main problem for Europe too is to get US backing for investment abroad and the net rate of US saving (and of economic growth) must go up, as US economists take care to point out. The old policy of an "open door" cannot be reinstated, as PEP is at pains to point out, but the

precise and deliberate encouragement of foreign investment is far easier for Europe. The big European companies like Philips Elec. and Unilever can attract more capital from abroad and their large resources may be applied further to advantage abroad. It is clear that private enterprise is not unimportant for governments are ordinarily concerned with maintaining full employment at home along with the highest revenue possible. If the European Bourses help to create a big market in international securities, some money for use abroad may be secured. Full information to help outside investors who exchange 'control for liquidity' (to use a new familiar phrase) is called for, and foreign shareholders must be given a chance to buy rights shares. This is certainly necessary in India, as non-residents are usually deprived of the chance to buy, at par new shares, except in special cases. The risks of international investment can be covered by insurance to some extent. And 'tied' loans to subsidiaries abroad offer a degree of protection that cannot be matched by any Government scheme. This is India's known shortage of foreign exchange demands the supply of capital goods by the foreign collaborator in return for shares issued by the Indian Company, made possible by collaboration.

The regular remittance of current profits may perhaps encourage foreign investors to extend their activities in developing countries. And even countries like Japan, with little capital to spare now, may look at opportunities abroad in a new light, if it is made clear that the aim of India is to follow West European practice in dealing with foreign capital. Alignment with the West in this respect would be both just and expedient. And the repatriation of Indian capital held abroad may be facilitated by a better adjustment of administrative practice to needs.



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WORKING CAPITAL OF STATE AND CENTRAL CO-OPERATIVE BANK

	STATE CO-OPERATIVE BANKS					CENTRAL CO-OPERATIVE BANKS				
	June 30. 1952	Percentage to total working capital	June 30. 1960	Percentage to total working capital	Percentage change of (3) over (1)	June 30. 1952	Percentage to total working capital	June 30. 1960	Percentage to total working capital	Percentage change of (8) over (6)
Amount	1	2	Amount	4	5	Amount	6	Amount	8	9
Number of Banks		(16)		(22)			(509)		(400)	
Owned Funds (Share capital, Statutory reserves and other funds)	4.3	12	19.7	11	362	9.8	16	41.7	17	325
BORROWED FUNDS										
Deposits	21.2	58	60.2	34	134	38.2	64	95.4	38	150
Other Borrowings	11.3	31	94.9	54	742	12.1	20	110.3	45	814
Total Working Capital	36.7	100	174.7	100	376	60.1	100	274.4	100	313

World of Finance

BANKS

Where is the Money to Come From?

THERE is a bright side to the busy season that has just started. As compared with the "opening" figures for the two earlier busy seasons, there are certain distinctly hopeful signs:

- (1) As at the eve of the busy season (that is, the figures for the last Friday in October) borrowings of Scheduled Banks from the Reserve Bank are lowest for the three seasons under review.
- (2) Deposits of other Scheduled Banks have risen by a larger amount in the 1961 slack season than they did in the 1960 slack season.
- (3) Cushion in the form of giltedged that can be sold is of more comfortable proportions, since other Scheduled Banks have actually added to giltedged in the year to 27 October 1961 as contrasted with net sales exceeding Rs 50 crores in the previous year.
- (4) Cash balances of other Scheduled Banks do not show much variance from the figures as at the eve of the 1960-61 busy season.

Against this is the fact of considerable importance that the Advances/net Deposits ratio has inched up from 63.5 per cent at the eve of the 1959-60 busy season to 67.9 per cent and 69.3 per cent at the eve of the 1960-61 and 1961-62 busy seasons, respectively, in the case of other Scheduled Banks. Even the State Bank's ratio of Advances to Deposits has been steadily on the rise, what with loss of Deposits on account of return of counter-part funds. For the present we may assume that lending by Exchange Banks as a proportion of Deposits has not shown much variance. The implication, all too clearly, is that the banking system generally finds itself already in a somewhat over-extended position even before the 1961-62 busy season has gathered steam.

As the busy season progresses, therefore, the strain upon banks is going to become well-nigh insupportable. With the best will in the world, and with all the credit that the Reserve Bank may extend, it could well happen that banks will be unable to consider an expansion of their Advances' portfolios. A credit squeeze may be in the offing, with money just not being available to meet the demand.

How can this situation be eased? In particular, what is the means whereby credit can be assured to productive enterprises? For the short term, Reserve Bank's preparedness to lend freely to and purchase liberally of securities from the banks may help. Hopes need also to be pinned upon the accrual of fresh Deposit resources. While such intense industrial and trade activity will reflect itself hearteningly in banks' earnings, the impact upon balance-sheets will not be as favourable. We are, let it be clear, in sight of Advances

(including bills purchased and discounted) working out to 75 per cent of net Deposits, and more.

One solution perhaps might lie in accepting, however reluctantly, the prospect of bank Advances being consistently high as a ratio of Deposits; this is the price to pay for a developing economy and such the task that will devolve upon the banking system. But adequate safeguards would be necessary: certainly, banks will have to provide for losses to be experienced, and inner reserves would have to be built up. Secondly banks would need to have the confidence that in times of pressure they can count upon maximum assistance from the Reserve Bank. Thirdly thought may be paid to the evolution of some form of insurance of bank Advances, in addition to the prospective insurance of bank Deposits. Fourthly, investors in bank shares will have to be "educated" as to what, in a developing economy, constitutes a safe level of Advances.

A similar solution would be to cease to set store by the Advances/Deposits ratio, and

	(In Rs. Crores)		
	30-10-59	28-10-60	27-10-61
Reserve Bank			
Active Notes	1686.20	1794.18	1882.25
Rupee Coin	134.47	130.60	127.25
Banks' Deposits	73.44	100.56	36.37
Other Loans	92.47	115.87	129.53
State Bank			
Deposits	589.66	583.17	531.08
Borrowings	...	0.39	0.17
Cash Balances	27.89	26.09	32.94
Giltedged	385.84	335.38	266.35
Advances	161.30	216.06	238.84
—As % of Deposits	(28.3)	(37.0)	(45.0)

Other Scheduled Banks			
Net Deposits	1229.14	1317.99	1421.70
Borrowings from RBI	13.85	16.24	6.32
Cash Balances	128.28	165.31	161.01
Giltedged	408.28	354.16	358.58
Total of Advances	780.15	895.12	986.33
—As % of net Deposits	(63.5)	(67.9)	(69.3)

NOTE: Figures in Brackets are percentages.

instead to measure the state of a bank's finances by means of a liquidity ratio. To be included in the liquid assets would be: (a) cash balances; (b) unencumbered securities, including Treasury Bills it need hardly be said, maturing within, say, five years; and (c) bills purchased and discounted, of course free of borrowings thereon.

A third method might be to isolate what in effect are contra entries in a bank balance sheet. For determining the total of Advances, vis-a-vis the credit ratio, bills purchased and discounted could be excluded, as also industrial Advances whereagainst assistance has been sought and/or obtained from the Refinance Corporation.

We have suggested, it will be seen, new methodology; which, unfortunately, does not yield a lasting solution. Given that industrial production must not be allowed to suffer for want of bank finance, what is really needed is a manner by which banks could increase

Indian Finance

their resources and/or a way in which some pressure of the demand upon banks can be removed. Deposit insurance is a step obviously in the right direction for enabling or fostering growth of resources. Another not yet assisted officially is bank expansion. We would suggest that banks be encouraged to embark upon a concerted programme for opening new branches. In many such new centres, the experience will, at least for some time, be one of loss; we wonder whether it should not be possible for some form of subsidy being offered to such banks as establish branches at places where the population is below specified, stipulated levels. It is a dismal matter of record that the State Bank, despite its successful programme of a vast system of new branches, has failed to attract new Deposits over a period when other Scheduled Banks have greatly added to theirs; and in the case of the State Bank the loss on this account was partly or wholly met from the fortuitous profit made on the deposit of counterpart funds with that institution. Other banks may be more fortunate.

A further suggestion concerns itself with a peculiar aspect of the demands upon Indian banking in recent years. While we have seen price rises and shortages in particular commodities at different times, there have usually been at the same time surpluses in other commodities. At the moment, for example, banks are groaning under the weight of sugar financing. Not so long ago it was cement that was "slow-moving", and cotton textiles before that. From time to time it is inevitable that there be areas of surpluses. We think it should be possible for the banks to "discount" locked-up Advances with the Reserve Bank, and at a special rate of 4 per cent. The resources so released would become available for enlarging industrial production or for busy season financing.

In conclusion it may be stated that, in Calcutta particularly, the money market has been docile during the past week; and it looks scarcely possible that a tight money scare is in the offing. But we would reiterate our conviction that once the busy season gathers stride the pressure upon banks, already fully extended as they are, is going to be enormous. It is not too early to consider how banks can be helped to finance the busy season without depriving industrially productive enterprises of bank credit.

BANK RETURNS

Pause in Progress of the Busy Season

After a quicker start than we have known for some years, the busy season appears to have paused to consolidate itself. Currency contraction is considerable, and it would seem that banks have been able to repay a sizeable amount of their borrowings from the Reserve Bank.

The returns of the Reserve Bank for 17 November disclose that Active Note circulation has declined by Rs 28.11 crores to Rs 1,920.42 crores, and there has also been inflow of Rupee Coin for Rs 1.26 crores. Currency has been contracted against Rupee Securities for Rs 30 crores, reducing the latter portfolio to Rs 1,578.84 crores. Foreign Securities are unchanged at Rs 116.86 crores, and the Reserve Bank's cash in the till is slightly lower by Rs 2.63 crores at Rs 16.24 crores.

By dint of the transfer from the Issue Department, Investments are higher by Rs 80

25 November 1961

crores at Rs 180.52 crores; and there has therefore been no deficit financing. The Centre's balances are lower by Rs 2.91 crores at Rs 62.50 crores, and though Deposits of State Governments have improved by Rs 0.91 crore to Rs 11.13 crores, the latter would appear to have felt some strain since their ways and means borrowings from the Reserve Bank have gone up by Rs 7.76 crores to Rs 73.60 crores. Easing of pressure upon the banking system is suggested by the improvement of Rs 5.17 crores (of which perhaps Rs 1.68 crores is attributable to the State Bank) in Reserve Balances. Moreover, a sharp reduction in indebtedness to the central banking institution is indicated in the fall of some Rs 23 crores to Rs 131.85 crores in the Other Loans and Advances of the Reserve Bank; and a large part of this is accounted by the fall of Rs 10 crores odd to Rs 2.20 crores in the Reserve Bank's advances against usance bills.

Balances Held Abroad are somewhat lower by Rs 1.15 crores at Rs 24.58 crores—but foreign assets in the possession of the Reserve Bank still exceed Rs 140 crores.

There is an unexplained rise of Rs 8 crores to nearly Rs 29½ crores in Other Liabilities; has interest on the 4 per cent 1973 (a special

PROGRESS OF BUSY SEASON*			
	(In Rs Crores)		
Reserve Bank			
Active Notes	236	+26.13	+38.17
Rupee Coin	0.06	— 0.76	— 4.07
Banks' Deposits	9.87	— 5.39	— 3.54
Other Loans and Advances	11.57	+ 2.55	+ 2.32
State Bank			
Deposits	9.18	—13.68	— 3.47
Borrowings	—	+ 0.65	+ 0.04
Cash Balances	0.19	+ 1.98	— 3.38
Giltedged	10.10	— 6.92	—16.22
Advances	4.09	— 6.41	+ 3.35
Other Scheduled Banks			
Net Deposits	16.39	— 4.52	—10.35
Borrowings from RBI	12.20	+ 6.51	+19.50
Cash Balances	8.42	+ 0.95	— 5.82
Giltedged	2.00	— 1.67	+ 0.89
Total of Advances	11.82	— 4.69	+ 2.45

*As at third Friday in November for Reserve Bank and State Bank and as at second Friday in November for other Scheduled Banks.

issue for Rs 300 crores was created as a funding operation, it may be recalled) just been received by the Reserve Bank?

Easing of busy season pressure is also revealed in the return of the State Bank for 17 November. Advances have shrunk by Rs 2.99 crores to Rs 242.19 crores, and Deposits are better by Rs 1.17 crores at Rs 527.62 crores. There is small disinvestment in giltedged for Rs 1½ crores, and cash balances have improved by Rs 1.68 crores to Rs 29.56 crores.

Spillover of month-early disbursements and busy season pressure have made their impact strongly felt upon the return of Scheduled Banks for 10 November. Net Demand Deposits are lower by Rs 2.09 crores at Rs 820.05 crores, and net Time Deposits show a drop of Rs 4.18 crores to Rs 1,107.77 crores. However, it needs to be remarked that the bulk of the drain in Deposits (Rs 5.88 crores) was on account of the State Bank. The total of Advances has expanded by Rs 5.99 crores to Rs 1,245.31 crores, but again mainly attributable to the State Bank. So also, the drop of Rs 20 crores to Rs 610.94 crores in giltedged is traceable to the State Bank. But the strain upon banks is attested to by the rise of Rs 9.62 crores to Rs 26.14 crores in

borrowings from the Reserve Bank—the State Bank scarcely participated in such enlarged central banking credit. Even so, cash balances of other Scheduled Banks appear to have fallen by over Rs 4 crores; cash balances of Scheduled Banks are lower by Rs 0.92 crore at Rs 182.87 crores, but the State Bank in the relevant week reported a rise of Rs 3.11 crores.

Treasury Bills

Tenders for Rs. 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 21 November 1961. Total amount offered was Rs 2,00,00,000. Tenders at Rs. 99.375 per cent were allotted in full. Total amount accepted was Rs. 2,00,00,000, the average rate of accepted tenders being Rs. 2.500 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, 27 November 1961. Successful tenderers should make payment on Friday, 1 December 1961. Other conditions are as usual.

During the week ended 17 November 1961 Government of India Treasury Bills for Rs 74,00,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills sold from 15 to 18 November 1961 amounted to Rs 15,00,000.

91 days' Intermediate Treasury Bills will be sold from 22 to 25 November 1961 at Rs 99.391 per cent. Sales can be stopped at any time without notice if Government think it necessary.

Foreign Currency Deposits

By Paul Einzig

WRITING in 1922 Keynes remarked in A Tract on Monetary Reform with reference to Forward Exchange:—"There are few financial topics of equal importance which have received so little discussion or publicity." The same could be said today about the market in Euro-dollars, Euro-sterling and other foreign currency deposits. It is true after having remained for years a closely-guarded secret of the Foreign Exchange department the financial Press does now make occasional reference to the new device. In spite of this, the moderate increase in the volume of discussion or publicity it receives lags far behind the spectacular increase in the importance of the new device.

Very few people outside arbitrage departments realise even today that the interest differential between Euro-dollar and Euro-sterling deposit rates has become a decisive factor influencing the international movement of short-term funds. Even as recently as 11 November, The Economist, discussing movements of funds resulting from the Bank rate change, referred to the differential between British and American Treasury bill rates, implying that it is this differential which matters. Yet for many months Foreign Exchange dealers pay practically no attention to that differential and base all their operations on the differential between Euro-dollar and Euro-sterling rates. The fact that until recently the Treasury bill differential was around ½ per cent (allowing for the cost of forward covering,) while the Euro-dollar Euro-sterling differential seldom exceeds nowadays ¼ per cent and is very often 1/16 per cent, speaks for itself.

Nor is it without significance that nine-tenths of the short-term funds held by German banks abroad is now held in the form of foreign currency deposits instead of foreign Treasury bills or bank acceptances. The use of these deposits provides opportunity for an almost indefinite variety of arbitrage transactions in which Euro-dollars and, to a less extent, Euro-sterling play the role of intermediary currencies. If Foreign Exchange departments want to increase their funds and their head offices are unable or unwilling to comply with their request, all they have to do is to bid for Euro-dollar deposits which will be forthcoming in any reasonable amounts. Once in possession of these deposits they can swap into any of the free currencies and engage in profitable operations. British insurance companies have acquired the habit of employing in Euro-dollars their premium-reserves on their American insurance business, which have to be kept in dollars but need not be kept in the United States. Needless to say, the actual dollar deposits remain in the United States but, as far as the insurance companies are concerned, they deposit it with some leading London bank whose name is a sufficient guarantee that they can recover their dollars when needed.

We are only at the beginning of a movement which is bound to lead to increasing internationalisation of the monetary system and of the financial markets in general. Already it is almost as easy to borrow or lend in London in dollars or D. marks or Swiss francs than to borrow or lend in sterling. Deposits in terms of other hard currencies, too, are becoming increasingly popular. The development of this system calls for a thorough re-thinking by bankers, Treasury officials and economists.

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Notes

OIL PRICES

Impasse

The decision of the private sector refineries, rejecting part of the Damle Committee's recommendations on oil prices, and Government's reaction thereto have brought about an impasse in the negotiations between the Government and the private companies on the subject of oil prices. While the private companies have been given a temporary reprieve from immediate enforcement of the Damle Committee's recommendations, the apparently irreconcilable attitudes being adopted by the two sides would seem to ender an amicable settlement somewhat difficult of achievement.

The main concern of the Government in the controversy in which it has been engaged for sometime past with the private companies has been to evolve a structure of prices which would ensure the maximum saving in foreign exchange on imports of crude oil and refined products into the country. The Damle Committee, which was set up for the purpose, had indicated in its report possibilities of achieving reduction in retail prices of refined products to the order of Rs 15.0 crores on the basis of the 1962 sales of the three major oil companies.

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panies. Of this reduction, that on the bulk-refined products is to account for Rs 12.41 crores. The total is made up of (i) Rs 4.83 crores on account of the actual difference between the posted prices as on 24-3-1961 and 1-11-1959 (ii) Rs 6.64 crores on account of discounts recommended by the Committee on the posted prices of bulk-products and refined products (iii) Rs 3.34 crores on account of reductions proposed by the Committee in the distribution and marketing charges and profit margins of the companies. The Committee has also fixed the rate of discounts for the different refined products imported by the private oil companies: 10 per cent on the f.o.b. cost of kerosene, aviation fuel and high speed diesel oil, 9.3 per cent on light speed diesel oil, 5 per cent on motor spirit and 3 per cent on furnace oil.

The controversy that has now flared into the open concerns the issue of providing discounts by the private oil companies on the refined products imported by them. The findings of the Damle Committee in respect of the scope of discount for the refined products are based on the availability of discounts on crude oil and the fact of such discounts enjoyed by the Indian Oil Company and the Western India Oil Company on refined products imported by them. The discount enjoyed by the IOC on its imports from the Soviet Union may not be a relevant example in view of possible ulterior aims of the Soviet Union. What is important is to find out whether the private companies can obtain discounts from their suppliers on the refined products imported by them into India. But particulars to determine this have been lacking as the private companies have been inclined to be rather reticent about these matters. Their argument is that, unlike in the case of crude, there is a sellers' market in refined products (especially in middle distillates) and they are, therefore, not able to obtain discounts from their suppliers. And the discounts obtained by the WIOC on refined products cannot be taken as indicating a general scope for discounts as the quantities imported by it are insignificant.

The decision of the private sector companies rejecting the Damle Committee's recommendations in respect of the need for allowing discounts on refined products has been interpreted as being an attempt to bring pressure on the Government to agree to

expansion of refinery capacity. Such expansion of a considerable order has already been built into all the three refineries. Mr Malaviya has however chosen to consider the question of expansion separately from the question of implementing the Damle's Committee's recommendations.

In view of the deadlock reached, the Government has given time to the private companies to implement the Committee's recommendations. The companies have been allowed to utilise their foreign exchange allocation for this period for getting imported products at the most favourable prices. While the extension is designed to maintain continuity of supplies to the country, it should also enable negotiations to be resumed for reaching a mutually acceptable settlement.

Though the attitude of the two sides seems to be unbridgeable, it is worthy of note that the area of differences over the question of oil prices is really very narrow. The companies have agreed to the recommendations of the Damle Committee in regard to the scope for discounts on imports of crude and other matters such as distribution charges and return on capital. The acceptance of the recommendation regarding the scope for discounts on crude oil, is a significant gain and implies that differences over the issue of discounts on refined products could be got over by arrangement for expansion of internal refining capacity. As internal refining capacity increases, we may progressively do without imports of refined products and the present quarrel will cease to be the irritant it is now.

WOOLLEN GOODS Task before the Tariff Commission

The export of wool is surpassed by the import of wool, and if India has exported woollens it is because of the import of wool. The Tariff Commission probably has forgotten what took place in 1934 with the major interests refusing to give any evidence pro or con. The position is now different, as the price-fixing is being undertaken. The requirements of the knitting industry have to be kept in view when fixing prices. The difference between wool and cotton is plain because the former depends on imports and the rise of top makers in India will remove the need for imports of Australian wool by India in future. The import control naturally creates some difficulties for woollen manufacturers and the seasonal demand is also a factor in fluctuations. The distribution of licences to import can only be on the basis of age and productive capacity.

The desire for producing shoddy out of waste and rags is only a sign of the country's poverty. No moral stigma can attach to the open preference of woollen mills for liberal imports of shoddy and mungo. The inquiry in progress has revealed already that the industry to-day has a weak base but the older mills can argue that tariff protection is not enough and the supply of raw materials must be maintained provided fair prices are charged for manufactured goods. The whole issue is one of determining profit margins before fixing import quotas. But it may be noted in passing that the case of woollen goods is distinguishable from papers and the review of protection in force is connected with the enlargement of imports of raw wool for the major units that provide yarn for the cottage industry, and for women who knit at home for either pleasure or profit.

The inquiry is certainly in season, but any comparison with Japanese goods may be off the mark because even now, Japan is a major exporter, though dependent on Australian wool imported. The home market for Japanese manufactures is also a large one and the Indian woollen industry's chequered record is due mainly to problem of raw material supply. The argument over optimum return on capital is of less significance than the progress made in worsted manufacture and the increasing use of mixtures in fabrics. The inquiry will probably lead to a guarantee of imports and stability in natural wool prices should ensure a regular and adequate supply on the score of employment afforded by the Indian woollen industry. But the demand for

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woollens too can only follow a rise in the standard of living and the case of the mills must rest partly on the replacement of imported woollens by Swadeshi goods in recent years.

DEFENCE PRODUCTION

Impressive Evidence

The impressive display of various products ranging from the aeroplanes to cheese in the Defence Pavilion in the Indian Industries Fair at New Delhi highlights the progress registered by the ordnance factories and other units of the Defence production organisation. Keeping "save foreign exchange" as its motto the Defence organisation, has apart from catering to its own requirements, extended its activities to manufacture consumer goods of various sorts which keep the defence industries fully engaged during non-operational period. With the entry of the organisation into these fields of production, the superior technical know-how acquired during the Second World War was also profitably utilised to serve the cause of the civilian consumers also.

The most spectacular section in the pavilion is the one housing the aircraft and aircraft engines. The prestige exhibit in the pavilion is the work model of the Avro 748 designed by the Hawker Siddely Aviation and constructed by the Development Centre of the Maintenance Command, Kanpur. The section devoted to the lathes and precision machine tool making machines lends much attraction to the pavilion. Progress in the manufacture of mountaineering equipments is also spotlighted by the display of various equipments including those utilised for scaling the Everest.

The civil trade activities carried out by the Defence industries comprise the manufacture of trucks and tractors, scientific and optical instruments, machineries and tools, iron and steel alloys and non-ferrous metals, sporting arms and ammunitions, leather and textiles, general engineering goods, acids and chemicals. The progressive utilisation of indigenous components in manufacturing these products is a noteworthy factor and the percentages of the locally made components will stepped up further to about 75 per cent by the end of 1962. Apart from these, the ordnance factories are also engaged in the production of items like sound projectors, photo-enlargers, film strip projectors, prismatic binoculars, pressure cookers, coffee machines, collapsible water tanks and amphibious vehicles.

The total value of production at the ordnance factories for the

year ended March 1961 has been estimated at Rs 33.14 crores as against Rs 25.14 crores in the previous year. Considering the pace of progress made by these factories the prospects for making further headway in the industrial production in future can be rated high.

EXPORTS

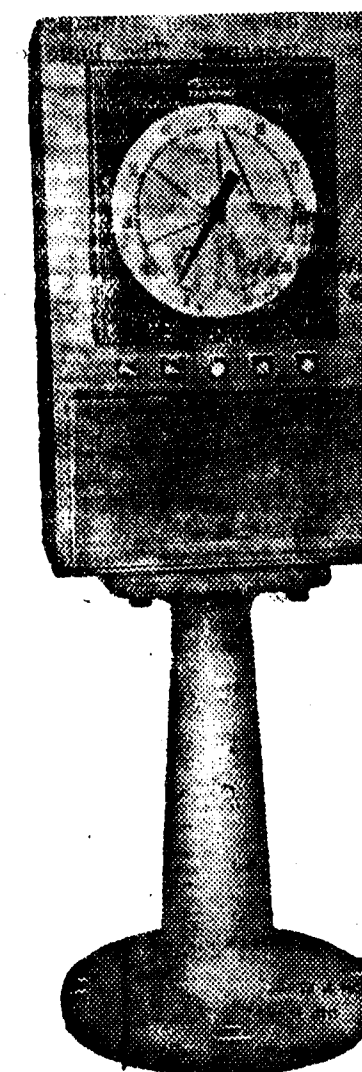
A Modest Rise

A modest rise in exports from India has not removed doubts about the trade gap. Recovery in exports for the nine months ending September 1961 has not helped to raise foreign assets much, but tighter import control may help to some extent to limit the drain. High prices ruling have reduced the export of vegetable oils, hides and skins as well as ores. Improvement under tea or jute manufactures shipped may

temper present diffidence about the future. The export quotas for raw cotton or sugar cannot help to raise either export volume or value considerably and the traditional items like tea, tobacco or jute manufactures must be relied upon rather than light engineering exports.

The need for foreign aid to tide over the balance of payments is again underlined by the latest figures relating to India's trade. What is clear now is that industrialisation increases the pace and volume of machinery imports, and if India makes more chemicals on her own as also rayon, she has to import more metals and transport equipment. The need for local manufacture of machinery is established by the persistence of an adverse balance. And collaboration with foreign firms is a means to the end. The difficulties over fuel or transport must also be removed soon, if growing industry is to look for new

export connections. The trade returns do not support the placency even over coffee exports and it is clear that export production must involve more than the acquisition of new lines for the State Trading Corporation or even the conclusion of trade pacts with Poland or Hungary. India's trade policy is being reviewed again and some concessions for exporters are on the cards. The lack of industrial production does not exactly favour textile exports of a large scale at present. But it is evident that raw material imports are indispensable for rubber manufactures as well as cotton mills that now hope to get more US cotton under a long-term agreement. The need to maintain control over costs in export industries has been stressed, and India's disadvantage as a high-cost producer can be limited by concentration at convenient points as Mr S. P. Jain cogently argued recently.



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Japanese Interest

The prototype production and training centre opened last week in Howrah by the Japanese Prime Minister, Mr Hayato Ikeda, is yet another indication of the deep interest taken by Japan in the economic development of India. Japan is extending to us both economic and technical assistance of considerable proportion during the past few years. Perhaps the latest in the field of economic aid is the grant of a loan of \$80 million to cover the first two years of our Third Five Year Plan. The Howrah project is of special significance at the present juncture because the development of small scale industries is an integral part of our Five Year Plans. While the growth of large scale industries is fostered, special attention is also bestowed on the development of small industries. As the premier country which has developed its large scale industries side by side with a rapid growth of small industries, Japan is a natural guide for us who too want to achieve more or less

similar results. The Howrah centre is put up jointly by the two countries at a cost of Rs 120 lakhs, one half of which will be borne by Japan and the other half by the Government of India. In recent years a number of projects have come up in India as a result of technical collaboration between the two countries. There are about 150 projects in this category which include units which manufacture various consumer, industrial and precision goods. In the field of technical training, Japan's contribution is no less important. While a large number of Indian students have received training in Japan, a number of Japanese technical experts have taught in various Indian universities during the past few years.

The idea of putting up small compact industrial units has caught on in the country as will be evident from the popularity of the State sponsored industrial estates. With the large assistance now available and the increased allocation in the Third Plan for small industries, the pace of growth of small industries will be greatly accelerated hereafter.

But the small scale units cannot survive long if their products are not continuously improved in quality. This is possible only by the use of efficient tools and the employment of trained technical personnel. The Howrah centre will be able to meet this demand to some extent. There is need for more such centres because the demand for tools and technicians from the small scale industries sector cannot be met fully by the Howrah centre alone.

HOUSING Obstacles in the Way

Speaking at the sixth Conference of Housing Ministers at Ehubaneswar last week, Dr B. Gopala Reddi, Union Minister for Works, Housing and Supply, has referred appreciatively to the progress of housing. He has pointed out that the performance in the field of housing is creditable as the Second Plan targets have been fulfilled in a large measure. The logic of this self-

appreciation will not be readily apparent: considering that the targets for housing in the Second Plan were by no means high in relation to the felt needs of the population, hitting them cannot be a matter for excessive gratulation.

The problem of finding dwelling places for the entire population that is growing at an alarming rate can have only the third place—the first two to be given to food and clothing in the list of priorities. It is also to be admitted that we do not simply have the necessary resources to undertake the task of building houses for the entire population (it has been estimated that rural housing alone will involve an outlay of Rs 12,500 crores). Even so, concerted effort has to be put forth to reduce the growing shortage of housing.

Since the dawn of the planning era, increased allocations have been made for housing: the Third Plan makes a provision of Rs 142 crores compared to the Rs 84 crores in the Second Plan. Over and above this, the Life Insurance Corporation has set aside Rs 60 crores for supplementing Government's various housing schemes. The LIC's allotment for the Third Plan compares with about Rs 17.5 crores made available during the period of the Second Plan. These funds will be augmented further with the setting up of a Central Housing Board envisaged in the Third Plan.

Though the funds are not plentiful, if even the limited allotment is put to effective use within the scheduled period, the psychological effect on the people will lessen the frustration at the necessarily slow pace of the housing programme as a whole. Dr Gopala Reddi did well to emphasise the need for spending the provision wisely and well. The various agencies through which loans and subsidies for house building are routed should be made to keep in view the main objective of the programme so that they do not put unnecessary obstacles in the way of people wanting to take advantage of various schemes.

Another aspect of the housing problem is the growth of slums: Slum clearance work has come up against heavy odds and in the five and a half years of operation of the slum clearance scheme, only about 17,000 houses have been built although about 200 slum clearance projects were sanctioned envisaging the erection of 53,900 houses. In the meantime, new slums continue to spring up around industrial units old and new as housing the workers of an industrial unit is still nobody's responsibility but that of the workers themselves. Attractive concessions are unutilised largely. For instance, the entire finance needed can be obtained by the industrial workers who are members of co-operatives, 25 per

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cent as subsidy, 65 per cent as a loan and the balance of 10 per cent by withdrawal from their Provident Fund Accounts. Yet industrial workers have not shown much enthusiasm in having houses of their own. This means either that they have not been clearly told of the concessions or the conditions governing the grant of loans, or that these concessions do not fully take into account their capacity to pay the stipulated instalments. Similarly, employers have also not shown much interest in the subsidised industrial housing schemes under which seemingly attractive concessions are available to them. For instance there are discouraging factors such as the high cost of building materials or the non-availability of building sites at reasonable price near their factories which render the concessions largely ineffective. Compulsion of employers to provide houses for their employees will not prove to be the ideal remedy because it may result in retarding industrial progress. In other sectors of housing too there are many factors that are damming the flow of available funds to individuals and organisations desiring to undertake house building. By removing such obstacles now strewn in the way of greater house building activity, progress can be appreciably quickened.

MAN POWER Colombo Plan Survey

The survey conducted under the auspices of the Colombo Plan on the technical training facilities in the South-East Asia has revealed that the major impediment in the economic progress of the countries in this region is not so much paucity of finance as dearth of technical knowledge. The survey was carried out by the representatives of the 21 member countries of the Colombo Plan and was spread over a period of more than one year. Aspirations for attaining self-sufficiency permeated all the development programmes framed by the countries and the survey has underlined the importance of co-operative endeavour to the mutual benefit of the participant nations particularly in the dissemination of information regarding the technical advancement made by each country. The survey, however, does not favour the constitution of regional centres. It suggests that national centres with proper facilities for imparting instruction to candidates from other countries will be more beneficial to meet the needs of this region. The report submitted by the team contains some points that should guide all the prospective planning for expanding training facilities. The production of food being the major

preoccupation of the region, the survey has rightly placed emphasis on providing training in agriculture, animal husbandry and fisheries. While such opportunities are not totally wanting, they are not commensurate with the magnitude of the problem. Carrying out man-power surveys to assess both present and future needs is also advocated, for, they can guide the training policies and help these countries to evolve greater co-ordination between technical education and the user firms. Another factor brought home by the survey is the need for providing scholarships and other assistance to the competent candidates to get comprehensive training in their trade. The survey has also spotlighted the other drawbacks like the serious gap in man-power between the professional engineers and skilled craftsmen and the scant attention paid on prospects and even status of the technicians.

ENGINEERING EXPORTS Performance in August

The analysis of India's engineering exports in August points to a big fall in certain lines during this year. The slackening may be due to exporters' own difficulties in getting materials for shipment. But a beginning in export of iron and steel has been noted and Pakistan as well as S. E. Asia is an outlet. The present insignificance of exports to African markets is indicated clearly in the trade figures compiled by the Engineering Export Promotion Council. The scarcity of non-ferrous metals conditions naturally the volume of alloys exported by India. The shipment of wood screws to the UK may be due to the links with UK manufacturers. Among points to note is that exports of buckets and

pans, especially to Ceylon have declined and the only considerable export line relates to export of aluminium utensils to the Persian Gulf, because Ceylon has curtailed purchases of brass utensils in line with its import control. The fall is pronounced in the case of cutlery, but in the case of razor blades the export prospect looks good because Ethiopia is buying more; so is Aden and Kenya. The reduced offtake of locks and keys by Burma or Ceylon is partly offset by increased exports to the Persian Gulf and to African countries like Nigeria and Sierra Leone.

The decline in exports compared with 1960 has not touched export of stoves and pressure lamps for which Saudi Arabia and Bahrain appear to be promising markets as the chief fuel is available. The demand for stainless steel utensils and cutlery in Arabia appears to be growing so also in Singapore and Kenya because of the Indian

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element in the local population. The trade returns record the improved sales of oil engines in Egypt, Bahrain and Iran during this year. The export of typewriters or office equipment can only be inconsiderable, but a good trade in pumps has been kept going. A major item in exports now is the sewing machine and it is a fact that the USA too has bought Indian machines just like Ceylon or Egypt. The sales of sewing machines for eight months produced over Rs 20.78 lakhs and the sale of parts to overseas buyers is a part of the export connection. It may be added that India supplies sewing machines to Pakistan also. The sale of small, portable air-conditioners to the Persian Gulf has started but the sale of oil-mill machinery to Burma implies reduced sales of groundnut oil by India. Tea machinery for Kenya will assist a rival and the increase in sales of tea machinery to Tanganyika is due to the growth of gardens,

referred to in the latest report of the Bombay-Burmah Trading Corporation. There seems to be an established trade in batteries also and markets have been found already in Egypt, the Sudan, and Thailand. The electric lamp business also is getting on and the biggest customer to date appears to be Iraq. It is a good wind that helps fans to sell well and many African countries as well as Malaya and Kuwait figure as regular customers. There is hardly any business in cables or wires yet, but the sale of switches or sockets to Burma and Kenya is maintained. There is much talk about motors. But only four cars and two trucks were sold in eight months. On the other hand, the sale of cycles yielded over Rs 10 lakhs and it is noteworthy that the biggest market for Indian cycles is, surprisingly enough, the USA. The changes in the UK industry probably govern the new development in India's own bicycle exports. The sale of components

and spares is increasing gradually and it may be claimed that exports in this case only follow the rise in production. The sale of tin boxes called steel trunks by custom is flourishing and a new line of export is steel furniture including safes and strong boxes. The best of many markets appears to be Kuwait—small but financially secure.

BOMBAY PORT Programme of Extension

The detailed version of the programmes for the extension and the development of the Bombay port released last week does not make impressive reading, for, the bulk of the allocation of Rs 25.53 crores for the Third Plan is earmarked for the completion of the schemes that have been taken up during the last Plan period.

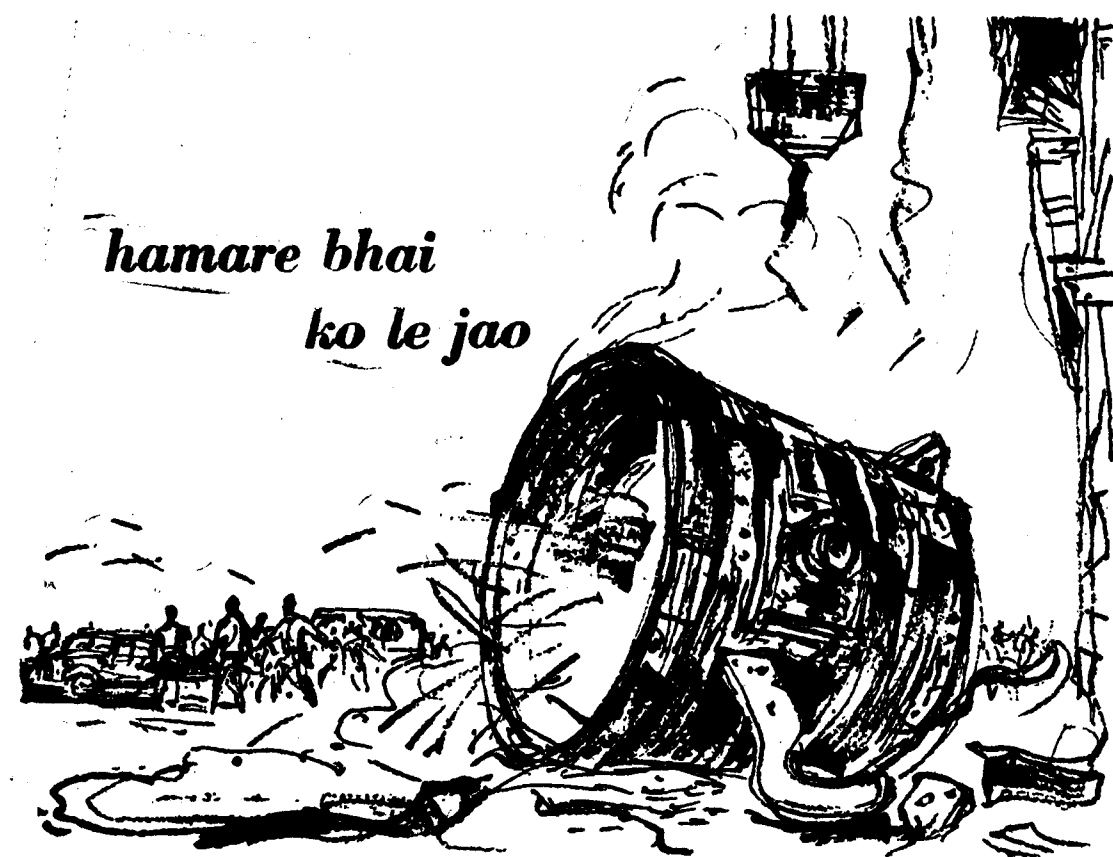
Indian Finance

The allocation for such schemes for the current Plan period is of the order of Rs 16.64 crores.

Under the head of carry-forward items, the largest allocation (Rs 6 crores) is provided for the modernisation of the dock. The scheme envisages the linking of the Alexandria dock and the Victoria dock and the preparation of the detailed designs is reported to be nearing completion. Next in importance comes the execution of the dredging operations in the main harbour canal which carries an outlay of Rs 4 crores. It should be remembered, in this connection, that the allocation for this purpose in the Second Plan was even higher at Rs 5 crores, but hardly one-fifth of the amount was utilised for dredging operations and the major portion remains to be spent in this Plan period. An increased allocation of Rs 2 crores has been provided for the completion of the labour housing scheme as against Rs 26 lakhs set apart in the Second Plan. The break-up for other allocations are: Rs 1.56 crores for the electrification of the 54 cranes in the Alexandria dock; Rs 75 lakhs for the construction of passenger terminal building at the Ballard pier; Rs 37 lakhs for 125 ton floating crane; Rs 62 lakhs for drag suction dredger with a hopper capacity of 2,000 tons; Rs 15 lakhs for reorganisation of electrical distribution system; Rs 83 lakhs for the port trust hospital and equipment and Rs 36 lakhs for the rim bascule bridge at the entrance of the Alexandria dock.

The total outlay for the implementation of the new schemes in the Third Plan has been split up into Rs 5.99 crores for essential improvement programmes and Rs 2.9 crores for the programmes that are requisite for the maintenance of the existing services. Top priority, under this head, has been accorded for the extension of the Ballard pier with an outlay of Rs 2 crores. Next in order of allocation comes the acquisition of tugs—five harbour tugs and one dock tug—entailing an amount of Rs 1.5 crores. Other notable provisions are Rs 55 lakhs for two grab dredger units; Rs 15 lakhs for two flat barges; Rs 5 lakhs for three launches; Rs 25 lakhs for the replacement of the steam tug Azad; Rs 40 lakhs allotted for the purchase of diesel locos; Rs 50 lakhs for the passenger terminal building at Ballard pier; Rs 33 lakhs for the electrification of Hughes dry dock; Rs 1 crore for housing purposes and Rs 95 lakhs for minor capital, renewal and replacement works.

The lethargic progress of the various development and extension activities in the Second Plan is largely attributed, inter alia, to the non-availability of adequate foreign exchange. Lapses in the implementation of the programmes were also not rare. Considering the inadequacy of harbour facilities in the country and the result-



hamare bhai
ko le jao

It happened some years ago in the steel melting shops at the Jamshedpur works. A large ladle, carrying 75 tons of molten iron, suddenly crashed to the ground with a deafening noise from an overhead crane. The spattering sparks and red-hot metal seriously injured a number of brick-layers working at what seemed to be a safe distance. The air was rent with the frenzied shouts of the men and the hissing of steam.

The first ambulance could remove only five of the injured to the hospital. General Manager Keenan could take only three more in his car. He chose the three who had a better chance of survival than the rest. One of these men, a Hindu worker, however, re-

fused to go. "Do not take me away", he said. Disregarding his own agony, he feebly nodded towards a half-burnt Muslim colleague, and said: "Hamare bhai ko le jao." As Keenan recalls, "The Hindu who was in pain and danger of death remembered, not that the Mohammedan was of a different faith, but that he was his brother."

This feeling of comradeship, born of the common bond of labour, is the spirit that characterises Jamshedpur, where industry is not merely a source of livelihood but a way of life.

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ant dislocation in loading and unloading operations, the completion of the port development programmes is national necessity.

THE CUSTOMS As a Literary Critic

A new task for the customs department is the scrutiny of literature imported from abroad. There is no Lord Chamberlain in India to examine new stage plays though the censorship is active on the screen. The fear of foreign books corrupting morals has led to the exclusion of a world-famous book by D. H. Lawrence. The London Court decision has been so far ignored. Advisory Committees to assist the customs are promised and arguments with publishers will not end, for local statutes dealing with obscene writings of local provenance or origin will not settle the issue of letting masterpieces come in.

There is still argument about Henry Miller's books in the USA and the applause of critics or readers has not dispelled doubts developed by the Post Office. The publisher's reader is hardly in the picture though in the USA or the UK he is a potent figure standing between the author and publisher. The whole issue is seen as one for the Police, but Watch Committees do not come in to condemn the

Decameron or the Heptameron. The Ministry of Cultural Affairs will probably prepare its own index of objectionable writings that must be always excluded by the customs which will probably start a hunt—not for hidden gold but for books—in the baggage brought in.

The other problem remains. Books in the classical languages including Sanskrit may create a problem for the officials keen on the preservation of purity. What Bernard Shaw said about the excess of puritanism that condemned one play of his may not be quite easily forgotten at present. The attempt to set up a literary censorship that will keep out the Arabian Nights or Chinese classics may lead to an argument over civil liberties in a secular State. It is the peculiar privilege of the Papacy to declare some books improper and it may be added that Eire is the only country that operates a censorship over literature, both native and imported. But Irish example is not the best in this matter.

RESEARCH Three Items of Interest

The September issue of the Journal of Scientific and Industrial Research reports the results

of studies carried on at the Central Fuel Research Institute, Jeal-gora, for determining the conditions for producing cokes of requisite purity from Indian coals for use in the manufacture of calcium carbide. These studies are of considerable economic significance as the consumption of calcium carbide in the country is expected to increase from 15,000 tons per year at present to 60,000 tons by 1965-66.

Hitherto, on account of the high phosphorus and ash content of Indian coals were considered unsuitable for use in the manufacture of calcium carbide. Trials carried out in pilot plant and industrial furnaces have shown that when cokes from washed coal are used the furnace performance and the quality of calcium carbide produced are better. Further, the consumption of electricity is less than when cokes from unwashed coals are used. Experiments with blends of coke from Assam coals, petroleum coke and wood charcoal have shown that by restricting the proportion of coke from coal to 50 per cent of the total carbonaceous material, calcium carbide conforming to British standard specifications can be obtained.

Another article in this issue discusses the use of chemical preservatives as adjuncts to the conventional methods of preserving canned fish. Of the various chemicals tried for this purpose at the

Central Fisheries Technological Research Station, Ernakulam, propionic acid has been found to be the most promising.

A third article in the Journal outlines the conditions for the moulding of porous bronze bearings which are finding increasing use in, among other things, automobiles, textile machinery, electric fans and which require comparatively little or no lubrication during service. Studies in this connection were carried out at the National Metallurgical Laboratory, Jamshedpur.

BURMA The Protectionist Urge

The new Burmese tariff in force from 15 September proves that political independence is often followed by high, severe protectionism. The duties on luxuries like cars or liquor are high, but the duties on salt, coffee and oil have also been raised. A country, assured of a large market for rice, timber and minerals has embarked on a policy of excluding foreign goods by prohibitive duties, as set out in the Indian Trade Journal recently. The list is comprehensive and may be called an extension of import control. But it does not conform to current hopes of a common market for SE Asia.

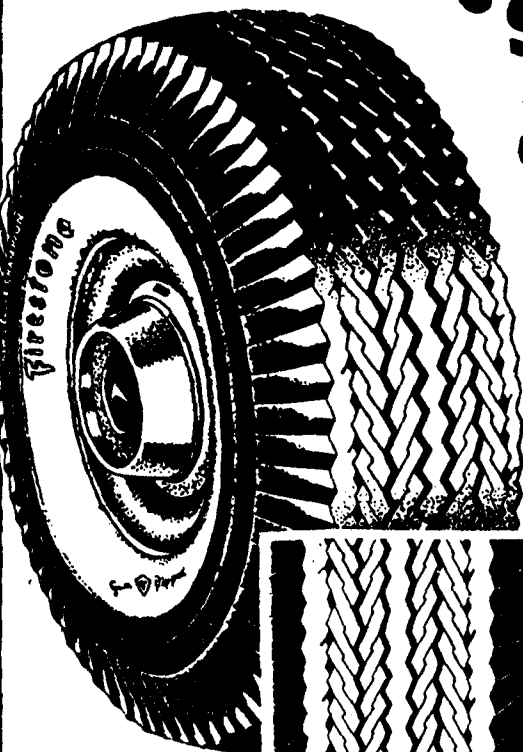
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and even if Burma's foreign assets are down, she has no serious problems due to planning. The only import duty left unchanged at 10 per cent is that on newsprint. Every other item now bears a higher duty and hopes of India increasing her textile exports are nipped in the bud. The duty on paints is up to 75 per cent and that on motor tyres to 40 per cent. India's prospects of exporting manufactures are certainly compromised by the higher duties on items as different as fountain pens and coir goods.

The protectionist urge in Burma has developed before the rise of local industry, though the home market is going to remain small. The moderate duties on iron or steel are offset by the 100 per cent duty on electric fans and refrigerators for which India may reasonably look to Burma for custom. The fact that Burma before the war believed in free trade and often pleaded for separation because of India's protectionist policy may have little relevance in view of her independence. The duties are invariably related to value and groundnut oil, meat, flour or fish from India imported for the people is necessarily going to cost more. This is also calculated to drive all Indian traders out of business because the major exports are controlled by the monopoly Boards run by the Government at present. By comparison, the new tariffs in Cyprus look very moderate and preferences will help the UK and the Commonwealth to maintain trade in yarn, cloth and leather goods. Duty-free items include paper and board as well as salt and biscuits. This is evidence of adherence to a revenue tariff, though Cyprus has for years imported more goods than she has sold. It may be added that both Greece and Turkey will enjoy advantages in trading with Cyprus.

AVIATION

Rising Costs

The failure of US airlines to make profits has a parallel in the

inability of KLM to pay a dividend this year. An old, experienced major airline is handicapped by rising costs and the results announced last week showed that a loss was sustained. The rise in traffic did not help as tourist fares did not produce a surplus of revenue over expenditure. The loss may seem small but it is clear that big jet airliners do not yield much profit on the Atlantic routes. The keener competition also is a factor in reducing income and there is a threat that big shipping lines might start subsidiaries to compete with the BOAC or other lines. The KLM with its age and financial strength is, of course, better off than many US airlines at present, but the problem of profit has been raised and rationalisation is called for. So many nationalised airlines are now in the field that any agreement on limiting services and raising fares may prove difficult.

What is obvious is that ambition to expand air services must be restrained by countries like India which cannot afford to compete strongly with older airlines. The KLM results may signify little to Holland but it is a sign that costs are squeezing out profits and air cargo does not provide compensation for the fall in tourist trade this year. The crisis over Berlin has affected KLM appreciably and the cold war has inevitably lowered receipts. KLM's double-barrelled Board will probably explain the how and why, but it may be noted that the difficulties are due to the speeding up of air services for reasons of prestige. The international airlines cannot afford to ignore either the airport charges that are going up or the pilots' pay. That countries like Ceylon or Malaya run foreign services is due to economic nationalism breaking out in many new directions. It is a surprise that countries that do not produce or even service aircraft are prepared to maintain airlines at present. KLM's experience of adversity must also restrain India's ambitions to buy new bigger aircraft by borrowing abroad for so-called development of civil aviation.

US

GATT and US Trade Policy

In Geneva last week, began a meeting that will last a month at which most of world's trading nations will discuss many important trade problems of mutual concern. The occasion is the nineteenth session of the General Agreement on Tariffs and Trade (GATT), to which the United States and 38 other nations are contracting parties.

This regular meeting of the GATT parties does not involve tariff negotiations as such. Thus,

it is not to be confused with the current round of multi-lateral tariff-cutting negotiations which has been in progress in Geneva under GATT auspices for the past year. This is sometimes called "The Dillon Round", as it was undertaken at the suggestion of C. Douglas Dillon, then the US Undersecretary of State and now US Secretary of the Treasury. It is also necessary to distinguish between the regular GATT meeting, which will run 13 November-8 December and the annual GATT ministerial meeting, which will take place in Geneva 27-30 November while the regular session takes a four-day recess. George W. Ball, Undersecretary of State for Economic Affairs, will represent the United States at the ministerial meeting, which will deal primarily with several problems basic to international trading relationships. These include future actions with regard to tariff reductions, international trade in agricultural products, and the trading difficulties of less-developed countries.

It still is not known whether US government will have made public any of its plans for further liberalizing its trade programme by the time the 27 November ministerial meeting opens. However, a constructive exchange of views is in prospect, and it is possible that US plans may emerge as the session progresses.

Discussions on agricultural products are likely to centre on the problem of greater access generally to world markets. The record indicates that agricultural products have not been subject to the same kind of trade liberalisation as have industrial products. Of particular concern to the United States and a number of other countries is the question of access to the markets of the European Economic Community (EEC)—the six-nation common market—which is the process of setting its external tariff schedules.

A committee of the GATT has been studying the trade problems of the less developed lands for about a year now, and its report will be a matter of considerable interest. Here again, the problem seems to be one largely of permitting less developed lands greater access to world markets for their growing production. The textile problem however, is not expected to figure prominently in these discussions, as it already is being handled separately by international action taken at the initiative of the United States.

The regular GATT session, as distinct from the ministerial meeting, will take up more than 60 agenda items, many of them related to the EEC and its tariff schedules. Also to be discussed is the removal of quotas and other non-tariff import restrictions.

One of the principal items, as far as the United States is concerned, deals with Japan. It is the US view that Japan, which is

a full participant in GATT, should receive all the agreements benefits, including most-favoured-nation treatment. This means, in effect, that tariff concessions granted to one party should be extended to all—a practice which the United States follows in keeping with many other GATT participants.

There are a number of GATT nations, however, which do not extend most-favoured-nation treatment to Japan, under an article of the agreement which permits certain types of discrimination where so-called low-wage countries are involved. It appears that the United States will again try to have its views on equal treatment for Japan accepted by all GATT parties.

This is in accord with the US view that GATT is the basic instrument guiding commercial relations among the world's principal trading partners. The GATT provisions are designed to promote mutually beneficial trade and thereby raise living standards, expand employment, and utilize more fully the world's resources. Hence, the United States sees GATT as a cornerstone of its commercial policy.

The United States participates in GATT under the authority of its trade agreements act, which was originally approved by the US Congress in 1934 and has been extended and amended several times since then. This act delegates to the president power to negotiate reciprocal reductions with other countries.

It was under this act that the United States became one of the original eight parties to the GATT back in 1947, when the principle of bilateral tariff negotiations was extended on a multi-lateral basis. There are now 39 parties to the GATT, and several other nations are participating in the talks and the current negotiations with an eye to formal accession.

The present US trade agreements act is due to expire next 30 June, and President Kennedy has indicated that this administration is considering recommendations to Congress for its renewal and liberalisation.

CESC

Power Demand Insatiable

Melancholy interest attaches to Sir Harry Burn's review of the affairs of the Calcutta Electric Supply Corporation Limited for the year ended March 1961. News is to hand of the sad demise of Sir Harry in England last Sunday. In his death, India in general and Calcutta in particular has lost a good friend. He was long associated with the CESC of which he was first a director and became Chairman from 1955. His association with Calcutta however

dated back to 1922. Before he joined the CESC he had occupied top positions in a number of commercial institutions as well as associations.

In his survey, Sir Harry pointed out that shortage of power in Calcutta and its industrial environs was bound to continue for a number of years, though to a lesser extent than had been experienced in the first half of the current year. The simple fact is that demand is fast outstripping supply. However, there is reason to believe that with steps already taken to control distribution and consumption of electricity and the voluntary agreement by certain large industrial units to restrict their demand at the time of the company's peak loads, the situation may not get out of control as it did early this year. The key factor will still continue to be the availability of the contractual supply of 100 mw from the Damodar Valley Corporation. The period of shortage could have been reduced at least by a year if the sanction had been forthcoming for the construction of a fourth machine at New Cossipore Station of the CESC when a request in this regard was made to the Government in the middle of 1960.

Anyway, sanction has now been granted and the company has taken up the work of putting up the new machine in right earnest. As regards the power crisis earlier in the year, it would seem that the CESC's calculations were based on the assumption that the DVC would fulfil its contractual obligation to supply 95 mw in 1960-61. But at no time during the period the supply exceeded 60 mw. Calculations were thus upset and the company decided to defer the already long overdue overhaul of the machines at New Cossipore in the hope of an early improvement in the DVC supply. The result was the inevitable breakdowns which occurred in quick succession. Thanks to the expeditious completion of the repairs all the machines are now back in commission. The condition of the company's generating plant is quite good now and in the words of Sir Harry "... the plant at New Cossipore (now completely repaired) and that at Mulajore are in first class condition and capable of many years of useful service, while the Southern Station, though old and not so efficient, has been well maintained and will continue to provide a satisfactory source of power especially during peak load periods."

Sales to all classes of consumers have increased during the Year ended 31 March 1961. The total energy sold amounted to 1955 million units showing an increase of 138 million units over the previous year. There has been a progressive rise in sales during the past 14 years and according to the company's forecast this expansion is expected to continue in coming years in view of the rapid

progress of industrialisation in the areas served by the CESC. The revenue from the sale of current rose by nearly £1 million to £9,800,000, and the gross revenue exceeded for the first time £10 million. After making provision for the usual reserves, a special appropriation amounting to £550,000 has been made for plant expansion. After paying the dividend on the preference stock and the dividend on equity stock at 7½ per cent (3½ per cent interim and 4 per cent final) a sum of £124,585 has been carried forward on net revenue account.

GOOD YEAR

New Life at Ballabgarh

The inauguration of the Rs 6 crore Goodyear tyre factory in Ballabgarh by the Vice-President Dr Radhakrishnan, has added a new dimension to the industrial

growth of the Punjab. While addressing the gathering at the inaugural ceremony Dr Radhakrishnan acclaimed the new factory at Ballabgarh as a symbol of Indo-American collaboration and stated that it would not only assist India to accelerate the pace of industrialisation but also pave the way for closer understanding between the two countries in future. Equipped with the most modern machinery, the plant has a daily production of 250 tyres working on two shifts and the programme for stepping up production to 750 tyres will be launched with the availability of adequate power supply and also employing three shifts. The factory's requirements of raw rubber will be met from the Goodyear plantations in the Far East and Kerala and synthetic rubber will be imported from the USA. The import of synthetic rubber will be completely stopped when the proposed synthetic plant at Bareilly goes into production.

In his welcome address Mr R. E. C. Carry, the Managing Direc-

tor of Goodyear (India) Limited spoke in glowing terms his appreciation of the Government of India's support and sympathy for the installation of the new factory. Mr Carry also hailed the Government's gesture as a true reflection of the Government policy in facilitating congenial condition for the foreign private investments in the country. The same opinion was voiced by the US trade mission which toured India recently and the participation of more and more industrialists from America in India's industrial development is anticipated. The new plant also testifies to the Goodyear company's faith in the future of the country.

METTUR INDUSTRIES

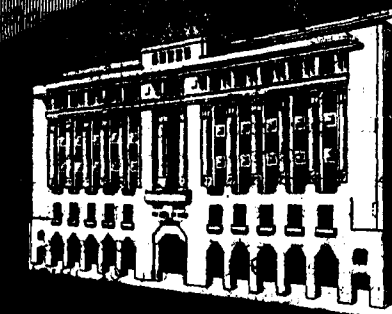
A Silver Jubilee

Mettur Industries, a major in the Indian textile industry today, is celebrating its jubilee on 23 November. The Company's

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record is impressive enough and Beardsell with ample experience of the cloth trade in Madras have made a contribution to its success. But more important is the connection with UK textile interests and the Lees of Lancashire have always found a place on the Board. Indian investors have certainly done well out of participation in a modest Indo-British venture and if Mettur shares are hard to get at Rs 390 it is because of the reassuring record. A rights issue, a bonus issue and a special dividend from the reserves have only made all shareholders appreciative of Mettur. The initial dividends were small, but after the war, stepping up was quite easy. Renovation of plant raised output which has always found a quick sale owing to the consistent quality of the plain white goods that Mettur turns out for the millions.

No worry over stocks or power cuts has interfered with production of fast moving lines, preferred always for durability, not elegance. The reserves and the cash or the value of net block may quicken hopes of another bonus issue. But it is patent that unlike other companies, say Century, Mettur is not seeking to diversify activities and the conservatism that has nourished its financial strength is one reason for the reluctance to go on to other lines. It may be added that the quotation is marked by high stability and the 30 per cent dividend paid for 1960-61 was wholly in accord with general expectations. That Mettur affords a high yield marks it out among the blue chips quoted in Madras and Indian shareholders have already expressed conventional gratitude for a policy that has preserved high earning power. This is a year of jubilee for Mettur Chemical also, but that company looks to prospects, not to the past performance, and both dividend and premium are modest, because price control limits the earnings available for distribution. However, the main point is that Mettur is a growing industrial centre, because of the Cauvery's water and hydro-electric power.

WHOLESALE PRICES

Slight Advance

The official wholesale price index (with the year ended March 1953 as 100) advanced by 0.6 per cent to 124.3 during the week ended October 28, 1961 as compared with 124.1 (revised) for the previous week. The index was also higher by 0.3 per cent when compared with the corresponding week of the earlier month but was lower by 1.3 per cent than that of a year ago. The monthly average for October, 1961 worked out to 124.3 as against 124.6 (revised) for September, 1961 and 126.2 for October, 1960. Higher prices of Potatoes (+9%), Maize and Masur (+6%

each), Eggs and Gur (+5% each), Barely (+4%), Groundnut oil (+6%) and Wheat Mustard oil and Coconut oil (+1% each) raised the index for 'Food Articles' by 0.3 per cent to 121.7. The prices of Oranges (-20%), Onions (-8%), Cashewnuts, Milk and Black Pepper (-6% each), Jewar at Akola (-5%), Mung and Gingelly oil (-3% each), Ragi (-2%) and Rice, Meat and Chillies (-1% each), however, moved down.

The index for 'Tobacco' remained stationary at its previous weeks level of 96.0.

The index for the 'Fuel, Power, Light & Lubricants' group also stood unchanged at the earlier week's revised level of 122.0.

The index for 'Industrial Raw Materials' rose by 1.0 per cent to 135.8 as compare with 133.3 (revised) for the previous week due to an advance in the prices of Groundnuts (+8%), Linseed (+3%), raw Jute, Castorseed and Rapeseed (+2%) and Gingery seed and Manganese ore (+1% each), although the prices of raw Hemp (-7%), Cotton seed (-3%) and Tanning Materials (-2%) showed declines.

The index for 'Intermediate Products' receded by 0.8 per cent to 139.7 as a result of decline in the prices of Rayon yarn (-6%) and Cotton yarn (-1%). The prices of Linseed oil, Coir yarn, Zinc and Copper (+1% each), however moved up.

An increase in the prices of Jute Manufactures and Oil cakes (+1% each) was responsible for raising the index of 'Finished Products' by 0.2 per cent to 124.2 as against 123.9 (revised) for the previous week.

AT THE FAIR

Atomic Energy Pavilion

Our New Delhi Correspondent writes:

To those interested in the growth of the industrial potential of the country, a visit to the Atomic Energy and Defence pavilions at the Industries Fair will be a heartening experience, for the indisputable evidence they provide of the growth of technical skills of a very high order. The rapid strides that India has already taken to produce basic materials required for carrying out independently a full scale atomic energy programme are highlighted by the exhibits at the Atomic Energy pavilion. These include models of and explanatory panels dealing with India's three reactors—Apsara, Zerlina and Canada India Reactor—flow sheets of processes leading to the production of nuclear grade uranium and its fabrication into fuel elements, and various types of electronic equipment made by the Trombay establishment for working with radio-active materials.

The Atomic Minerals Division of the Department has located deposits of these minerals in different parts of the country, including the largest known deposit of monazite in the world containing 10 per cent thorium, in the Ranchi plateau.

"German Day"

International co-operation in India's industrial development was the dominant theme of the speeches made on the occasion of the German Day at the Industries Fair which was inaugurated last Saturday by Minister for Industry Manubhai Shah. Minister von Merkatz of the Federal Republic of Germany, who had specially come for the occasion, spoke with deep feeling of the growth of Indo-German friendship and recalled that India was the first country to declare in 1950 the end of the state of war with Germany. Both he and the German Ambassador stressed that the impressive display put up by German industries—nearly 80 German firms, including some of the most prominent, are represented at the Fair—was not intended to serve purely business interests. Nor was it intended as a display of national achievements nor to satisfy the desire for national prestige. The main interest said the Minister, was "to improve the existing contacts between the industrial circles of our two countries, and thereby to make a genuine contribution to Indo-German friendship in particular and international understanding in general. The German Ambassador said that the "significant participation of German industry" should be regarded as "proof of the importance the Federal Republic attaches to India and also give proof that India's role in world economy by its successful endeavour to build up its economy is well estimated."

NEWS IN BRIEF

THE Lignite Corporation has set up a clay washing plant in Neyveli at a cost of about Rs 14.5 crores for the utilisation of the raw white China clay found abundantly in the lignite mines. The plant is expected to be commissioned early next month.

The Bhilai Steel Works have so far exported 25,560 tons of billets to E. Pakistan, W. Pakistan and the UK. The foreign exchange earnings from the current export of billets are placed at about Re 1 crore. Another 3,800 tons of billets will shortly be exported to the United Kingdom. The export of billets to the UK is particularly heartening in view of the fact that the UK has all along been an exporter of billets. 433,450 tons of billets have been supplied to the indigenous rollers.

The National Coal Development Corporation has decided to develop two big mines, one in MP and the other in Bihar at a cost of about Rs 7.5 crores. Rs 2.5 crores will be invested in the Chalkari colliery in Bihar and Rs 5 crores in the Jamuna colliery in the MP. According to present calculations the annual output from these collieries will be of the order of 1.5 million tons and their available reserves are placed at 118.8 million tons.

During the quarter ended September, Indian Copper Corporation produced 2.34 million kgs of refined copper. Out of this, 2,032 kgs were released for internal consumption. The Corporation also produced 1.68 million kgs of rolled brass, 82,000 kgs of Y. M. circles and 425,000 kgs of rolled copper during the same quarter.

A agreement for the release of \$55 million (Rs 26.4 crores) from the PL 480 Funds earmarked for the Third Plan projects has been reached between the Government of India and the US Government. This grant will be allocated to three major development programmes and one exploration programme under the four different agreements concluded by the two Governments.

The US industrial production scaled a new peak in October after slumping a bit in September. The output of the US mines factories and utilities was 13.1 per cent higher in October than in 1957 (the base for its industrial production index). The October index figure was 113.1 compared to 111.5 in September and 112.9 in August. The production in September had been curtailed largely due to the stoppage of work in the auto-industry.

PERSONAL

Mr K. C. Reddy, the Union Minister for Commerce and Industry, left Bombay by air for Frankfurt on a ten day visit to Europe. Mr Reddy will be having discussions with the West German authorities on trade matters of mutual interest and then proceed to Geneva to lead the Indian Delegation to the GATT Conference.

Mr Russi Modi, Deputy Agent, Tata Steel, has been appointed as its Agent in Calcutta.

Mr J. C. Rayan till recently Chief Officer of the Agricultural Credit Department of the Reserve Bank of India has retired from his post. Mr T. J. Rao, Joint Chief-officer so far, has succeeded him.

Mr Daulatrao Jayramrao has been elected President of the Bombay State Cooperative Land Mortgage Bank at a meeting of the Board of Directors of the Bank held last week.

Clive Street Gossip

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

LET me relate a true story. It has a certain Kafkaesque flavour which might amuse if it did not anger. A friend of mine bought years ago a piece of land in a village on the outskirts of Madras with a view eventually to building on it. As a Government official, he was living mostly outside Madras, but wherever he was, he was regularly remitting the nominal land revenue due on the plot. The acknowledgements of these were somewhat irregular and being a tidy soul, he took the matter up with the postal authorities, who cleared themselves after a not inconsiderable delay. Sometime in 1955, he found himself in Madras and thought it a good idea to meet the village official and put the records straight by getting an official acknowledgement of payments made. He met the worthy and after a lot of humming and having he looked up the records and told my friend that he was making a mistake; he had no land in the village as he claimed. Naturally, my friend did not find this very amusing. He showed him the most recent postal acknowledgement of the money order sent. The gentleman agreed that this certainly was odd and helpfully suggested seeing the Deputy-Tahsildar at the Headquarters. But my friend had no time for this. After this began a protracted attempt by friends to find out what really had happened. (Meantime the land revenue continued to be remitted and even fitfully acknowledged.) After a lot of running from pillar to post in offices situated at different places, it was finally discovered that the land had been acquired by Government for some hospital sometime in the early fifties.

But this is not the end of my story. It was discovered after inquiry that a sum of about two thousand rupees was accorded as compensation for this acquisition and even this amount has not yet been paid to him. The fact of this amount being due to him came to the knowledge of my friend over a year ago but despite repeated requests, official and unofficial, the amount still remains unpaid.

Several questions arise out of this, what may well be a typical case. Though a most elaborate procedure is prescribed for acquisition of land for public purposes solely for the purpose of giving the affected interests a chance to have a say in the matter, my friend not

only knew nothing about it. On the other hand, he had been led to believe, by the quiet appropriation of the land revenue paid, that he was still owning the piece of land. I dare say that some kind of constructive notice of the various proceedings was given by publication in the official gazette and at the site. But surely equity and good conscience require that in a matter like this, in which important rights of appeals have been provided for the citizen, and the exercise of which is circumscribed by stringent time limits, something more was required than a perfunctory compliance with the letter of the law. As it is, adjectival and procedural law is, by a convention that is becoming less and less defensible, weighted heavily in favour of Government. Incidents like these reduce the Constitution to a mockery. When the fourth amendment to the Constitution was debated in 1955, there was a lot of argument about the rights and wrongs of expropriation without compensation. Procedural vagaries of this sort render such arguments unreal.

Thus, a citizen has had his property taken away without so much as by your leave by a procedure that may be barely legal but hardly anything more. Secondly, he has been denied his right of appeal against not only the act of acquisition but also the quantum of compensation. Thirdly for several years moneys owing to him have remained unpaid. Fourthly, all these years he has been paying land revenue on land that has ceased to be his long ago. One wonders in what state village accounts are when year after year land revenue is being appropriated on lands on which no such revenue is due. Is there any kind of reconciliation being attempted between the land revenue owing and paid? Or is it that Government has no duty to refund taxes wrongly paid? And finally what is the little man to do when he is up against this kind of thing?

Sweden has long had—since 1809 in fact—a rather unique official called the "ombudsman", roughly translatable as the "grievance-man." Other countries have also caught up with their version of an official to whom the harassed citizen can turn for comfort and help. Thus, Finland has had an ombudsman since the early twenties and Denmark since 1955. Norway is to have one soon and among the Commonwealth coun-

tries, New Zealand has already introduced a bill for the creation of a Parliamentary Commissioner for Investigations. In England, "Justice", the British section of the International Commission of Jurists has recently produced a report on the subject by a Committee under the chairmanship of Sir John Whyatt, a former Chief Justice of Singapore. This report, described by Lord Shawcross as a "real character of the little man", has been published under the title "The Citizen and the Administration" (Stevens & Sons Price 10sh. 6d.) and has been widely discussed in the press. I have not had an occasion to read the book yet, but the discussion in the papers has shown that a document of great interest to us in India has made its appearance.

The Whyatt Committee has drawn largely on the Swedish model but has suggested important departures. The record of the Swedish institution, as summarised by the Economist in a recent issue, makes interesting reading. The Swedish ombudsman examined just over 1000 complaints against officials in 1959. Of these, as many as 803 were found to be either without foundation or to need no action. 247 resulted in admonitions and 5 in prosecutions of officials. This is certainly revealing of a high degree of administrative purity, though I am prepared to concede that when an Indian ombudsman comes into being, he will also be burdened with a large quantity of frivolous complaints. But there will be enough injustice for him to set right. The most interesting part of the Swedish practice is the wide publicity the activity of the ombudsman receives. In the words of the Whyatt Committee quoted by the Economist: "In practice the real sanction is the publicity which is given to the ombudsman's criticisms of the administration in his annual reports to Parliament but more especially in the daily press. Every day at 11 A.M. a representative of the Swedish Press Bureau calls at the ombudsman's office to examine the complaints and the decisions of the previous day. The files are laid out on a table for the pressman's inspection and contain all the inward and outward correspondence and any report relating to the particular complaint or decision—The pressman selects those cases which are of general interest and circulates the information to the national papers. . . . Almost every day, the pressman has something to report."

The Whyatt Committee has certain reservations about the suitability to England of this and other practices of the Swedish

ombudsman. It would, for example, confine the British ombudsman's reporting to an annual presentation of the facts of the "more important cases" he had investigated during the year and to special reports from time to time of cases of particular interest. Moreover, the reporting is to be done only to select committee of MPs. On the face of it, this seems to empty the office of the ombudsman much of its effectiveness. But then, with a sensationalist press, a continual exposure of the ombudsman's activity—the major part of which will, in a reasonably well-administered country, be "a waste of time" in the sense that he would be sifting baseless complaints—may well demoralise the permanent civil service. The other departure from Swedish (and Danish) practice suggested by the Committee is that for some time to come, complaints to the ombudsman should be routed through the MPs. (In Sweden or Denmark, you can send in your complaint even by the telephone. Curiously, this arrangement conceived as a gesture to the MPs, some of whom, it appears, resent the ombudsman as a usurper of their traditional function. But despite the concession made for these and other susceptibilities, the Whyatt Committee's report comes firmly on the side of creating the new office.

The logic of having a similar grievance-shooter in our country is even more obvious. Plannin has spawned officials by the hundred who have been invested with powers large and small and the cautionary tale I quoted at the beginning is by no means an exception. Even if we discount allegations of an irredeemably corrupt officialdom, the protection is worth having just to rescue the little man from the coils of red tape. As the Crichton Down case in England some years ago proved even a bureaucracy of sea-green incorruptibility, can be a mighty engine of oppression. When Auden was in India some years ago, he asked a rather interesting question: Why is it that I, W. H. Auden, B.A. (Oxon) and a comparatively big noise and Muniamma an unlettered villager both have an instinctive claustrophobic horror of a government building? The answer is that it is the seat of the worst form of power—the anonymous empire, as it has been called. A kindly functionary who can mitigate the terrors of this faceless power is an essential democratic appurtenance.

Tailpiece: One of the complaints to the Danish ombudsman was from a school-master who was teaching divinity. He complained that the authorities were needling him because he reserved the right to propagate agnosticism after school hours.

EAVESDROPPER

Olympus

PROGRESS OF THE PLAN Rethinking on Priorities

ACTION taken to follow up the recommendations and suggestions contained in the Third Plan have been explained by spokesmen of the Planning Commission at a press conference last week. Apart from the thoroughly welcome indication that the Commission have not gone into hibernation after the Plan was approved by Parliament ten weeks ago, not much light has been thrown on the progress of implementation in different sectors, nor on the action taken to deal with the serious difficulties which had cropped up even as the Plan was hatching. The discussions of the Central Advisory Council of Industries towards the end of last month served to focus the attention of the public and of the Government on the serious shortages of Power and Transport which threaten the achievement of the targets set for Industry. It was however evident that the Planning Commission were not impressed by the forecasts of the demand for electric power that were put forward on that occasion. The official view seems to be that the Plan has taken into account all the reasonable requirements in providing for an increase of 7 million kw of generating capacity and that there is no reason to apprehend any shortage, provided all the projects included in the Plan are completed according to schedule. To ensure that there is no shortfall in the implementation of the power programme, a team of the Ministry of Irrigation and Power and the Planning Commission has visited all the States in order to review the progress of the projects and to assess their requirements of essential materials, such as, steel, cement etc.

While the assessment of the Planning Commission regarding the growth of demand for power by the end of the Third Plan may not be wide off the mark, constant review of the pattern of demand and adjustment of the phasing of projects in other sectors will still be necessary. The suggestion for slowing down of rural electrification, in order to provide more power for industry, will call for a radical change in the basic approach to Planning. The Planning Commission cannot be blamed if they are unable to accept the suggestion when it is clear that no

State Government could be expected to endorse it.

Dr Ramaswami Mudaliar had made a proposal at the last meeting of the Industries Advisory

Council that industries in the private sector may be allowed to establish power plants to meet their own requirements, either individually or on a cooperative basis. The Planning Commission seems to have resiled a little from the rigid position taken at the Council meeting. The clarification now available marks a distinct advance. It has been explained that the Planning Commission is not opposed, as a matter of policy, to the establishment of 'captive power plants' by industry, and that proposals would be con-

sidered on merits as they come in. It is now up to the industries concerned to take the hint and put up specific proposals, for the spokesman of the Planning Commission has also pointed out that, at present, they have no such proposals before them.

Availability of resources rather than ideological prejudices, it has been indicated, will determine the acceptability of the proposals. Nevertheless, a substantial increase of capacity for generation of electric power, through the initiative of individual industries,

appears rather remote. Firms having the advantage of foreign collaboration may be able to find the necessary foreign exchange for the import of equipment. In fact a prior assurance that industries could have their own power plants may speed up the finalisation of collaboration agreements. This was one of the points taken up for discussion at the recent meeting of the Business International in Delhi. Foreign investors are hardly likely to be attracted to enter into joint ventures in India, if their investment is likely to

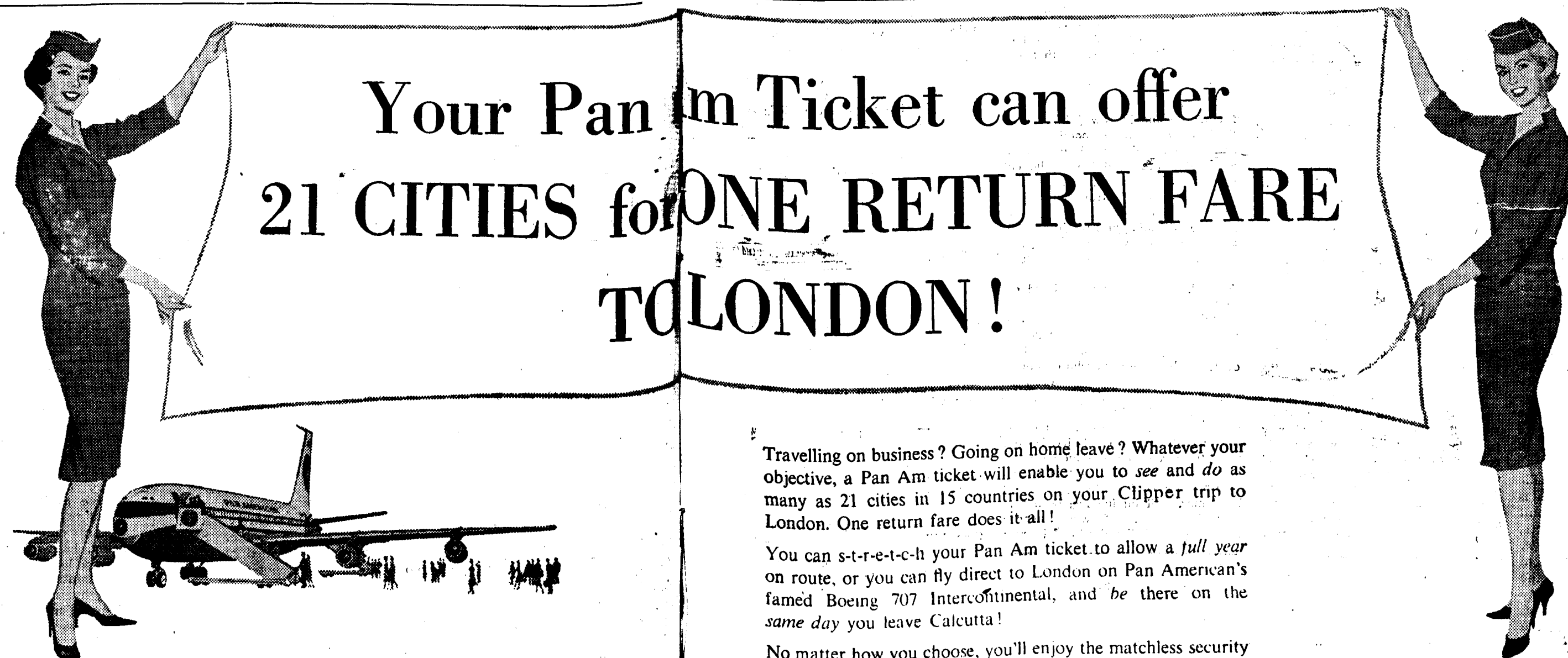
remain infructuous because of delays or irregularities in the supply of power from the Government projects.

In view of the overall shortage of power, Government, it may be supposed, should have no objection on merits to permit industries which are able to make their own arrangements for power, and to find the necessary resources, to set up their plants. But the position, however, is not so simple. The capital cost of the plants in rupees or foreign currencies represents only a part of the total

resources required for the generation of power. Before any proposal by an industrial establishment to set up its own generating plant is approved, the Planning Commission will also have to take into account the possibility of making available the resources, in the way of fuel, required for running the plant. If the plant runs on oil, foreign exchange will have to be earmarked for the purpose; if on coal, arrangements will have to be made for transport of the additional quantities of coal for which provision has not been

made in the transport plan. The present state of affairs regarding the transport of coal does not encourage the hope that this will be practicable.

In fact the most disturbing feature of the implementation of the Plan is the apparent helplessness of the authorities concerned in the face of the transport crisis that has been developing over the last two years. To say the least, it is not very encouraging to be told, at this stage, that the Planning Commission has set up a Working group to draw up a fully



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co-ordinated programme for the production of coal and its transport to the consuming centres; for this only serves to highlight the lack of co-ordination of the programme that has already been drawn up. The crisis in coal transport appears to be the result, not so much of failure of the different departments concerned with the implementation of the plan, as of the failure to draw up adequate programmes in time. The difficulties are aggravated by the number of agencies whose activities have to be co-ordinated. The individual Ministries whose estimates of requirements have not been accepted in full by the Planning Commission feel that they cannot be held to account for the final result so long as they have carried out the programme allotted to them.

The Coal Dumps Scheme about which a lot is heard is an example of inadequate planning. The Railways' plan to set up dumps has apparently been approved without making provision for roads or vehicles to carry the coal from the dumps to the consumers. There is nothing to show that the target for the production of commercial vehicles as indicated in the Draft Outline has been revised to include provision for the additional vehicles required for the coal dumps scheme which was thought up subsequently. The indications are that the implementation of the coal dumps scheme will be halting and the benefits of bulk transportation of coal will be not be realised in actual practice.

There is no doubt that the difficulties experienced as the Plan is being implemented are the result of overall shortage of resources, principally of foreign exchange, which leaves little elbow room for adjustment of the size of the sectoral plans. But the shortage of total resources need not stand in the way of readjustment of the order of priorities or the phasing of the projects where it is clearly necessary. The current shortages of power and coal which have made hay of production schedules support the case for stepping up the level of investment in the early stages of the Plan for the speedy implementation of power and transport programmes, even if such action involves holding up of some of the industrial programmes for a short period. The Industries Advisory Council was told that the Railways have been permitted to spend up to 40 per cent over the original allocations for this year, for implementation of their development plans ahead of schedule in the crucial sectors. The review of the progress of plan implementation undertaken by the Planning Commission will be meaningful if it is accompanied by similar rethinking, as regards other sectors, on the question of priorities of implementation if not allocation of total resources.

Markets

JUTE Heavy Rawjute Arrivals

THE jute markets displayed a quiet trend during the past week. Sentiment in the goods section was adversely affected by the continued absence of foreign enquiries and the measures initiated by the East India Jute and Hessian Exchange with a view to curb speculation. However, the decline in price levels was comparatively small in hessian presumably due to the prevailing belief that the US might evince increasing interest in the primary market in coming weeks. The figures relating to burlap consumption in US during October seem to be partly responsible for this belief. Burlap consumption in October has increased by one million yards to 95 million yards. The fact that October-end stocks at 206 million yards show a rise of 3 million yards over September-end stocks despite higher consumption is indicative of increased US buying interest.

Prices in the raw jute market eased during the past few days. Evidently the large arrivals of raw jute during last month were partly responsible for the depressed mood of the market. Arrivals of raw jute in Calcutta and mill stations in October amounted to 669,390 bales as compared to 529,100 bales in the previous month. Of the total Indian

jute amounted to 608,910 bales against 483,840 bales. Imports from Pakistan were 60,480 bales against 45,260 bales in September. Arrivals of raw jute so far this season, July to October, are substantially higher at 1,708,870 bales compared to 1,415,110 bales in the corresponding period last year. With such large arrivals it is not surprising that mills have not been very keen on buying their requirements in a hurry.

It is however to be noted that any further decline in raw jute prices is likely to revive the demand for measures to maintain raw jute prices at levels that are equitable to the cultivators. At its meeting in Calcutta last week the Central Supervisory Body for jute thought it should be possible to maintain raw jute prices at reasonable levels by merely regulating mill purchases as supply would not be much in excess of demand. It was further pointed out that the quantity of jute purchased by mills during the last two months would be about 700,000 bales of Indian jute each month. It will be evident that mill purchase atleast in the past two months had been stepped up considerably. It is unlikely that mills have reduced their offtake of raw jute during the current month. The possibility is that with their requirements increased as a result of the unsealing of a further 2½ per cent of looms from 13 November, mill buying has been further stepped up. It would appear therefore that the decline in raw

jute prices noticeable now has occurred despite continued good offtake by mills. Hence the present trend is the result of nervousness on the part of holders brought about by a temporary dull in mill purchase. This view seems to be borne out by the fact that during the past one or two days raw jute prices have tended to stabilise at the lower levels in response to sustained mill interest. However the LJMA has indicated that it will take suitable measures to ensure that raw jute prices do not decline any further.

The Forward Markets Commission has also initiated steps to arrest any further deterioration in raw jute prices. The Commission has, with immediate effect, fixed minimum prices for forward trading in raw jute, on both hedge contracts and transferable specific delivery contracts, for the respective periods for which forward trading has so far been permitted by the Commission. The levels at which these minimum prices have been fixed correspond to Rs 30 per maund for Assam bottoms delivered at Calcutta.

Gunny prices lost ground in the past week ended Thursday partly in sympathy with the raw jute market and partly due to lack of buying interest. Overseas interest was confined to small and immediate delivery shipments. At one time there were rumours about impending orders for a sizable quantity of hessian but it would appear that they had gone to Pakistan. The slight increase in US burlap consumption in October together with a rise in stocks in that country seemed to have renewed hopes of early revival of US interest in Indian hessian. That was responsible for the fact that the decline in hessian prices has not been as steep as in the heavy goods section. A feature of the past week's trading is that mills have been selling more freely than hitherto in forward positions.

In the raw jute section, mills showed little interest in the market in the first half of the week and as a consequence prices were daily marked down. With the revival of mill purchases from Monday onward the downtrend was checked.

TEA ★ Outlook

THERE is again a fall in the prices obtained at the export auction held this week. This is mainly due to the larger supplies. Both foreign and domestic consumers are inclined to take their requirements slowly in view of the prospects for a further decline in the price level. It is generally believed that supplies will be more than adequate during the current season.

The softer trend in prices has set in, in spite of a smaller crop being harvested in North-East India during October, when the output showed a decline of 2 million pounds as compared with the corresponding month of last year. Up to the end of October this year, however, North-Indian production has amounted to as much as 529.4 million pounds as against 461.6 million pounds in the corresponding period of 1960.

World supplies are now running about 88 million pounds ahead of the 1960 figure. Even allowing for the increased consumption, there is likely to be some imbalance between supply and demand. The immediate market prospects are not therefore, favourable to the producer. The trade even thinks that the prices for Plain teas may fall still further before any upward trend can be hoped for.

Production of tea in South India was estimated slightly higher at 15.4 million pounds in October as against 13.1 million pounds in October last year. In the first ten months of the current year, however, total output is lower at 139.7 million pounds as against 142.8 million pounds in the corresponding period of last year.

With 8.55 million pounds in October, production in Pakistan during the first ten months of the current year, has risen to 49.65 million pounds from 32.81 million pounds. East Africa has remained static at 69 million pounds to the end of August, while Indonesia has registered a nominal gain of one million pounds at 57.6 million pounds to the end of July.

With 41.73 million pounds in October, total exports of North-East Indian tea, in the first ten months of the current year, are higher at 265.24 million pounds as compared to 200.06 million pounds in the similar 1960 period. Tea supplies to the UK rose from 120.39 million in January/October 1960 to 162.7 million pounds in the period under review. Imports into the USA, however, showed a decline to 81.27 million pounds in the first nine months of the year from 90.23 million pounds in the corresponding period of 1960.

Although exports have so far been heavier than in 1960, the average prices are lower than the previous season's. This is mainly due to the fact that foreign countries not willing to pay higher prices in view of the adequate supplies in the world market. Considering that in 1960 supply and demand were more or less in balance, it is feared that the weight of supplies during the current year will result in further softening of the prices.

This may probably be the reason that the Tea Board has decided to suspend, until further orders, the existing system of allotment of quotas to tea estates for export of tea. Tea can now be exported without any quantitative limit during the financial year. Export of each consignment will, however, continue to be covered by an export licence issued by the Tea Board on payment of the prescribed fees. It would be recalled that the quota system for tea export was introduced in 1933.

Meanwhile in the Export Sale held in Calcutta, offerings were 72,889 packages. There was only a fair demand. Prices for most descriptions showed a considerable decline and there were a number of withdrawals. Plain Broken opened 20 nP easier; but declined further during the course of the sale and were often up to 40 nP easier towards the close. Clean Black Fannings were generally 10 to 20 nP easier; but poorer sorts were often 40 nP below last rates.

The few orthodox Assam descriptions with useful liquors were well

supported and were sometimes dearer; but most teas of the medium or poorer category were considerably easier. CTC teas were irregular; but the best were well supported. Secondary sorts and inferior CTC types were weak. Legg-cut teas met with a restricted enquiry and were 30 nP to 40 nP below last rates. Darjeeling and Tippy teas met with a fair enquiry, while Plain broken were 10 nP and sometimes 20 nP easier. More stylish Leaf grades were, however, once again a weak feature of the sale. Following rates were quoted:—Clean Plain Pekoe Rs 3.85 to Rs 4.00; Plain BP Rs 3.50 to Rs 3.70; Plain Fannings Rs 3.40 to Rs 3.80; Medium Assam CTC BP Rs 4.10 to Rs 4.50; Medium Assam CTC Fannings Rs 4.10 to Rs 4.50; Best Assam CTC BP Rs 4.80 to Rs 5.30 and Best Assam CTC Fannings Rs 4.90 to Rs 5.50.

In the Internal Sale, offerings consisted of 24,822 packages of Dusts and 276 packages of Leaf grades. There was a strong general demand for Dusts. CTC types with clean leaf appearance met with keen competition and advanced by 30 nP per kilo and sometimes more. Fibrous teas of this category were, however, irregular. Plain orthodox varieties opened 5 nP to 10 nP easier; but the demand for this category strengthened as the sale progressed. The better liquoring dusts were dearer throughout.

Non-wither legg-cut teas came to a good market although prices were irregular. The few Darjeeling dusts, on offer, were sold extremely well. Following rates were quoted:—Plain Orthodox Dust Rs 3.75 to Rs 4.00; Medium Assam Dust Rs 4.00 to Rs 4.20; Legg-cut Dust Rs 4.20 to Rs 4.80; Medium Assam CTC Dust Rs 5.50 to Rs 5.85 and Good Assam CTC Dust Rs 6.20 to Rs 6.50.

Stocks of tea in Calcutta warehouses were higher at 929,168 chests at the end of October as against 746,832 chests on the corresponding date of last year. Out of the total stocks at the end of last month, 560,407 chests were held in public warehouses and 368,761 chests in the private warehouses as compared to 438,666 chests and 308,186 chests respectively at the close of October last year. Teas afloat at the end of October were, however, lower at 9,763 chests as against 37,567 chests on the corresponding date of last year.

In the Cochin market, offerings were 412,000 kgs of tea Dusts. Against a fair demand, low medium and medium sorts were irregularly 10 nP to 20 nP a kilo easier. High-grown were irregular and lower. Coloury medium were slightly easier, while residuals were the weakest feature of the sale.

In London auction, offerings were 15,150 packages of Ceylon tea. There was good competition for the best liquoring teas at slightly higher prices with all other useful liquoring mediums and high-grown being fully firm. The lighter and plain liquoring teas were, however, generally 1d to 2d per pound easier. Low-grown were up to a half penny down. South Indian teas were again an irregular market with prices for the most part easier, especially for the lower quality descriptions. Offerings of South Indian teas amounted to 6,382 packages.

Tea stocks in London were slightly higher at 7.06 million kg at the end of October as against 68.4 million kg on the corresponding date of last year. While spot stocks increased from 54.8 million kg at the end of last month, afloat stocks declined from 13.6 million kg to 11.3 million kg.

COTTON ★ Futures Unnerved by Special Margins

BARRING the initial reaction, the imposition of special margins on the cotton hedge contracts by the Forward Markets Commission in Bombay and other places failed to arrest the rising trend in prices. Strangely enough, the margins drew fresh strength from the adoption of the restrictive measures by the FMC. After having slightly slipped to Rs 643 from Rs 646 in Tuesday's deals, the Jarilla March shot up further to a new high of Rs 658 per three quintals. Bulls, who have reported to have paid a large amount as margins, appear to be determined to raise prices as they consider the outlook for cotton bullish. But later, the contract reacted mildly to Rs 650.25 on bull liquidation presumably due to the apprehension of the introduction of fresh curbs on the market.

Close on the heels of the announcement of the margins by FMC, the Government of India has reimposed compulsory survey of Indian cotton during the current season and steps are being adopted for the appointment of regional committees in different areas for this purpose. The decision was taken in response to the representations made by the Cotton Advisory Board, the Indian Cotton Mills Federation and the East India Cotton Association. It may be noted that the Government had earlier removed the system of compulsory survey on the anticipation of favourable cotton supply position in the season, but largely owing to the unfavourable weather conditions, the position has since altered substantially. Despite the imposition of compulsory survey the cotton futures market ruled steady. The trade and growers have raised their protest at the reimposition of the survey and alleged that such a step would be detrimental to their interests. Naturally enough, speculation in market is rife about the steps which the Government might adopt to prevent the rigging up of prices. Imposition of further curbs on the trading is likely as the Government is bent upon to keep the prices well within the official ceiling.

An outstanding development in the spot market at Sewri, during the week under review, was the sudden improvement in the outlook for cotton exports chiefly due to the renewed demand for Bengal Deshi and other short staple varieties from Japan. It has been reported that that destination during the past few days have accounted for nearly 20,000 bales. The export quotation is reported to have gone up by 3d to 19d per lb cif Bombay. Vijay, Kalyan and Moglaj met with renewed demand. Keen

interest was also visible in Khandesh and Berar.

In the import section, the African section firmed up due to the scarcity of the goods. Spinner interest in higher grades of Sudanese cotton was on the whole well maintained. Meanwhile the trade is expecting the announcement of a fresh import quota by the Government of India.

Stocks of cloth with the mills are progressively accumulating as can be seen from the accompanying table:

	Total
May	268,500
June	317,300
July	339,300
August	367,300
September	394,800

Piecegoods

The Bombay piecegoods market during the past week appeared to be listless. The encouraging business transactions evinced during the "moorat" failed to produce any improvement in the market.

The turnover both in the export and domestic sectors was limited. The main factors for the dull trading were the unwillingness on the part of the merchants to dispose of their goods at the prevailing prices and the reluctance of purchasers to enter into any deals at this stage.

Demand from upcountry centres was meagre. Seasonal goods like coating were completely neglected. Stray enquiries for the next season's goods like shirtings, clothings, mulmuls and volles were reported during the week under review. Stringent money conditions was also partly responsible for the dull trading in the market.

Prices of many of the available varieties were left unaltered. Anxiety on the part of some mills to sell at least part of their stocks of dhoties and saris was evident but demand for these goods was negligible. Stray demand for power-loom goods was reported and it is expected that demand will improve further within the next few weeks.

Export front depicted a sorry spectacle. Bookings to overseas destinations including the UK were meagre. Singapore's fancy was focussed on bleached white drill, khaki and white satin jean drill. Australia evinced keen interest in grey cloth, terry towels, mattress and flannelettes. France's interest was for coarse sheetings while New Zealand turned toward denims, drills, sheetings and pillow cases.

★ Sugar Crisis

SUGAR prices in various markets have continued to display an easier tendency in the absence of demand. Mills are stated to be anxious sellers on the fear that the monthly quota will be released soon. Some of the factories in the Uttar Pradesh State are likely to start new production late by about a month.

In West Uttar Pradesh, the sulphitation sugar factories are finding it difficult to market their produce even at the former controlled price, while the carbonisation mills are quoting their produce at higher than the controlled rate. Stocks with the factories were put at a high figure

PRICE TRENDS					
		As on 16 Nov. Rs.	High- est Rs.	As on 22 Nov. Rs.	
Hessian:					
45"×11 ozs.	...	57.75	58.00	57.25	
40"×10 ozs.	...				
Ready	...	51.00	51.25	50.25	
December	...	48.25	48.50	47.00	
January-March	...	46.25	46.30	45.00	
40"×8 ozs.	...	41.50	41.50	40.75	
40"×7½ ozs.	...	38.50	38.50	37.75	
Sackings:					
B Twills—					
Ready	...	139.00	139.25	134.00	
December	...	131.00	131.25	126.50	
January-March	...	125.25	127.00	121.50	
Heavy Ceers (Green)	...	138.00	139.50	132.00	
Cornsacks	...	138.00	138.00	133.00	
Cubans	...	174.00	174.00	170.00	
A Twills	...	167.00	167.00	162.00	
L Twills	...	157.50	159.00	153.50	
D. W. Flours	...	162.50	162.50	158.00	
Sugar Twills	...	159.00	159.00	154.00	
Ready Raw Jute:					
Assam Bottoms	...	31.00	31.50	30.00	
Northern Bottoms	...	31.00	31.50	29.50	
Daisee	...	33.50	33.50	32.00	
Futures:					
Hessian—November	...	50.80	49.46	49.90	
Hessian—February	...	45.38	45.04	45.16	
Sacking—November	...	134.75	129.90	129.90	
Sacking—February	...	124.45	120.20	121.15	
Raw Jute—December	...	31.94	30.86	30.96	

THIS IS ONLY AN ANNOUNCEMENT AND NOT A PROSPECTUS

Applications are invited on the basis of the Prospectus, copies whereof are available from the Company's Bankers, Underwriters and Brokers mentioned herein, and its Registered and Regional Offices.

A copy of the Prospectus together with the documents required to be attached thereto has been duly filed with the Registrar of Companies, Assam, for registration. Consent of the Central Government has been obtained to this issue. An Industrial Licence has been obtained from the Central Government for the establishment of this new industrial undertaking. An application has been made to the Calcutta Stock Exchange for permission to deal in and for quotations of the Shares of the Company.

THE SUBSCRIPTION LIST WILL OPEN AT THE COMMENCEMENT OF BANKING HOURS ON MONDAY THE 4TH DECEMBER 1961 AND WILL CLOSE ON SATURDAY THE 9TH DECEMBER 1961 OR EARLIER AT THE DISCRETION OF THE DIRECTORS BUT NOT BEFORE THE CLOSE OF BANKING HOURS ON WEDNESDAY THE 6TH DECEMBER 1961.

INDIA CARBON LIMITED

(Incorporated on 12th June 1961 Under the Companies Act, 1956)

AUTHORISED CAPITAL:

50,000 Preference Shares of Rs. 100/- each	Rs. 50,00,000
10,00,000 Equity Shares of Rs. 10/- each	Rs. 1,00,00,000
	Rs. 1,50,00,000

ISSUED CAPITAL:

2,300 Equity Shares of Rs. 10/- each fully paid up, payment having been made in cash by subscribers of the Memorandum and Articles of Association	Rs. 23,000
47,700 Equity Shares of Rs. 10/- each, Rs. 5/- paid up, payment having been made in Cash by Promoters, Directors and their friends and associates	Rs. 4,77,000
	Rs. 5,00,000
	Rs. 50,000

PRESENT ISSUE:

10,000 9.3% (taxable) Redeemable Cumulative Preference Shares of Rs. 100/- each	Rs. 10,00,000
3,50,000 Equity Shares of Rs. 10/- each	Rs. 35,00,000
	Rs. 45,00,000

OUT OF THE PRESENT ISSUE:

- (1) The Government of Assam have agreed to subscribe for and will be allotted 10,000 Redeemable Cumulative Preference Shares of Rs. 100/- each for cash Rs. 10,00,000
- (2) Promoters, Directors and their friends and associates have agreed to subscribe for and will be allotted 71,700 Equity Shares of Rs. 10/- each for cash Rs. 7,17,000
- (3) (a) Great Lakes Carbon Corporation, New York, U.S.A. have agreed to subscribe for and will be allotted 1,20,000 Equity Shares of Rs. 10/- each for cash Rs. 12,00,000
- (b) Great Lakes Carbon Corporation, New York, U.S.A. will be allotted 40,000 Equity Shares of Rs. 10/- each credited as fully paid up for consideration other than cash being the technical 'know-how' and 'show-how' fees Rs. 4,00,000
- (c) 300 Equity Shares of Rs. 10/- each to non-residents for cash Rs. 3,000

NOW OFFERED AT PAR FOR PUBLIC SUBSCRIPTION:

1,18,000 Equity Shares of Rs. 10/- each	Rs. 11,80,000
	Rs. 45,00,000

TERMS OF PAYMENT:

	For Equity Shares:	For Preference Shares:
(a) On Application	Rs. 2.50	
(b) On Allotment	Rs. 2.50	Rs. 50.00
(c) Balance on call or calls to be made subsequently but not earlier than 3 months after allotment	Rs. 5.00	Rs. 50.00
	10.00	Rs. 100.00

BOARD OF DIRECTORS:

1. Shri P. D. HIMATSINGKA, M.P., Solicitor and Notary Public
6, Old Post Office Street, Calcutta-1.
Director of:
1. The United Commercial Bank Ltd.
2. Birla Cotton Spg. & Wvg. Mills Ltd.
3. Kesoram Indus. & Cotton Mills Ltd.
4. Birla Jute Mfg. Co., Ltd.
5. Jay Shree Textiles Ltd.
6. Star Paper Mills Ltd., etc.
2. Mr. W. R. McCONNELL, Vice-President & General Manager
18, East 48th Street, New York, U.S.A.
Carbon Division:
Great Lakes Carbon Corporation, U.S.A.
3. Mr. RUSTON WALTER SKAKEL, Vice-President:
18, East 48th Street, New York, U.S.A.
Great Lakes Carbon Corporation, U.S.A.
4. Shri KAMAL NAYAN BAJAJ, Industrialist & Director of:
M.P.,
Bhagwati Bhawan.
1. The Punjab National Bank Ltd.
2. Delhi Cloth & General Mills Ltd.
3. Khandelwal Ferro Alloys Ltd.
4. Bajaj Auto Ltd.
5. Bajaj Electricals Ltd.
6. Bombay Oxygen Corpn. Ltd., etc.
5. Shri B. P. AGARWALLA, Industrialist & Director of:
Jharia (Bihar).
1. Seepore Coal Co. Ltd.
2. Bengal Nagpur Coal Co., Ltd.
3. North West Coal Co., Ltd.
4. Dhansar Engineering Co. Pvt. Ltd.
5. Jharia Firebricks & Pottery Works Pvt. Ltd.
6. B. P. Agarwalla & Sons Pvt. Ltd.
6. Shri SARAT CHANDRA KAGTI, Development Commissioner,
Shillong. I.A.S.
Govt. of Assam.
7. Shri B. HIMATSINGKA, Industrialist & Director of:
6, Old Post Office Street, Calcutta-1.
1. Thakurdas Sureka Iron Foundry Ltd.
2. Bharat Plastics Ltd.
3. Himatsingka Timber Ltd.
4. Assam Plywood Ltd.
5. Jorhat Electric Supply Ltd.
6. Construction & Mining Equipment Co., Pvt. Ltd., etc.

MANAGING DIRECTOR:

Shri B. Himatsingka is proposed to be appointed as Managing Director of the Company for a period of 5 years from the date the Company is entitled to commence business on such terms as may be approved by the Company in General Meeting and by the Central Government.

TECHNICAL AND FINANCIAL COLLABORATORS:

GREAT LAKES CARBON CORPORATION, U.S.A.

BANKERS:

1. THE UNITED COMMERCIAL BANK LTD.,
2. India Exchange Place, Calcutta-1.
2. THE PUNJAB NATIONAL BANK LTD.,
18A, Brabourne Road, Calcutta-1.
3. THE CENTRAL BANK OF INDIA LTD.,
33, Netaji Subhas Road, Calcutta-1.

SOLICITORS:

Messrs. P. D. HIMATSINGKA & CO.,
6, Old Post Office Street, Calcutta-1.

AUDITORS:

Messrs. D. BASU & CO.,
10, Old Post Office Street, Calcutta-1.

UNDERWRITERS:

Messrs. PLACE, SIDDON & GOUGH (PRIVATE), LTD.
6, Lyons Range, Calcutta-1.

The entire aforesaid issue of 118,000 Equity Shares offered to the Public has been under-written by M/s. Place, Siddons & Gough (Private), Ltd.

BROKERS:**CALCUTTA**

Messrs. PLACE, SIDDON & GOUGH (PRIVATE), LTD.
6, Lyons Range, Calcutta-1.

Messrs. G. M. PYNE,
Allahabad Bank Buildings,
India Exchange Place, Calcutta-1.

Messrs. BHUWALKA & SONS,
8, India Exchange Place, Calcutta-1.

BOMBAY

Messrs. BATLIVALA & KARANI,
Union Bank Buildings,
Dalal Street, Fort, Bombay-1.

Messrs. LEWIS & JONES,
Bank of Baroda Building,
Apollo Street, Fort, Bombay-1.

Messrs. HARKISONDASS LUKHMIDASS,
5, Hamam Street, Fort, Bombay-1.

MADRAS

Messrs. PATERSON & CO.,
22, Errabalu Chetty Street, Madras-1.

DELHI

Messrs. M. R. DHAWAN & CO.,
4/8, Asaf Ali Road, New Delhi-1.

REGISTERED OFFICE:

Saraniam, Gauhati (Assam).

REGIONAL OFFICE:

6, Old Post Office Street, Calcutta-1.

OBJECTS OF THE COMPANY:

The Company was incorporated on 12th day of June, 1961 for the purposes set out in the Memorandum of Association of the Company and in particular to establish a factory at Gauhati to Manufacture Calcined Petroleum Coke and Calcined Anthracite Coal with an initial annual capacity of 50,000 tons.

Calcined Petroleum Coke is one of the basic materials required for production of Aluminium and other Electro-Chemical and Electro-Metallurgical products, viz., Ferro-Alloy, Ferro-Manganese, Ferro-Silicon, Calcium, etc. In Aluminium its consumption is 0.43 ton for one ton of Aluminium ingot. At present, India is entirely dependent on imports and with increased industrial activity during the Third Five-Year Plan, the requirements of Calcined Petroleum Coke are estimated to be more than 70,000 tons. The Company is the first in India to undertake the production of Calcined Petroleum Coke and Calcined Anthracite Coal. The Company's first Plant at Gauhati would result in saving of foreign exchange to the extent of Rs. 1.20 crores to Rs. 1.50 crores annually and may earn some foreign exchange through export of Calcined Petroleum Coke after meeting the Home demand in full, which is estimated to be as follows:—

Industry.	Year 1962.	Production in tons	Consumption of Calcined Petroleum Coke Yearly:	Consumption of Calcined Anthracite Coal Yearly:
Aluminium		57,500 tons	24,750 tons app.	nil
Soderberg Paste for Ferro-Alloys, Ferro-Manganese, Ferro-Silicon.		13,000 tons	12,000 tons app. or 6,000	and 6,000 tons app.
Electric Pig-Iron and Calcium Carbide.				

FACTORY SITE:

The Factory will be located on a plot of land measuring about 25 acres adjacent to the Gauhati Refinery from where the bulk of raw material supplies would be received through existing railway line belonging to the Gauhati Refinery. The Plant site is near the Brahmaputra River which is navigable throughout the year and is next to the main Railway Line. Ample Water, Fuel Oil and cheap Electricity are readily available at site and have been arranged for. The land is sufficient to meet the needs of future expansion.

RAW MATERIALS:

50,000 tons of Raw Petroleum Coke would be available to the Company from Gauhati Refinery and Digboi Refinery with whom contracts for exclusive supplies of their entire production have been finalised. Anthracite Coal of required quality may be available in sufficient quantities from Jammu and Kashmir Mines.

The Plant is expected to go into production before the end of 1962.

TECHNICAL AND FINANCIAL COLLABORATION:

The Company has entered into an agreement with one of the largest Private Corporation of U.S.A., Messrs. Great Lakes Carbon Corporation, who are world's leaders in the production of Calcined Petroleum Coke and Calcined Anthracite Coal. The collaborators are participating in the Equity Capital of the Company to the extent of Rs. 16 lakhs. They will provide all the technical 'know-how' and 'show-how' for design and operation of the Plant and make available continued assistance and information to improve Product Quality, Operating Costs and Marketability. They will arrange for purchase of Plant and Equipment in U.S.A., make available experienced and qualified personnel for erection and initial operation of the Plant and train Indian personnel in their Plants in U.S.A. and assist in sale and export of the product.

PROFITABILITY:

The Directors are of the opinion that within the first year of the working of the Company's factory, the profit will be sufficient to ensure reasonable dividend return to the Shareholders of the Company.

CAPITAL OUTLAY:

The total estimated cost of the Project will be about Rs. 80,00,000 as under:—

(a) Land and Buildings and cost of engineering, erection of Plant and Machinery as per estimates made in 1961	Rs. 62,50,000
(b) Cost of "know-how" and technical assistance (by issue of Equity Shares)	Rs. 4,00,000
(c) Preliminary Expenses including underwriting commission, brokerage and other expenses of the issue	Rs. 1,15,000
(d) Promotional Expenses incurred for technical and commercial investigations and negotiations	Rs. 2,35,000
(e) Working Capital	Rs. 10,00,000
	Rs. 80,00,000

FINANCIAL RESOURCES:

1. SHARE CAPITAL:
10,000 Preference Shares of Rs. 100/- each Rs. 10,00,000
4,00,000 Equity Shares of Rs. 10/- each Rs. 40,00,000
2. Loan from I. C. I. C. I. Ltd., and/or EXIM Bank, Washington Rs. 30,00,000
| | Rs. 80,00,000 |

L.C. I. C. I. Ltd., Bombay have agreed in principle to grant Rs. 30 Lacs long-term loan in Indian Rupees and the EXIM Bank, Washington has also agreed in principle for the grant of loan of U.S. Dollars 4,78,000.

MINIMUM SUBSCRIPTIONS:

The Minimum Subscription in respect of Public Issue on which the Directors will proceed to allot shares is Rs. 11,80,000/-. The subscription of this amount is assured by reason of the underwriting referred to herein.

BROKERAGE AND COMMISSION:

Under-writing Commission at 2½% of the nominal value of the Equity Shares is payable to the Under-writers.

Brokerage at the rate of 1% of the face value of the shares will be paid on allotment in respect of Application Forms bearing the stamp of the Bank or the Member of the recognised Stock Exchange.

SPECIAL BENEFITS:

The Company will get the benefit of the Development Rebate and also exemption from tax under Section 15(c) of the Indian Income-Tax Act and the Shareholders will be entitled to exemption from Wealth Tax on their holdings for a period of 5 years under Section 5(1) (XX20) of Wealth Tax Act. For Corporate Bodies, it will attract provision of Section 56(a) of Indian Income-Tax Act.

INSPECTION OF DOCUMENTS:

Copies of Prospectus and necessary documents mentioned therein are open for inspection at the Registered Office of the Company or at its Regional Office at Calcutta during business hours.

APPLICATION FOR SHARES:

Application for Equity Shares must be for a minimum of 25 shares on multiples thereof.

Application Forms properly completed must be lodged together with the amount payable on Application before the closing date of the subscription list with the Bankers of the Company or their main branches at Ahmedabad, Bangalore, Baroda, Bombay, Delhi, Gauhati, Hyderabad, Kanpur, Madras, Shillong, and Surat.

PROSPECTUS AND APPLICATION FORMS:

Copies of the Prospectus and Application Forms may be obtained from the Registered Office of the Company, Saraniam, Gauhati, its Regional Office, 6, Old Post Office Street, Calcutta-1, its Bankers, Brokers, and Underwriters whose names are mentioned above.

of 11.91 lakh tons at the end of last month as against only 5.95 lakh tons in the corresponding period of last year. Production, during the same period, was estimated at 29.77 lakh tons as against 24.21 lakh tons in 1959-60.

The sugar industry in the Punjab is also reported to be facing a crisis due to over-production and accumulation of stocks. Another difficulty with which the industry is faced is the fixation of price of molasses at a very low rate of 68 nP per 100 kg; but the industry in the State has demanded that different rates should be fixed for the manufacture of potable liquor and power alcohol.

In view of the various difficulties facing the industry, the Government of India is understood to have agreed to regulate sugar releases in such a manner as not to precipitate a further fall in prices. The prices are to be maintained around the previous ex-factory controlled rate of Rs 37.85.

Mill interests have been greatly perturbed over the falling prices since the commodity was decontrolled. The present fall in prices and the blanket cut of 10 per cent from the production of last year without taking into consideration the individual mills' difficulties are, it is feared, will retard the growth of the industry and defeat the very purpose of the proposed measure.

Bihar mills particularly have represented to the Government against the decision for a cut in production and sought modification of the basis on which the proposed cut is to be effected. They have suggested that the cut should be on the basis of the average production over the period of five years or so and not of the last year's. In this connection, the Sugar Mills' Association has stated that a reduction in the excise duty, the creation of a buffer stock of about 500,000 tons and the maximisation of sugar exports, will be necessary to lighten the burden of huge stocks.

FOODGRAINS

In the Hapur Foodgrains market, prices ruled generally steady. Wheat recorded fractional gains at Rs 15.50 a maund for the average quality and up to Rs 17 for the farm produce. The market for Rice continued to remain depressed on account of increased inflow of the new crop. Gram, however, ruled steady and so also the market for Barley. Prices of Peas and Arhar improved fractionally, thanks to brisk demand for conversion into dal.

CHEMICALS & DYES

Trading conditions in the Bombay Dyes and Chemicals markets were slightly better during the week under report.

The Dyes market became active due to the flow of enquiries for Indigo, Vat Violet, Naphthol, etc. Although the prices of these items have not shown any material improvement it is felt that they might have gone down further, but for these enquiries. Whether this improvement will herald an upward move-

ment is difficult to say. At any rate, there is general belief that the prices are now being held in check.

Among Chemicals, Hydrosulphate of Soda was in request at higher levels, the French and Belgian varieties fetching Rs 2/5/6. The ICI quality was in demand up to Rs 2/8/6. On the other hand, the improvement in supply accounted for a decline in the prices of Caustic Soda solid. The ICI quality dropped to Rs 49 and the Indian variety to Rs 44.45.

COFFEE

The Coffee Board has released 21,99,600 kilograms for export sale to any destination on 28 November. This will be out of the 1960-61 crop and will consist of 3,57,600 kilograms of Arabica Cherry; 2,35,800 kilograms of Arabica Monsooned; 13,12,800 kilograms of Robusta Cherry and 2,93,400 kilograms of Robusta Monsooned variety.

The total sales of coffee for export from the 1960-61 crop as on 1 November 1961 amounted to 27,258 tonnes. For the first ten months of the year, the Coffee Board has released 28,308 tonnes of coffee for internal consumption. Receipts into the 1960-61 Pool amounted to 67,386 tonnes up to 31 October.

CLOVES

There has been a landslide in the prices of Cloves, which have declined by more than Rs 25 per 10 kg since 19 November. In the Bombay market, the rate has slumped by Rs 60 to Rs 315 per 10 kg within a period of 10 days. The fall has been equally steep in several centres in South India as well as in other parts of the country.

Sentiment has been mainly affected by the prospects of improved supply. It is also stated that the STC will import a fairly large volume of cloves by the middle of next month. According to a section of the trade, these imports may be worth about Rs 5 lakhs and the distribution work is likely to be entrusted to an association formed by traders. The fact, that cloves from Zanzibar can be had at attractive prices, gives credence to this belief. The current price of cloves in Zanzibar is placed at Rs 60 per 28 pounds.

NON-FERROUS METALS

Prices on the Bombay Metal Exchange showed a mixed trend.

Tin prices improved moderately, as reports from Singapore, London and New York indicated that international tin prices were bound to rise in the course of the next few months. Observers felt that the estimated world shortage of tin of about 20,000 tons this year was likely to be aggravated, as the year drew towards its close. Dealers think that the prospect of the tin price crossing the mark of £1000 a ton is much more easy now than ever before.

Even though business in Copper section was much below normal, the feeling was generally better due to better spot demand.

Conditions in the Zinc and Lead sections have remained quiet with prices displaying an easier tendency on the news that major producers of these metals in the USA and Canada have cut their selling prices and that dealers are apprehensive of the Russian metals flowing into the market.

Although the world output of coffee during the current production year is lower, only a narrow trading market can be expected for the immediate future. This forecast, issued by Messrs Volkart Brothers Company, New York, is based on the slight downward modification in quota allotments provided in the in the International Coffee Marketing Agreement which has been renewed for another year with 28 producing countries participating, but with the significant absence of active support from any major consuming nations.

Another important factor is the additional carryover stock, which will be added to the already huge pile by the end of June 1962. The forecast adds that this may account for the liquidatory selling by 'longs' who must have suffered considerable losses. But a relieving feature is the improvement in world imports during the past seven months of this year with the US and some of the West European countries making favourable showing.

PEPPER

Conditions in Pepper markets have continued to rule better due to encouraging overseas advices coupled with poor stocks. In the Cochin market, the rate for the ready position is quoted at Rs 357 per quintal and Rs 355 for the December delivery.

New crop arrivals in the terminal markets are reported to be meagre and the market sources in Cochin expect a further rise in prices. Exports are adopting a "wait and watch" attitude.

GOLD & SILVER

Prices on the Bombay Bullion Exchange showed a mixed trend. While the Silver section ruled comparatively steady, Gold prices displayed an easier tendency.

In the Silver section, sentiment was favourably influenced by an expectation of large activity with the onset of the busy season. Higher upcountry advices were also a contributory factor. Arrivals amounted to 16 bars as against an offtake of 10 bars. Silver ready (below .996) changed hands at Rs 208.20 to Rs 208.65.

'Gold prices, however, were depressed to fresh lower levels following the increased carryover charge and large stocks in the market, estimated at 1,50,000 tolas. Of this, 50,000 tolas were the floating stocks, while the rest was against the budia. Arrivals were 8,000 tolas as against an offtake of only 4,000 tolas. Gold ready changed hands at Rs 121.25 to Rs 121.45, while Sovereign remained rather quiet at Rs 98.25.

OILS & OILSEEDS

The Bombay markets for Oils and Oilseeds presented generally a steady front. In the Groundnut section, trading highlighted by brisk activity in the spot section. The tempo of the marketing of the new crop was stated to have slowed down in the major producing areas with the growers being inclined to hold on to their supplies in anticipation of higher prices in future. Crushers and vanaspathi manufacturers also lent sustained support to the market. Sentiment was mostly aided by the reports of continued firmness in mustard seed in North India. Groundnut bold ready was quoted at Rs 44.25 and Groundnut Oil at Rs 18.55.

Although the outlook for the export of castor oil continued to be bleak, buyers in the Castorseed section managed to keep prices at a higher level. This was mainly due to the fact that, with the ceiling of Rs 215 for groundnut futures acting as a deterrent, the speculative attention was diverted to this section. Castor ready was quoted at Rs 32.25 and Castor Oil, commercial quality, at Rs 13.60.

Linseed was in the limelight after a dull spell. Upcountry operators, especially those from North India, were reported to be aggressive buyers. The sustained strength in rapeseed and mustard seed in North India also provided a strong bullish factor to the market. Ready Linseed was quoted at Rs 42.50 and Linseed Oil at Rs 18.10.

In the Calcutta market, the price of Linseed has again risen to Rs 31.50 a maund from Rs 30 for ready delivery. Although crushers were keen for obtaining more supplies, sellers were not keen to transact any forward business at current prices. In sympathy with seeds, prices of oil and oilcake also increased. There was good local demand, which was difficult to satisfy by the existing low stocks.

HIDES & SKINS

There were good choice of quality of tanned cow hides in the market and the price was also of an advantageous nature for dealers who were prepared to pay a little higher on quality. Clearances of cowhides were also quicker and there were not much arrivals too. Foreign buyers kept quiet in the market which ruled very quiet. Demands for inferior fifts continued to be fair. For semi premium marks of 8/8½ lbs negotiations were put through on the basis of 58d, 53d and 45d. Inferior fifts ruled at the same prove throughout the week.

In tanned cow calf exporting demand was fairly high. Reimbursement of tanned hides from outskirts was next to nothing and prices continued steady. Tanned buff hides also did not change. In tanned sheep skins prices did not change. Business was also little. Only in market quality loose lots were traded at unchanged rates of last week. There were also poor interest in this commodity.

Company Reports

Panchura Estates Pay Less

Panchura Estates Limited has reported a decline in the net profit from Rs 1.15 lakhs to Rs 28,798 for the year ended 30 June 1961. In respect of allocations, the Depreciation amount is reduced to Rs 7,007 from Rs 7,765, while no provision has been made for Taxation as the directors have felt that the balance, remaining in the Reserve, will be sufficient to meet the taxation needs for the current year. The directors have recommended a first and final dividend of 26 per cent, less tax, as against as much as 40 per cent, less tax, paid for the preceding year.

The company harvested a total quantity of 9,756 bushels of dry Cherry only and this has been valued at Rs 15 per bushel. A total quantity of 1,55,974 pounds of green leaf was harvested and it was sold at a contract rate of 25 nP per pound.

Board of Directors.			
Year ended June	1961	1960	1959
	Rs.	Rs.	Rs.
Coffee (Bushels)	9,756	11,235	12,873
Tea lbs	155,974	147,248	162,237
Net profit	28,798	115,444	124,645
Taxation	—	45,000	45,000
Depreciation	7,007	7,765	2,103
Div. A'm't. Ord'y	37,500	60,000	60,000
Carry Forward	51,941	67,650	64,971
Div. % Ord'y	25T	40T	40

(Annual General Meeting on 16-12-61 at 10 a.m.)

Board of Directors.			
Year ended June	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid-up	150,000	150,000	150,000
Reserve Fund	150,000	150,000	150,000
Other Funds	1,215	1,555	1,526
Loans Secured	113,257	96,615	103,255
Taxation Provn.	28,544	53,937	72,358
Debits	110,201	120,649	134,524
Carry Forward	51,941	67,650	64,971

Liabilities.			
1961	1960	1959	
Rs.	Rs.	Rs.	
G. Block	307,805	294,381	291,231
Depreciation	33,313	26,305	18,540
Block (net)	274,492	268,076	242,891
Stocks	101,451	146,275	159,792
Outstandings	18,052	9,698	7,427
Mis. Deposits and Advances	81,965	84,205	132,749
Investments	128,136	128,136	128,136
Cash	2,062	4,016	5,839
Total	606,158	640,426	676,634

Karamchand Thapar & Bros., (Coal Sales) Maintain Distribution

Karam Chand Thapar & Bros. (Coal Sales) Limited, is making a steady progress and accounts for the year ended 31 March, 1961 show a further improvement on those of the previous year.

Although sales of coal are shown lower at Rs 3.22 crores against Rs 4.54 crores, the net profit for the year, before providing for Depreciation and Taxation, amounts to Rs 15.70 lakhs as against Rs 12.84 lakhs for the preceding year.

Apart from providing Rs 2.50 lakhs for General Reserve, Taxation provision is raised to Rs 6.25 lakhs from Rs 6.00 lakhs and Depreciation to Rs 26,810 from Rs 18,759. The provision for Development Rebate Reserve is, however, lower at Rs 2,321 against Rs 4,175. The dividend is maintained at 24 per cent, subject to deduction of tax.

Board of Directors.			
Year ended March	1961	1960	1959
	Rs.	Rs.	Rs.
Sales Coal and Coke	33,104,337	46,506,993	62,643,721
Interest Div. and Mis. Incomes	2,741,034	2,137,912	1,400,746
Stocks	544,656	322,195	425,921
Net profit	1,570,097	1,283,877	1,538,196
Taxation	625,000	600,000	775,000
Depreciation	26,810	18,759	16,153
Reserve Fund	250,000	—	250,000
Development/Rebate Reserve	2,321	4,175	4,691
Div. A'm't. Ord'y	648,168	648,168	484,154
Carry Forward	82,466	64,468	51,693
Div. % Ord'y	24T	24T	18

(Annual General Meeting on 30-11-61 at 12 noon)

Synopsis of balance sheet as on the last day of March.			
Liabilities.	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid-up	2,700,700	2,700,700	2,700,700
Reserve Fund	1,850,000	1,600,000	1,600,000
Other Funds	361,187	358,866	354,691
Loans Secured	2,076,542	1,429,369	934,577
Taxation Provn.	1,565,535	2,229,694	2,127,012
Loans unsecured	11,716,265	9,836,722	7,694,673
Debits	18,146,971	19,445,506	21,843,933
Carry Forward	82,466	64,468	51,693

Assets			
1961	1960	1959	
Rs.	Rs.	Rs.	
G. Block	341,045	278,607	210,142
Depreciation	126,105	111,489	108,255
Block (net)	214,940	167,118	101,887
Stores	2,140	3,532	6,651
Stocks	600,612	342,965	504,780
Outstandings	8,699,562	10,879,589	10,698,156
Do. More than 6 months	964,528	—	—
Mis. Deposits and Advances	20,217,432	19,061,597	19,379,653
Investments	6,778,627	6,324,100	5,734,039
Cash	1,021,825	886,415	882,113

Expansion Progress of Tata Chemicals

ACCORDING to the circular issued to the shareholders by the Tata Chemicals Limited, the company's long range programme for the expansion of the production capacity in Soda Ash and other products made satisfactory progress during the year ended 30 June, 1961. Most of the remaining major units, planned for the Soda Ash Plant, were commissioned or completed during the year. Some time must, of course, elapse thereafter before the actual rate of output matches capacity, as the plant consisting, as it does, of many separate units and sub-units will have to be integrated into one smoothly operating whole before full production can be continuously sustained.

The company's expansion programme includes, in the final stages, a provision for doubling the capacity of the Chemical Caustic Soda plant. A final decision on this proposal will be taken after the recommendations of the Tariff Commission and Government's orders thereon are known. The company has made certain submissions to the Tariff Commission and, if they are accepted by the Commission and by the Government, the company will go ahead with the expansion of this plant.

This expansion, along with a number of other schemes the company has undertaken during the same period, will, from its inception in 1957-58, eventually cost Rs 6 crores, of which Rs 4.15 crores have been spent up to 30 June 1961. This expenditure was financed to the extent of Rs 1.86 crores from borrowings; Rs 1.17 crores from internal resources including allocations to depreciation and Rs 1.12 crores from additional share capital.

Subject to the consent of the Controller of

Capital Issues being obtained and subject to the conditions, if any, prescribed by him, the company has decided to issue further 5,03,920 ordinary shares of Rs 10 each of the existing 24,80,000 unissued ordinary shares of Rs 10 each. These shares will be issued and offered, at par or such premium as the Controller of Capital Issues may prescribe, to the holder of the existing ordinary shares in the ratio, as circumstances permit, of one further ordinary share to 5 existing shares, with option to such holders to apply for additional further ordinary shares. The full amount of Rs 10 per share (plus such premium, if any, as may be prescribed) shall be payable to the company on application for such further ordinary shares as aforesaid.

The further ordinary shares shall not confer on the holders thereof the right to any dividend declared at or prior to the annual general meeting to be held in the year 1961; but shall entitle such holders to all dividends declared after such meeting in proportion to the capital for the time being paid up on such shares and the period during which such capital shall have been paid up and such further ordinary shares shall, for all other purposes, rank pari passu with the existing ordinary shares of the company.

Meanwhile, the company's sales for the year have shown a rise to Rs 4.16 crores against Rs 3.41 crores, while the net profit, before providing for Depreciation, amounts to Rs 57 lakhs as against Rs 48.16 lakhs for the preceding year. In respect of allocations, the Depreciation amount is raised to Rs 23 lakhs from Rs 20.75 lakhs and Development Rebate Reserve to Rs 17.40 lakhs from Rs 14.35 lakhs. No provision is made for Taxation against Rs 1.05 lakhs previously. The dividend on the Ordinary shares is raised by 1 per cent to 6½ per cent, subject to tax.

Mg. Agents:—Tata Industries (Private), Ltd.

Year ended June			
1961	1960	1959	
Rs.	Rs.	Rs.	
Sales	41,511,064	34,102,948	32,000,000
Interest Div. & Mis. Incomes	723,216	973,593	1,400,746
Stocks	5,446,656	3,221,195	4,259,921
Net profit	1,570,097	1,283,877	1,538,196
Taxation	625,000	600,000	775,000
Depreciation	26,810	18,759	16,153
Reserve Fund	250,000	—	250,000
Development/Rebate Reserve	2,321	4,175	4,691
Div. A'm't. Ord'y	648,168	648,168	484,154
Carry Forward	82,466	64,468	51,693
Div. % Ord'y	24T	24T	18
Div. % Div.	7.14T	7.14T	18

(Annual General Meeting on 1-12-61 at 4-15 p.m.)

Synopsis of balance sheet as on the last day of June.			
Liabilities.	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid-up	2,700,700	2,700,700	2,700,700
Reserve Fund	1,850,000	1,600,000	1,600,000
Other Funds	361,187	358,866	354,691
Loans Secured	2,076,542	1,429,369	934,577
Taxation Provn.	1,565,535	2,229,694	2,127,012
Loans unsecured	11,716,265	9,836,722	7,694,673
Debits	18,146,971	19,445,506	21,843,933
Carry Forward	82,466	64,468	51,693

Assets			
1961	1960	1959	
Rs.	Rs.	Rs.	
G. Block	70,965,786	58,952,538	49,541,193
Depreciation	22,910,386	20,873,886	18,632,803
Block (net)	48,055,400	38,278,652	30,888,330
Plant and Machinery	—	—	1,097,695
Capital Exp. in progress	9,398,022	11,869,614	4,592,912
Deb. Issue Exp. etc.	246,000	240,000	—
Stores	13,898,084	14,646,734	12,781,228
Raw Materials	3,926,232	2,961,666	3,430,851
Stocks	4,569,178	3,111,353	3,516,578
Outstandings	2,413,761	4,115,972	3,475,168
Do More than 6 months	199,458	252,152	—
Mis. Deposits and Advances	1,315,446	1,447,206	2,955,700
Investments	1,878,120	1,878,120	1,878,120
Cash	762,175	407,652	885,657
Total	86,651,876	79,209,121	65,571,302

Quoted Shares

Reference Shares

CUTTACK

NAME	Paid-Quotation up per Share. 18-11-61 Rs nP	NAME	Paid-Quotation up per Share. 18-11-61 Rs nP
Lawrence 7%	100 67.45	Lawrence 7%	100 67.45
Lawrence 5 1/2%	100 66.97	Lawrence 5 1/2%	100 66.97
Nalhati 7%	100 98.00	Nalhati 7%	100 98.00
Nalhati 4 1/2%	100 84.00	Nalhati 4 1/2%	100 84.00
National 7%	100 81.80*	National 7%	100 81.80*
Nellimaria 6%	100 76.00	Nellimaria 6%	100 76.00
N. Central 7%	100 82.90	N. Central 7%	100 82.90
Northbrook 5 1/2%	100 69.50	Northbrook 5 1/2%	100 69.50
Rameshwara 6%	100 8.75	Rameshwara 6%	100 8.75
Reliance 7%	100 83.00	Reliance 7%	100 83.00
S. Ambica 7 1/2%	100 92.00	S. Ambica 7 1/2%	100 92.00
Soorah 7%	100 95.50	Soorah 7%	100 95.50
Union 7%	100 77.35	Union 7%	100 77.35
Waverley 5%	100 40.50	Waverley 5%	100 40.50

MININGS

Asso. Mining 5%	50 27.50
Ch. Mica 5 1/2%	100 45.00
Metal Corp. 5%	100 99.00

CEMENT

Dalmia Bharat 6%	10 7.94
Jaipur Udyog 3%	100 34.00
Kalyanpur Lime 7%	100 80.00*
Kalyanpur Lime 6%	100 100.50*
K'dhubi Fire 5 1/2%	100 58.20

CHEMICALS

Atkali 5%	100 86.75*
Bathgate 6%	100 19.00
Bengal Chem. 7 1/2%	10 11.75
Bengal Chem. 4 1/2%	100 60.50
Calcutta Chemical 6%	10 7.75
Calcutta Chem. 4 1/2%	10 5.75
Frank Ross 4 1/2%	100 45.15
Smith Standstreet 10%	50 63.12

ELECTRICS

Calcutta 5%	100 9.37*
Dishergarh 5%	100 82.50
Dishergarh 4 1/2%	100 55.75

ENGINEERING

Arthur Butler 7%	10 14.00
Br. Building 6%	100 50.00
Br. Engineering 7%	100 85.50
Burn & Co. 7%	100 106.50*
Burn & Co. 6%	100 100.00*
Indian Iron 6%	100 88.00
India Machinery 7%	100 112.00
Ind. St. Wagon 7%	100 112.00
Jessop & Co. 5%	100 75.25*
J. K. Steel 7%	100 100.00
Kumardhubi 5%	100 70.00
R. Cruddas 5 1/2%	100 54.00*
Steel Products 5%	10 7.75
Textmaco 5 1/2%	100 82.50
Textmaco 5 1/2%	100 62.00
Textmaco 6 1/2%	100 95.00

MISCELLANEOUS

Alum. Corp. 6%	100 65.00
Alum. Corp. 5%	100 64.75
Amal. Dev. 5%	100 37.00*
Asso. Hotel 7%	100 55.25
Bharat Nidhi 6%	100 50.00
Birds Investment 5 1/2%	100 82.00
Br. Biscuits 8%	10 8.24*
B. I. Corporation 8%	100 108.50
Cal. Cr. Corp. 6%	100 34.50*
Cal. Cr. Corp. 5 1/2%	100 23.50*
Calcutta Gas 5 1/2%	100 52.14*
Calcutta Silk 5%	100 49.12*
Calcutta Trams 5%	100 7.84
Duncan Bros. 4%	100 54.00
Dunlop 6%	100 109.50
Dunlop 6%	100 79.00
Eastern Inv't. 5%	100 67.44
Gillanders 5%	100 55.78*
Godfrey Phillip 5 1/2%	100 87.00
Greaves Cotton 5%	100 26.81*
Greaves Cotton 6%	100 41.35
Hindustan Alum.	25 24.37
Hindustan Motors 4%	100 210.00
Hindustan National	100 94.12*
Glass 8%	100 23.00
Hindustan Twyford	25 23.00

NAME	Paid-Quotation up per Share. 18-11-61 Rs nP	NAME	Paid-Quotation up per Share. 18-11-61 Rs nP
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Indian Alum. 5%	100 69.00
Indian Cables 6%	10 31.75
Indian Plastics 5 1/2%	100 35.00*
Indian Rubber 5%	100 59.00
James Wright 6%	50 19.75*
J. Henderson 5 1/2%	100 54.00
Kesoram Ind. 7%	100 101.50
Kesoram Ind. 5 1/2%	100 87.50
K. Bullen 5 1/2%	100 51.12
K. Bullen 4%	100 48.10
Kusum 5 1/2%	100 64.00*
Macneill & Barry 5 1/2%	100 49.13*
Madhya Pradesh Ind.	100 86.00*
6%	100 84.00
Martin Burn 5%	100 47.78
McLeod & Co. 5%	100 60.50
1st Pref.	100 84.00
2nd Pref.	100 73.00
National Rubber 6%	10 2.35
National Tannery 5%	10 68.50
National Tobacco 5%	10 62.00
National Tobacco 4 1/2%	10 75.00
Nav. Bharat Vaniya	100 83.50
Rallis 6%	100 163.90
Robtas Indus. 7%	100 53.50
Sen Raleigh 5%	100 145.00
Shaw Wallace 6%	100 64.00
Spencer 6 1/2%	10 5.37
Spencer 8 1/2% B	10 10.12
Standard Vacuum 6%	100 90.50
Union Tobacco 5%	100 15.90

Indian Alum. 5%	100 69.00
Indian Cables 6%	10 31.75
Indian Plastics 5 1/2%	100 35.00*
Indian Rubber 5%	100 59.00
James Wright 6%	50 19.75*
J. Henderson 5 1/2%	100 54.00
Kesoram Ind. 7%	100 101.50
Kesoram Ind. 5 1/2%	100 87.50
K. Bullen 5 1/2%	100 51.12
K. Bullen 4%	100 48.10
Kusum 5 1/2%	100 64.00*
Macneill & Barry 5 1/2%	100 49.13*
Madhya Pradesh Ind.	100 86.00*
6%	100 84.00
Martin Burn 5%	100 47.78
McLeod & Co. 5%	100 60.50
1st Pref.	100 84.00
2nd Pref.	100 73.00
National Rubber 6%	10 2.35
National Tannery 5%	10 68.50
National Tobacco 5%	10 62.00
National Tobacco 4 1/2%	10 75.00
Nav. Bharat Vaniya	100 83.50
Rallis 6%	100 163.90
Robtas Indus. 7%	100 53.50
Sen Raleigh 5%	100 145.00
Shaw Wallace 6%	100 64.00
Spencer 6 1/2%	10 5.37
Spencer 8 1/2% B	10 10.12
Standard Vacuum 6%	100 90.50
Union Tobacco 5%	100 15.90

Indian Alum. 5%	100 69.00
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Kesoram Ind. 5 1/2%	100 87.50
K. Bullen 5 1/2%	100 51.12
K. Bullen 4%	100 48.10
Kusum 5 1/2%	100 64.00*
Macneill & Barry 5 1/2%	100 49.13*
Madhya Pradesh Ind.	100 86.00*
6%	100 84.00
Martin Burn 5%	100 47.78
McLeod & Co. 5%	100 60.50
1st Pref.	100 84.00
2nd Pref.	100 73.00
National Rubber 6%	10 2.35
National Tannery 5%	10 68.50
National Tobacco 5%	10 62.00
National Tobacco 4 1/2%	10 75.00
Nav. Bharat Vaniya	100 83.50
Rallis 6%	100 163.90
Robtas Indus. 7%	100 53.50
Sen Raleigh 5%	100 145.00
Shaw Wallace 6%	100 64.00
Spencer 6 1/2%	10 5.37
Spencer 8 1/2% B	10 10.12
Standard Vacuum 6%	100 90.50
Union Tobacco 5%	100 15.90

Indian Alum. 5%	100 69.00
Indian Cables 6%	10 31.75
Indian Plastics 5 1/2%	100 35.00*
Indian Rubber 5%	100 59.00
James Wright 6%	50 19.75*
J. Henderson 5 1/2%	100 54.00
Kesoram Ind. 7%	100 101.50
Kesoram Ind. 5 1/2%	100 87.50
K. Bullen 5 1/2%	100 51.12
K. Bullen 4%	100 48.10
Kusum 5 1/2%	100 64.00*
Macneill & Barry 5 1/2%	100 49.13*
Madhya Pradesh Ind.	100 86.00*
6%	100 84.00
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Rallis 6%	100 163.90
Robtas Indus. 7%	100 53.50

25 November 1961

NAME	Paid-Quotation up per Share.	as on 27-11-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 18-11-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 18-11-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 17-11-61 Rs nP
PAPER MILLS											
Aspek Paper	5	3.56	Brooke Bond	10	16.50	Roopacherra	10	15.69	Cottanad 7 1/2%	10	8.82
Banapur	25	45.25	Dejoo Valley	10	49.25	Rungamattai	50	58.50	Devon 7 1/2%	100	82.00
Bengal Paper	25	101.50	Dhelaikhat	10	21.06	Sonal River	10	9.12*	Healeyburia 5%	100	68.58
India Paper	10	18.00	Dumakusi	10	15.00	Tea Producing Co.	10	10.37*	Highland 6%	10	7.25
Mysore Paper	10	15.28	Dumakusi	10	33.62	Tilkah	10	10.00*	Kadur Coffee 6 1/2%	10	9.84
Orient Paper	10	10.44	Dumakusi	10	25.75	Chittagang Gardens	10	1.39	Karikode 6%	10	1.39
Shashasree	10	8.44	Dumakusi	10	31.12	Kodaia	10	9.25	Kil Kotagiri 7%	10	8.40
Shree Gopal	10	27.25	Dumakusi	10	19.50	Kornafuli	10	9.56	Kurchemala 6 1/2%	10	9.31
Sirpur Paper	10	17.25	Dumakusi	10	23.30	Oodaleah	10	8.00	Malabar Agri. 6%	10	14.93
Star Paper	10	11.37	Dumakusi	10	12.81	Chittagang Gardens	10	1.39	Manimala 5%	10	9.00
Straw Products	10	9.82	Dumakusi	10	10.06	Kodaia	10	9.25	Mer. Rubber 6%	10	7.10
Tifaghur P.O.	2 1/2	4.06	Dumakusi	10	12.50	Kornafuli	10	9.56	Midlands 6%	10	6.82
Titaghur Ord.	10	36.62	Dumakusi	10	24.81	Oodaleah	10	8.00	Miamalay 7 1/2%	25	62.13
U. I. Couper	100	50.00	Dumakusi	10	185.00	Chittagang Gardens	10	1.39	Mysore Amal. 6%	10	6.12
West Coast	100	171.00	Dumakusi	10	20.50	Kodaia	10	9.25	Mysore Plan. 6%	10	7.00
PRESSING											
Bhagwati	10	4.87	Dumakusi	10	34.06	Kodaia	10	9.25	Nelliampathy 6%	10	6.10
Camperdown	100	101.00	Dumakusi	10	7.37	Kodaia	10	9.25	Nemmeny 7%	10	7.38
Hooghly Ganges	10	5.12	Dumakusi	10	210.00	Kodaia	10	9.25	Nilambur 6%	10	8.86
REAL PROPERTY											
Bengal Bonded A	500	530.00	Dumakusi	10	9.50*	Kodaia	10	9.25	Nilgiri Tea 6 1/2%	10	6.10
Bengal Bonded B	62 1/2	58.93*	Dumakusi	10	17.00	Kodaia	10	9.25	Peermade 6%	5	3.02
Bengal Bonded C	100	87.00	Dumakusi	10	15.00	Kodaia	10	9.25	Pullangode 6%	100	87.50
Bengal Bonded D	12 1/2	12.14*	Dumakusi	10	16.87	Kodaia	10	9.25	Rajagiri 6%	10	7.57
Clive Bldg.	150	143.34*	Dumakusi	10	11.50	Kodaia	10	9.25	Rajendra 5 1/2%	10	6.94
Hindustan Bldg.	10	3.82	Dumakusi	10	24.50	Kodaia	10	9.25	Rajendra 5 1/2%	10	5.98*
Humayan Prop.	10	11.00	Dumakusi	10	22.24	Kodaia	10	9.25	Sangameswar 7%	10	6.50
Humayan P.O.	1	2.19	Dumakusi	10	18.81*	Kodaia	10	9.25	Talayar Tea 6%	10	6.61
Midnap. Estate	85	10.00	Dumakusi	10	13.05*	Kodaia	10	9.25	Teekoy 6%	10	6.60
Recent Estate	10	1.00*	Dumakusi	10	19.60	Kodaia	10	9.25	Thamarapally 6 1/2%	5	3.30
Sahu Prop.	5	2.78	Dumakusi	10	26.25	Kodaia	10	9.25	T. R. & T. Co. 6%	10	3.30
SAW MILLS AND TIMBER											
Andaman Timber	10	10.50	Dumakusi	10	18.75*	Kodaia	10	9.25	Udayagiri 7%	10	8.50
Assam Saws	3	2.44	Dumakusi	10	20.05*	Kodaia	10	9.25	Velimalai 7%	10	8.20
Bengal Timber	100	14.00	Dumakusi	10	25.00	Kodaia	10	9.25	Waterfalls 6%	10	8.20
SHIPPING											
B. A. Steam	100	125.00	Dumakusi	10	17.62	Kodaia	10	9.25	Woodlands 6 1/2%	5	2.94
Calcutta Landing	10	10.00	Dumakusi	10	11.50	Kodaia	10	9.25	Woodlands 6 1/2%	10	7.45
Calcutta Steam	10	12.37	Dumakusi	10	10.06	Kodaia	10	9.25	Woodlands 6 1/2%	10	7.22
Fraser & Co.	10	10.00	Dumakusi	10	11.50	Kodaia	10	9.25			
L. G. Navigation	10	60.50	Dumakusi	10	191.50	Kodaia	10	9.25			
India Steam	10	7.72	Dumakusi	10	25.00	Kodaia	10	9.25			
Port Shipping	10	10.81	Dumakusi	10	600.00	Kodaia	10	9.25			
SUGAR											
Bairathpur	24	2.59	Dumakusi	10	20.00*	Kodaia	10	9.25			
Beisund	8 1/2	11.12	Dumakusi	10	7.37	Kodaia	10	9.25			
Bharat	10	10.00	Dumakusi	10	8.75	Kodaia	10	9.25			
Basti	10	90.50	Dumakusi	10	8.51*	Kodaia	10	9.25			
Carew	10	13.69	Dumakusi	10	37.25	Kodaia	10	9.25			
Cawnpore	10	13.00	Dumakusi	10	5.67	Kodaia	10	9.25			
Champanur	10	16.87	Dumakusi	10	4.00	Kodaia	10	9.25			
Darbhanga	10	14.97	Dumakusi	10	11.12	Kodaia	10	9.25			
Deoria	10	8.71	Dumakusi	10	13.75	Kodaia	10	9.25			
Dyer Meakin	5	42.00*	Dumakusi	10	7.44	Kodaia	10	9.25			
Ganesh Sugar	10	19.22*	Dumakusi	10	281.00	Kodaia	10	9.25			
Jaswant	10	5.25*	Dumakusi	10	27.25	Kodaia	10	9.25			
Mohini	2	2.03	Dumakusi	10	18.12	Kodaia	10	9.25			
Nawabganj	100	60.00*	Dumakusi	10	149.00	Kodaia	10	9.25			
New India	10	32.00	Dumakusi	10	145.00	Kodaia	10	9.25			
New Savan	10	5.75	Dumakusi	10	136.00	Kodaia	10	9.25			
Punjab	100	50.00*	Dumakusi	10	9.19	Kodaia	10	9.25			
Purtapora	10	12.00	Dumakusi	10	21.56	Kodaia	10	9.25			
Ramnagar Cane	10	1.45*	Dumakusi	10	19.62	Kodaia	10	9.25			
Ratna	10	10.00	Dumakusi	10	125.00	Kodaia	10	9.25			
Raza Buland	10	10.00	Dumakusi	10	30.69	Kodaia	10	9.25			
Ryam	10	10.37	Dumakusi	10	7.19	Kodaia	10	9.25			
Sambastipur	10	10.50*	Dumakusi	10	29.12	Kodaia	10	9.25			
Shree Ananda	10	8.56	Dumakusi	10	15.25	Kodaia	10	9.25			
Singapur	10	3.00	Dumakusi	10	16.00	Kodaia	10	9.25			
South Behar	10	15.75	Dumakusi	10	20.00	Kodaia	10	9.25			
South Behar (Defd.)	2	0.25*	Dumakusi	10	21.12	Kodaia	10	9.25			
Sri Hanuman	10	10.69	Dumakusi	10	56.37	Kodaia	10	9.25			
S. K. Gyanoday	10	7.12	Dumakusi	10	190.00	Kodaia	10	9.25			
Shree Sitaram	10	5.12	Dumakusi	10	236.00	Kodaia	10	9.25			
Tulsipur	10	77.00*	Dumakusi	10	13.50	Kodaia	10	9.25			
Upper India 'A'	100	7.75*	Dumakusi	10	127.00	Kodaia	10	9.25			
Upper India 'B'	25	7.75*	Dumakusi	10	15.00	Kodaia	10	9.25			
Upper Ganges	10	77.00	Dumakusi	10	7.00	Kodaia	10	9.25			
Upper Province	10	15.00	Dumakusi	10	72.25	Kodaia	10	9.25			
TEA											
Amaluckie	10	25.94	Dumakusi	10	2.94	Kodaia	10	9.25			
Anand Assam	10	13.00	Dumakusi	10	100.00	Kodaia	10	9.25			
Ananda Bag	10	23.50	Dumakusi	10	10.50	Kodaia	10	9.25			
Bahmani	10	22.50	Dumakusi	10	14.50	Kodaia	10	9.25			
Barduar Tea	6	8.50	Dumakusi	10	10.06	Kodaia	10	9.25			
Basmatia	10	26.50	Dumakusi	10	11.50	Kodaia	10	9.25			
Batel	5	19.06	Dumakusi	10	19.50	Kodaia	10	9.25			
Betan	10	31.50	Dumakusi	10	15.00	Kodaia	10	9.25			
Bishnauth	10	19.31	Dumakusi	10	127.00	Kodaia	10	9.25			
Bokkhat	10	13.70	Dumakusi	10	15.00	Kodaia	10	9.25			
Bornhak Jan	10	15.62	Dumakusi	10	17.00	Kodaia	10	9.25			
Borpukhuri	10	14.56	Dumakusi	10	17.50	Kodaia	10	9.25			

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Ordinary Shares											
MADRAS											
BANKS											
Andhra	100	100.00	Andhra	85	85.00	Andhra	100	100.00	Andhra	100	100.00
Canara Bank	50	84.71	Canara Bank	50	80.50	Canara Bank	100	205.00	Canara Bank	100	205.00
Canara Banking	50	80.50	Canara Banking	50	80.50	Canara Banking	100	205.00	Canara Banking	100	205.00
Canara I. & B. 'A'	10	1.00	Canara I. & B. 'A'	10	1.00	Canara I. & B. 'A'	10	1.00	Canara I. & B. 'A'	10	1.00
Canara I. & B. 'B'	10	1.00	Canara I. & B. 'B'	10	1.00	Canara I. & B. 'B'	10	1.00	Canara I. & B. 'B'	10	1.00
Canara I. & B. 'C'	10	1.00	Canara I. & B. 'C'	10	1.00	Canara I. & B. 'C'	10	1.00	Canara I. & B. 'C'	10	1.00
Indian Bank	100	181.00	Indian Bank	80	152.00	Indian Bank	100	194.00	Indian Bank	100	194.00
Indian Overseas	100	194.00	Indian Overseas	80	152.00	Indian Overseas	100	194.00	Indian Overseas	100	194.00
Parvati	10	27.00	Parvati	10	27.00	Parvati	10	27.00	Parvati	10	27.00
State Bank of Mysore	100	170.00	State Bank of Mysore	100	170.00	State Bank of Mysore	100	170.00	State Bank of Mysore	100	170.00
State Bank of Trav.	100	125.00	State Bank of Trav.	100	125.00	State Bank of Trav.	100	125.00	State Bank of Trav.	100	125.00
ELECTRICS											
Cochin	10	12.10	Cochin	10	12.10	Cochin	10	12.10	Cochin	10	12.10
Ellore	10	20.50	Ellore	10	20.50	Ellore	10	20.50	Ellore	10	20.50
Karakkall	10	9.80*	Karakkall	10	9.80*	Karakkall	10	9.80*	Karakkall	10	9.80*
Kumbakonam	10	10.78	Kumbakonam	10	10.78	Kumbakonam	10	10.78	Kumbakonam	10	10.78
Negapatam	10	10.00	Negapatam	10	10.00	Negapatam	10	10.00	Negapatam	10	10.00
Salem-Erode	10	14.00	Salem-Erode	10	14.00	Salem-Erode	10	14.00	Salem-Erode	10	14.00
South Madras	10	10.22	South Madras	10	10.22	South Madras	10	10.22	South Madras	10	10.22
Tin-Tuticorin	10	11.75	Tin-Tuticorin	10	11.75	Tin-Tuticorin	10	11.75	Tin-Tuticorin	10	11.75
Vellore	10	14.12	Vellore	10	14.12	Vellore	10	14.12	Vellore	10	14.12
West Coast	10	14.00	West Coast	10	14.00	West Coast	10	14.00	West Coast	10	14.00
SUGAR											
Andhra	10	27.00	Andhra	10	27.00	Andhra	10	27.00	Andhra	10	27.00
Canary	10	12.30*	Canary	10	12.30*	Canary	10	12.30*	Canary	10	12.30*
Deccan	5	31.85	Deccan	5	31.85	Deccan	5	31.85	Deccan	5	31.85
E. I. Distillery	20sh	10.80	E. I. Distillery	20sh	10.80	E. I. Distillery	20sh	10.80	E. I. Distillery	20sh	10.80
India	10	16.25	India	10	16.25	India	10	16.25	India	10	16.25
Jeyore	10	24.00	Jeyore	10	24.00	Jeyore	10	24.00	Jeyore	10	24.00
K. C. P.	100	80.00	K. C. P.	100	80.00	K. C. P.	100	80.00	K. C. P.	100	80.00
Kidjampudi	10	8.20	Kidjampudi	10	8.20	Kidjampudi	10	8.20	Kidjampudi	10	8.20
Kothari	10	57.75	Kothari	10	57.75	Kothari	10	57.75	Kothari	10	57.75
Mysore	10	9.50	Mysore	10	9.50	Mysore	10	9.50	Mysore	10	9.50
Travancore	10	101.53	Travancore	10	101.53	Travancore	10	101.53	Travancore	10	101.53
United Breweries	10	101.53	United Breweries	10	101.53	United Breweries	10	101.53	United Breweries	10	101.53
PLANTATION											
Alageswar	2	2.95	Alageswar	2	2.95	Alageswar	2	2.95	Alageswar	2	2.95
Amalgamated	10	11.08	Amalgamated	10	11.08	Amalgamated	10	11.08	Amalgamated	10	11.08
Anandam	10	3.56	Anandam	10	3.56	Anandam	10	3.56	Anandam	10	3.56
Anapalai	2	4.00	Anapalai	2	4.00	Anapalai	2	4.00	Anapalai	2	4.00
Arthala	2	0.83*	Arthala	2	0.83*	Arthala	2	0.83*	Arthala	2	0.83*
Athimattam	2	2.96	Athimattam	2	2.96	Athimattam	2	2.96	Athimattam	2	2.96
Attikhan	2	8.00	Attikhan	2	8.00	Attikhan	2	8.00	Attikhan	2	8.00
Bababudla	2	3.39	Bababudla	2	3.39	Bababudla	2	3.39	Bababudla	2	3.39
Badra	10	14.20	Badra	10	14.20	Badra	10	14.20	Badra	10	14.20
Balanor	2	2.03	Balanor	2	2.03	Balanor	2	2.03	Balanor	2	2.03
Balmadies	2	5.28	Balmadies	2	5.28	Balmadies	2	5.28	Balmadies	2	5.28
Be Be	2	2.90*	Be Be	2	2.90*	Be Be	2	2.90*	Be Be	2	2.90*
Blue Mountain	2	2.74	Blue Mountain	2	2.74	Blue Mountain	2	2.74	Blue Mountain	2	2.74
Chandramalai	2	3.75	Chandramalai	2	3.75	Chandramalai	2	3.75	Chandramalai	2	3.75
Chembra	2	7.45	Chembra	2	7.45	Chembra	2	7.45	Chembra	2	7.45
Cochin Malabar	10	17.50	Cochin Malabar	10	17.50	Cochin Malabar	10	17.50	Cochin Malabar	10	17.50
Coffee Lands	10	21.00	Coffee Lands	10	21.00	Coffee Lands	10	21.00	Coffee Lands	10	21.00
Cone. Coffee	10	26.50	Cone. Coffee	10	26.50	Cone. Coffee	10	26.50	Cone. Coffee	10	26.50
Conoor	2	5.65	Conoor	2	5.65	Conoor	2	5.65	Conoor	2	5.65
Cottanad	10	10.10	Cottanad	10	10.10	Cottanad	10	10.10	Cottanad	10	10.10
Cowoody	2	4.65	Cowoody	2	4.65	Cowoody	2	4.65	Cowoody	2	4.65
Devashola	10	31.00	Devashola	10	31.00	Devashola	10	31.00	Devashola	10	31.00
Devon	10	13.76	Devon	10	13.76	Devon	10	13.76	Devon	10	13.76
Emerald Valley	5	5.05	Emerald Valley	5	5.05	Emerald Valley	5	5.05	Emerald Valley	5	5.05
Gokul	2	2.00	Gokul	2	2.00	Gokul	2	2.00	Gokul	2	2.00
Halleybury	10	12.70	Halleybury	10	12.70	Halleybury	10	12.70	Halleybury	10	12.70
Highland	10	14.10	Highland	10	14.10	Highland	10	14.10	Highland	10	14.10
Kadur	2	2.78	Kadur	2	2.78	Kadur	2	2.78	Kadur	2	2.78
Kallias	2	5.40	Kallias	2	5.40	Kallias	2	5.40	Kallias	2	5.40
Kallasa	2	5.63	Kallasa	2	5.63	Kallasa	2	5.63	Kallasa	2	5.63
Kalpetta	10	12.05	Kalpetta	10	12.05	Kalpetta	10	12.05	Kalpetta	10	12.05
Karikode	10	8.22	Karikode	10	8.22	Karikode	10	8.22	Karikode	10	8.22
Kilkotagiri	2	5.08	Kilkotagiri	2	5.08	Kilkotagiri	2	5.08	Kilkotagiri	2	5.08
Kumerode	2	4.50	Kumerode	2	4.50	Kumerode	2	4.50	Kumerode	2	4.50
Kurchermal	10	4.97	Kurchermal	10	4.97	Kurchermal	10	4.97	Kurchermal	10	4.97
Lingapur	2	4.40	Lingapur	2	4.40	Lingapur	2	4.40	Lingapur	2	4.40
Lucky Valley	10	11.55	Lucky Valley	10	11.55	Lucky Valley	10	11.55	Lucky Valley	10	11.55
Malabar Agri.	10	7.30	Malabar Agri.	10	7.30	Malabar Agri.	10	7.30	Malabar Agri.	10	7.30
Malabar Indust.	10	10.67*	Malabar Indust.	10	10.67*	Malabar Indust.	10	10.67*	Malabar Indust.	10	10.67*
Malankara	10	17.50	Malankara	10	17.50	Malankara	10	17.50	Malankara	10	17.50
Manar	2	2.10	Manar	2	2.10	Manar	2	2.10	Manar	2	2.10
Manimala	10	8.75	Manimala	10	8.75	Manimala	10	8.75	Manimala	10	8.75
Meerava	5	8.75	Meerava	5	8.75	Meerava	5	8.75	Meerava	5	8.75
Midland	10	11.20	Midland	10	11.20	Midland	10	11.20	Midland	10	11.20
MISCELLANEOUS											
Alum. Indus.	10	23.75	Alum. Indus.	10	23.75	Alum. Indus.	10	23.75	Alum. Indus.	10	23.75
Andhra Cement	100	9.30	Andhra Cement	100	9.30	Andhra Cement	100	9.30	Andhra Cement	100	9.30
Andhra Scientifics	10	11.75	Andhra Scientifics	10	11.75	Andhra Scientifics	10	11.75	Andhra Scientifics	10	11.75
Ashtok Leyland	5	9.45	Ashtok Leyland	5	9.45	Ashtok Leyland	5	9.45	Ashtok Leyland	5	9.45
Aspinwall	10	6.45	Aspinwall	10	6.45	Aspinwall	10	6.45	Aspinwall	10	6.45
Aspinwall Trv.	10	4.30	Aspinwall Trv.	10	4.30	Aspinwall Trv.	10	4.30	Aspinwall Trv.	10	4.30
Asso. Indus. and Eng.	100	82.10	Asso. Indus. and Eng.	100	82.10	Asso. Indus. and Eng.	100	82.10	Asso. Indus. and Eng.	100	82.10
A. V. Thomas	10	21.00	A. V. Thomas	10	21.00	A. V. Thomas	10	21.00	A. V. Thomas	10	21.00
A. V. Thomas I.	10	4.00	A. V. Thomas I.	10	4.00	A. V. Thomas I.	10	4.00	A. V. Thomas I.	10	4.00
Bang. Frig.	10	13.95	Bang. Frig.	10	13.95	Bang. Frig.	10	13.95	Bang. Frig.	10	13.95
Binnay	100	312.00	Binnay	100	312.00	Binnay	100	312.00	Binnay	100	312.00
Brunton	10	6.50	Brunton	10	6.50	Brunton	10	6.50	Brunton	10	6.50
Central Scientific	5	6.65	Central Scientific	5	6.65	Central Scientific	5	6.65	Central Scientific	5	6.65
Dalmia Cement	10	12.60	Dalmia Cement	10	12.60	Dalmia Cement	10	12.60	Dalmia Cement	10	12.60
Dalmia Cem. (Defd.)	1	2.35	Dalmia Cem. (Defd.)	1	2.35	Dalmia Cem. (Defd.)	1	2.35	Dalmia Cem. (Defd.)	1	2.35
Enfield	10	11.65	Enfield	10	11.65	Enfield	10	11.65	Enfield	10	11.65
FACTS	10	9.25	FACTS	10	9.25	FACTS	10	9.25	FACTS	10	9.25
Forest Indus.	2	2.60	Forest Indus.	2	2.60	Forest Indus.	2	2.60	Forest Indus.	2	2.60
Genl. Papers	10	10.07	Genl. Papers	10	10.07	Genl. Papers	10	10.07	Genl. Papers	10	10.07
Hindustan Ideal	25	22.40	Hindustan Ideal	25	22.40	Hindustan Ideal	25	22.40	Hindustan Ideal	25	22.40
Hindustan Lever	10	54.37	Hindustan Lever	10	54.37	Hindustan Lever	10	54.37	Hindustan Lever	10	54.37
India Cement	5	6.62	India Cement	5	6.62	India Cement	5	6.62	India Cement	5	6.62
Ind. Steel Rolling	10	11.90	Ind. Steel Rolling	10	11.90	Ind. Steel Rolling	10	11.90	Ind. Steel Rolling	10	11.90
Invt. Trust of I.	100	68.00	Invt. Trust of I.	100	68.00	Invt. Trust of I.	100	68.00	Invt. Trust of I.	100	68.00
Jeewanlal	10	7.68	Jeewanlal	10	7.68	Jeewanlal	10	7.68	Jeewanlal	10	7.68
Kirloskar Electric	10	15.75	Kirloskar Electric	10	15.75	Kirloskar Electric	10	15.75	Kirloskar Electric	10	15.75
K.I.C.	10	12.17	K.I.C.	10	12.17	K.I.C.	10	12.17	K.I.C.	10	12.17
Madras Aluminium	25	23.75	Madras Aluminium	25	23.75	Madras Aluminium	25	23.75	Madras Aluminium	25	23.75
Madras Cements	100	91.00	Madras Cements	100	91.00	Madras Cements	100	91.00	Madras Cements	100	91.00
Madras Cements	0	39.50	Madras Cements	0	39.50	Madras Cements	0	39.50	Madras Cements	0	39.50
Madras Rubber	10	20.50	Madras Rubber	10	20.50	Madras Rubber	10	20.50	Madras Rubber	10	20.50
Madras Safe	80	41.70	Madras Safe	80	41.70	Madras Safe	80	41.70	Madras Safe	80	41.70
Madras Vansapati	100	18.10	Madras Vansapati	100	18.10	Madras Vansapati	100	18.10	Madras Vansapati	100	18.10
Mandya Nl. Paper	10	8.50	Mandya Nl. Paper	10	8.50	Mandya Nl. Paper	10	8.50	Mandya Nl. Paper	10	8.50
Marikar	50	72.00*	Marikar	50	72.00*	Marikar	50	72.00*	Marikar	50	72.00*
McDowell & Co.	10	29.75	McDowell & Co.	10	29.75	McDowell & Co.	10	29.75	McDowell & Co.	10	29.75
Mettur Chem.	10	15.25	Mettur Chem.	10	15.25	Mettur Chem.	10	15.25	Mettur Chem.	10	15.25
Mysore Cements	10	6.75	Mysore Cements	10	6.75	Mysore Cements	10	6.75	Mysore Cements	10	6.75
Mys. Chem. Fert.	10	10.90	Mys. Chem. Fert.	10	10.90	Mys. Chem. Fert.	10	10.90	Mys. Chem. Fert.	10	10.90
Mys. Chem. Mfg.	10	22.45	Mys. Chem. Mfg.	10	22.45	Mys. Chem. Mfg.	10	22.45	Mys. Chem. Mfg.</		

NAME	Paid-Quotation up per Share. 17-11-61 Rs NP	NAME	Paid-Quotation up per Share. 17-11-61 Rs NP	NAME	Paid-Quotation up per Share. 17-11-61 Rs NP	NAME	Paid-Quotation up per Share. 17-11-61 Rs NP		
AUTOMOBILES, CYCLES & ACCESSORIES				CEMENT					
Hind Cycles 5% ...	100	65.00*	Gaekwar ...	100	212.50	Chemo. Pharma ...	25	26.00	
Hind Cycles 5 1/2% ...	100	75.00*	Gold Mohur ...	100	265.00	Citric India ...	50	81.00	
Hind Cycles 5 1/4% ...	25	25.00*	Hindustan F.P. ...	1000	6510.00	Colour Chem. ...	100	395.00	
Hind Cycles 6% ...	100	84.00	Hindustan P.P. ...	200	992.50	Dharamsi Chem. ...	50	205.00	
Hindustan Motors 6% ...	100	188.00	Hukunchand ...	100	251.00	Dhrangadhra Chem. ...	100	139.00	
Sen Raleigh 5% ...	100	145.00	Indian Manufg. ...	1000	3225.00	old ...	100	118.00	
Standard Motor 6 1/4% ...	100	103.00*	Indian Manfg. ...	500	1050.00	Dhrangadhra Chem. ...	100	482.50	
Standard Motor 6 1/2% ...	100	103.00*	Jam. Ranjit ...	1000	1225.00	Kemp ...	200	312.50	
'B' ...	100	103.00*	Jiyajeeroo ...	10	12.00	Pesticides ...	5	4.62	
DYES, CHEMICALS & PHARMACEUTICALS				J. K. Cotton ...	10	21.00	Poly Chem. ...	50	216.25
Adarsh Cheml. 6 1/4% ...	100	73.30	Khandesh ...	1000	1250.00	Sirdar Carbonic Gas ...	100	625.00	
Alchemic Chem. 6 1/4% ...	100	80.00	Khandesh ...	250	375.00	Ultramarine & Pig-ments ...	50	112.00	
Alchemic Chem. 5% ...	100	81.00	Kothari ...	10	12.40	Universal Dyestuff ...	50	59.00	
Alchemic Chem. 6% ...	100	75.00	Lakshmi ...	250	650.00	Zandu Pharmaceutica] ...	100	112.50	
Amar Dye 6% ...	100	101.00	Mafatall ...	100	972.50	SUGAR			
Dhrangadhra 6% ...	100	85.00	Mahendra ...	100	315.00*	Cauvery ...	100	123.00*	
Indian Dyestuff 6% ...	100	105.00	Mahendra (New) ...	40	40.00*	Hindusthan ...	100	342.50	
Poly Chem. 7 1/4% ...	50	46.50	Model ...	250	98.00	Kesar ...	50	268.75	
Tata Chemicals 5% ...	100	86.80	Modern Mills ...	50	73.00	Maharashtra ...	50	190.00	
SUGAR				Navsari Cotton ...	100	216.25	New Swadeshi ...	100	352.00
Bhopal 5% ...	100	84.50	New City ...	100	156.50	Oudh ...	100	189.00	
Cauvery 6% ...	100	99.50*	N. Kaiser-I-Hind ...	100	70.50	Ravalgaon ...	50	62.00	
Hindusthan 5% ...	100	80.00	Phoenix ...	100	172.00	Ravalgaon Defd. ...	50	30.00*	
Maharashtra 7% ...	250	240.00*	Pulgaon ...	10	11.00	Ra'a Buland ...	10	10.76	
Navalgaon 5 1/2% ...	100	60.80	R. Motilal ...	100	117.00	Kr. Gyanoday ...	10	11.00	
South Behar 7 to 9% ...	100	20.00*	Ruby ...	25	60.00	South Behar ...	10	1.00*	
Walchand 10% ...	100	118.00	Sassoon Spinning ...	10	70.50	South Behar Defd. ...	24	0.25*	
PLANTATION				Shree Bhawani ...	10	10.00*	Ugar ...	100	140.00*
Highland ...	10	7.24*	Shree Shubhalaxmi ...	100	125.00*	Vishnu ...	100	235.00*	
Midland ...	10	7.20*	Swadeshi (Kan.) ...	10	19.00*	PLANTATIONS			
Nelliampathy 6% ...	10	7.28*	Swadeshi (P.O.) ...	10	10.47*	Blue Mountain ...	2	3.08*	
Rajagiri 6% ...	10	6.48*	Victoria ...	100	150.00	Highland ...	10	13.92	
Waterfall 6% ...	10	8.40*	Vishnu ...	100	150.00	Haileyburia ...	10	13.40	
ELECTRICAL GOODS				Western India ...	1000	3725.00	Kalpatta ...	10	12.52*
Bajaj Electricals 5% ...	100	71.00	OTHER TEXTILES			Aluminum Corp. ...	10	15.12	
Estrela Batteries 5% ...	50	33.00	Ambika Silk ...	100	150.00	Chase Bright Steel ...	10	12.00	
FOOD PRODUCTS & VEG. OILS				Baroda Rayon ...	100	163.00	Dalmia Iron ...	10	11.00
Polson 6% ...	100	76.00*	Bombay Silk Mill ...	50	5.00*	Ferro Alloys ...	100	152.00	
Sathe Biscuits 9% ...	100	94.20	Gwalior Rayon ...	10	50.00	Hindustan Alum. (New) ...	10	15.12	
Sundatta Foods 8 to 11% ...	50	60.10	Indian Rayon ...	75	93.00	Indian Bright Steel ...	5	4.40	
Tata Oil 4 1/2% ...	100	60.30	New Central Jute ...	10	19.00	Jaipur Metals ...	100	170.00	
POTTERIES & TILES				Raymond Woolen ...	100	129.00	Jaipur Metals Defd. ...	10	60.00
Bombay Pottery 6 1/4% ...	100	75.00*	Sassoon Silk ...	10	15.00	Khandelwal Ferro Alloys ...	50	83.00	
Bombay Pottery 4 1/4% ...	100	62.50	Shree Digvijay ...	10	20.00	Madras Aluminum ...	25	24.12	
Digvijay Tiles 6% ...	100	85.00*	South Indian Viscose ...	100	189.00	Mukund Iron ...	5	28.00	
Khodiyur Pottery 4 1/4% ...	100	100.00*	Shree Digvijay ...	10	20.00	Mukund Iron Defd. ...	10	230.00	
Parshuram Potteries 6% ...	25	26.00	Woolen ...	10	20.00	ENGINEERING			
Parshuram Potteries 4% ...	25	17.00	South Indian Viscose ...	100	189.00	Acme Pig Iron ...	50	49.00	
RUBBER GOODS & TYRES				BANKS			Asian Cables ...	100	125.50
Associated Rubber 7% ...	100	100.00*	Bank of Baroda ...	50	104.75	Brady Engg ...	10	95.00	
National Rubber 6% ...	100	82.00	Bank of India ...	50	130.00	Brunton Engg ...	10	4.00*	
Premier Tyres 6 1/4% ...	75	97.00	Bank of India 'A' ...	30	135.00	C. India Machinery ...	10	10.00*	
MISCELLANEOUS				Bank of Maharashtra ...	50	66.00	Fit Tight Nuts & Bolts ...	75	104.00
Asso. Stone 6% ...	100	100.00*	Central ...	25	62.80	Fuel Injection ...	100	136.25	
Bharat Nidhi 60% ...	100	45.00	Central (A) ...	25	62.70	Greaves Cotton ...	100	181.50	
B. I. Corporation 8% ...	100	110.75	Devkaran Nanjee ...	50	68.00	Hindustan Electric ...	100	185.00	
Delhi Safe 6% ...	100	100.00*	Hind Commercial ...	50	20.00	Hindustan Wires ...	5	10.12	
Delhi Safe 6% ...	100	100.00*	Hind. Mercantile ...	50	13.00	Indian Tool ...	100	201.00	
East India Hotels 6% ...	100	100.00*	Jodhpur Commercial ...	5	2.68	Investa Machine ...	100	140.00	
East India Hotels 6% ...	100	100.00*	Punjab National ...	10	20.78	Joel's Engineering ...	50	101.50	
Handestan Const. 6 1/4% ...	100	67.00	State Bank ...	100	343.75	Jyoti ...	10	192.00	
Hingir Rampur 4 1/4% ...	50	32.00*	Union ...	5	7.72	Kamaji Engg ...	10	17.52	
I. Hume Pipe 5% ...	100	58.50	United Commercial ...	50	92.50	Kirloskar Brothers ...	25	56.00	
Madhusudan 4% ...	12 1/2	5.00	INSURANCE			Kirloskar Oil Engines ...	10	34.00	
Madhya Pradesh Ind. ...	100	106.00*	All India General ...	5	2.62	Kirloskar Pneumatic ...	100	395.00	
Motor & G. Fin. ...	25	36.00*	British India ...	10	12.16	Lakshmiratan Engg. ...	5	3.24	
N. I. Fisheries 6% ...	100	101.00*	Devkaran Nanjee ...	50	27.00	Mahindra & Mahindra ...	10	19.24	
Premier Const. 1st ...	100	77.00	Empire of India ...	100	268.75	Lynx Machinery ...	5	4.24	
Premier Const. 2nd ...	100	68.00	Indian Mercantile ...	40	54.00	Man. Indus. Corp. ...	100	125.00	
Premier Const. 3rd ...	10	4.98	Jupiter ...	15	13.00	McKenzie's ...	100	125.00	
Rohtas Indus. 7 to 4% ...	100	102.00	Neptune ...	10	1.46	Mysore Kirloskar ...	100	180.00	
Rohtas Indus. 4 1/2% ...	100	57.00	New Asiatic ...	5	7.12	National Electrical ...	50	85.00	
Stanvac 6% ...	100	88.50	New Great ...	20	21.52	New Standard Engg. ...	100	208.00	
Supreme Ind. ...	100	64.00	New India ...	15	60.50	Paper Mill Plant and Machinery ...	100	97.00	
ORDINARY SHARES (Non-Cleared)				New India 'A' ...	15	62.50	Structural Engg. Old ...	100	173.00
BOMBAY				Sentinel ...	50	52.00*	Tractors (India) ...	10	44.40
COTTON TEXTILES				Universal Fire ...	10	14.40	Universal Cables ...	5	5.60
Adoni ...	10	12.40	Vulcan ...	10	16.80	W. H. Brady ...	150	475.00	
Bradbury ...	50	145.00	INVESTMENT			Zenith Steel Pipe ...	5	13.56	
Burhanpur Tapti ...	100	125.00	Bharat Nidhi ...	10	8.80	AUTOMOBILES, CYCLES & ACCESSORIES			
Coorla ...	100	133.75	Bharat Nidhi ...	24	2.16	Automobile Products (new) ...	10	12.24	
Davangere ...	100	128.00	Dena Investment ...	25	11.24	Bajaj Auto ...	50	64.00	
Dawn ...	50	128.00	Gujarat Investment ...	50	11.00*	Bombay Cycle ...	20	27.50	
ELECTRICS				Indus. Cr. & Invest. Corp. ...	100	82.00	Globe Auto ...	50	50.00
Amalgamated ...	10	10.56	Indus. Cr. & Invest. Corp. ...	100	82.00	Hind Cycle ...	100	105.00	
Anand ...	50	53.00	Inv. Corporation ...	100	115.00	Pearl Cycle ...	100	115.00	
Bassein ...	10	8.50*	Madhusudan A ...	100	75.00	Sen Raleigh ...	10	24.24	
Broach ...	10	6.78	Madhusudan B ...	20	14.00	Standard Motor ...	10	16.24*	
Dharwar ...	50	51.00	Motor & Gen. Finance ...	10	40.00*	United Motors ...	20	20.00	
Nadiad ...	50	54.90	SHIPPING			SHIPPING			
Nasik Deolali ...	100	105.00	Bharat Line ...	10	4.80	Bharat Line ...	10	4.80	
Poona ...	100	100.00	Great Eastern New ...	5	6.28	Great Eastern New ...	5	6.28	
Shree ...	100	98.00	Malabar Steamship ...	10	9.00	Malabar Steamship ...	10	9.00	
ADDITIONAL DATA				DYES, CHEMICALS & PHARMACEUTICALS			DYES, CHEMICALS & PHARMACEUTICALS		
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For the Investor

INVESTMENT GOSSIP Late Spurt in Prices

Conditions in the stock market continue to be steady this week also although the uptrend has neither been uniform nor widespread as it had been last week. There were indications even toward last week-end that a considerable section of operators was inclined to book their profit. Evidently, the view was gaining support that the uptrend had already been taken too far and the time had come for a correction. Trading in the earlier part of the current week continued to reflect a cautious attitude and the trend has been irregular with prices moving both ways, though within narrow margin. However, pivotal shares in the forward list and selected shares all along the list and especially in the miscellaneous section have continued to find favour with operators and investors. Indications are that even if prices do not move up further, they may not move down either.

Perhaps a major influence in the market at the present juncture is the absence of excessive selling pressure even at the bulges. Most of the shares bought seem to have been held tightly by holders despite the sizable appreciation in price. The resultant scarcity of floating shares has been a potent factor in the accentuation of the bull phase. Bullish fervour has been kept up by the various favourable developments such as the improved prospects of foreign aid and foreign collaboration especially after the recent meeting between the Prime Minister and Mr. Kennedy, the prospects of a rapid development of industries during the Third Plan period, etc. More tangible incentives have been provided by good corporate news. Even so bulls appeared to be chary of extending commitments till mid-week due presumably to the still lurking apprehension about fresh curb measures. Although it is arguable that there has been no excessive speculation as the interest has been quite widespread and not confined to the speculative shares, the tendency during the first half of this week is to await indications from the Committee of the Presidents of Stock Exchanges which is scheduled to hold its meeting early in December. It is naturally presumed that the behaviour of the stock market since its last meeting will come for review at its coming meeting. The news about further Chinese incursion into Indian territory proved to be only a temporary influence. Perhaps the main reason why bulls have been emboldened to push ahead after mid-week is the lack of force behind bear operations.

INVESTMENT SPECIAL India Carbon

INDIA Carbon Limited will open its subscription list for its proposed equity issue on 4 December. The list will close on 9 December or earlier, but not before 6 December 1961.

The authorised capital of the company is Rs 1.50 crores, divided into 10,00,000 equity shares of Rs 10 each and 50,000 preference shares of Rs 100 each. The issued capital is Rs 5 lakhs and it is proposed to raise a further capital of Rs 45 lakhs, made up of 3,50,000 equity shares of Rs 10 each and 10,000—9.3 per cent (taxable) redeemable cumulative preference shares of Rs 100 each.

The public issue now proposed will be for Rs 11.80 lakhs. A sum of Rs 2.50 per share is payable on the equity capital on application and another Rs 2.50 on allotment. The balance is payable in calls. On the Preference shares, a sum of Rs 50 per share is payable on application and the balance on call.

The Government of Assam has agreed to take up the entire preference issue, while the promoters, directors and their friends will subscribe for an equity capital of Rs 7.17 lakhs. Great Lakes Corporation, New York, the technical collaborators of the company, will be allotted Rs 16 lakhs of equity capital. A further equity capital of Rs 3,000 will be issued to non-residents.

The company will establish a factory at Gauhati for the manufacture of calcined petroleum coke and calcined anthracite coal, with an annual capacity of 50,000 tons. The plant is expected to go into production before the end of November 1962.

The total capital outlay of the project is Rs 80 lakhs of which Rs 50 lakhs will be provided by share capital and Rs 30 lakhs by loan from ICICI and/or Expot-Import Bank, Washington.

Glaxo Laboratories

Glaxo Laboratories (India), Private Limited, Bombay, has been accorded permission to the issue of further capital of Rs 1 crore in 10,00,000 equity shares of Rs 10 each, to be issued as bonus shares on capitalisation of reserves.

Gammon India

Gammon India (Private), Limited, Bombay, incorporated in 1922 and engaged in business as Civil Engineers and Contractors, has been given consent to the issue of 2,50,000 equity shares of Rs 10 each as fully paid-up bonus shares on capitalisation of its reserves to the extent of

Rs 25 lakhs. The company's existing paid-up capital is Rs 30 lakhs. It will issue five bonus shares to the holders of six shares.

New Commercial Mills

New Commercial Mills Company Limited, Ahmedabad, has been granted consent to the issue of bonus capital of Rs 14,31,750 divided into 5,772 equity shares of Rs 250 each. The bonus shares will be issued to the existing equity shareholders of the company in the ratio of one bonus share for every five equity shares held, on capitalisation of the Share Premium Account of the company.

Devashola Tea

The Devashola (Nilgiri) Tea Estates Company Limited, Madras, has been granted consent to issue equity bonus shares of the value of Rs 240,000 on capitalisation of the company's reserves to a like extent. The bonus shares will be issued in proportion of 2 bonus shares for every 5 shares held by the existing shareholders.

Seshasayee Industries

Seshasayee Industries Limited, Madras, has been granted consent to issue further capital of Rs 40 lakhs in the form of equity shares of Rs 10 each for cash, at par. The proceeds of the issue will be utilised for the manufacture of HT & LT porcelain insulators, transformer bushings, etc.

Simco Meters

Simco Meters Limited, Madras, has been granted consent to issue capital of Rs 35 lakhs consisting of equity shares, worth Rs 22 lakhs and 9 per cent preference shares of Rs 3 lakhs for cash, at par. The proceeds will be utilised for the manufacture of house service electricity meters, in collaboration with Denis Ferranti Meters Limited, UK.

Southern Brick Works

Southern Brick Works (Private), Limited, Madras, has been granted consent to issue equity capital of Rs 25 lakhs for cash, at par, privately. The proceeds of the issue will be utilised for starting a factory in Madras for the manufacture of bricks and tiles.

Perfect Pottery Company

Asian Cables

It would be recalled that the directors of the Asian Cables Corporation Limited had decided, on 10 March, to make a right issue in the rates of two for every share held to the existing shareholders. Thereafter, the Government would seem to have advised the company to issue part of the capital to the public and part to the existing shareholders and thus the right issue scheme was modified from 2:1 to 1:1. When this was communicated to the shareholders, there was a hue and cry from the existing shareholders and they made a representation to the company to stick to the original decision.

Now, it appears that the company has been allowed by the Government to offer the shares, in the first instance, to the existing shareholders as they have a right to subscribe to the fresh issue to be made by the company. The company will now proceed with the issue of Rs 1.55

THE UNITED PROVINCES ELECTRIC SUPPLY COMPANY, LIMITED.

NOTICE

Notice is hereby given that an extra-ordinary general meeting of the Company will be held at the Registered Office at 12, Mission Row, Calcutta-1, on Thursday, the 21st December, 1961 at 11-00 a.m. to consider and, if thought fit to pass, with or without modification, the following resolution:

"Resolved that the consent of the Company be and is hereby accorded to the Board of Directors borrowing and continuing to borrow moneys for and on behalf of the Company to the extent of Rs. 3 crores outstanding at any one time in excess of the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose, and that such borrowing shall be exclusive of temporary loans obtained, or from time to time to be obtained, from the Company's Bankers in the ordinary course of business."

A member entitled to attend and vote at the meeting is entitled to appoint a proxy (who need not be a member of the Company) to attend and, on a poll, to vote instead of himself.

By Order of the Board,
MARTIN BURN LIMITED.
L. K. SEN CHOWDHRY,
Actg. Secretary,
Managing Agents.

Registered Office:
12, Mission Row,
Calcutta-1.

Dated, 23rd November, 1961.

Note:—An Explanatory Statement is annexed to the convening notice issued to the members of the Company.

crores consisting of 1,55,000 ordinary shares of Rs 100 each. Of this, 55,000 shares will be offered to Phelps Dodge Enfield International Corporation, which is collaborating with the company in its project No. 2 for the manufacture of high tension power cables and magnet wires. The balance of one lakh new equity shares will be offered to the existing shareholders in the ratio of two for every share held.

INVESTMENT NOTES Premier Automobiles

According to the latest reports issued by Premier Automobiles Limited, the progress of the company's manufacturing activity has been encouraging during the year ended 30 June 1961. There has been an increase in the proportion of parts and components of vehicles made in the company's Works. The company's application to the Government for the expansion programme is still under consideration. The company has also applied to the Controller of Capital Issues for permission to issue a further equity capital of Rs 2 crores to meet the rupee expenditure for the purchase of land, buildings, etc., for the sheet metal project.

Mandhya National Paper

The directors of the Mandhya National Paper Mills Limited have, in their latest report, stated that the construction of the factory building is practically complete and the entire plant and machinery, except for a small consignment, has been received at the site. The erection of the machinery will be over very shortly. The present production capacity is 35 tons per day and it has been decided to double the capacity. The Industrial Finance Corporation of India has sanctioned a loan of Rs 1.20 crores for the expansion project. In addition, a further sum of Rs 80 lakhs will be raised in the form of equity shares, for which the sanction of the Controller of Capital Issues has been received. The company may be in a position to issue the capital to the existing shareholders early next year and the directors expect the mills to go into production by the middle of 1963.

Firestone Tyre

The Firestone Tyre & Rubber Company, Akron, Ohio, USA, has announced plans to produce tyres in Osaka, Japan, in co-operation with the Ohtsu Rubber Industry Company Limited. An agreement, signed by the two companies, gives Firestone its fourth facility for the production of tyres and tubes in the South Pacific and Eastern Hemisphere. Under the agreement, Firestone will provide technical information and assistance and share its knowledge of new developments with Ohtsu. Firestone will set up a sales organisation to market its products in Japan and will export if the demand warrants. Ohtsu expects to expand considerably in the next several years to take advantage of the growing Japanese tyre market, which is the largest in Asia with 1,900,000 cars, trucks and buses registered in 1961. The agree-

ment with Ohtsu, which has been approved by the Japanese Government, gives Firestone 17 tyre factories outside of the United States.

INVESTMENT BRIEFS

At a meeting held towards the end of last week, the directors of the Emerald Valley Estates Limited decided to sell the Emerald Valley Estates for consideration of Rs 9 lakhs.

Consolidated Coffee has maintained the dividend at 20 per cent (taxable) for the year ended 30 June, 1961.

Coffee Lands & Industries Limited have doubled the dividend to 12 per cent, taxable, for the same year.

Kirloskar Electric has raised the dividend from 9 to 11 per cent, taxable, for the year ended 30 June 1961.

Jeyapore Sugar has raised the dividend from 8 to 15 per cent, taxable, for the year ended 30 June 1961.

K.C.P. has maintained the dividend at 15 per cent, taxable, for the year ended 30 June 1961.

BALANCE-SHEET BRIEFS

J. K. Steel Limited has produced excellent working results for the year ended 30 June 1961. Sales have jumped to Rs 154 lakhs from Rs 126 lakhs, while the gross profit has gone up to Rs 33.60 lakhs from Rs 27.29 lakhs in the preceding year. The dividend is, however, maintained at 20 per cent, subject to tax.

The Hindustan Sugar Mills Limited has reported a rise in the net profit from Rs 45.58 lakhs to Rs 63.58 lakhs for the year ended 30 June, 1961. The directors have maintained the distribution at Rs 29 per share (Rs 20 being the dividend and Rs 9 being the bonus), less tax.

Tycoon Tea has reported a decline in the net profit from Rs 5.30 lakhs to Rs 2.47 lakhs for 1960. The dividend is reduced from 30 per cent to 10 per cent, subject to tax.

STOCK EXCHANGES

Rally after Initial Dip

Watch-Dog Writes:

ALTHOUGH stock markets have generally buffered a sharp setback early in the week due to renewal profit-taking, there has been a remarkable recovery from Wednesday onward due to the emergence of bull support coupled with occasional short-covering. There is, however, a general disposition to move cautiously following an anxiety over the renewed Chinese incursion into Indian territory.

After recording further losses from the week-end levels due to renewed offerings, the Calcutta Stock

Exchange showed an impressive rally towards the close.

Price movements on the Bombay Stock Exchange were rather erratic due to alternate bouts of buying and selling.

Enquiries were well spread on the Madras Stock Exchange though the price trends were not uniform.

CALCUTTA

Friday Evening.

THE local stock market started the week on a quiet note. As the market appeared to be in a slightly over-bought position, the reactionary trend in prices, noticed towards the week-end, gathered further momentum due to renewed profit-taking sales. But, the recession in prices was not found to be a sign of a bear phase as was interpreted by certain sections. The general impression was that, unless a substantial corrective movement took place, the technical position of the market would become vulnerable.

Moreover, it was feared that the imposition of automatic margins on budia turnover, decided to be adopted by the Presidents of the various Stock Exchanges at their last meeting in Bombay, would be given concrete form in the forthcoming meeting, to be held in Calcutta in the first week of December. Above all, the absence of any fresh incentive and the news of fresh incursion by the Chinese into the Indian territory gave cause for some anxiety. At the same time, the absence of any bear pressure even at the decline and the persistent support lent to a few selected shares helped the market to keep its morale intact.

It should, however, be said that the market turned again active on Wednesday — the settlement day — when the moderate nature of the carry-forward charges seemed to have emboldened the bulls to tighten their grip on the market. Moreover, good corporate reports together with the expectation of a substantial foreign investment helped the market to consolidate previous gains and advance further. As a matter of fact, not even a shade of doubt in respect of confidence in market being shaken deepened in any mind and the initial shake-out had done a lot of good.

Gilt-edged securities were listless and prices displayed an easier tendency due to the absence of institutional buying. Considering that the busy season had started, banks did not show interest. Even State Loans found sellers at the quoted rates and, in some instances, even lower. 1 per cent 1966 Conversion Loan, after touching a new low of Rs 70.85, improved towards the close to Rs 70.95.

There was a revival of interest in Bank shares on the belief that their profits had improved during the current year. Punjab National changed hands at Rs 20.25 and United Commercial at Rs 91.75.

Although select shares continued to attract attention, the Jute section, in general, encountered heavy profit-taking at the recent high levels. Apart from the fact that recent upswing in values had

25 November 1961

rather steep there was a complete absence of support from investors. There was, therefore, a predominance of sellers. Howrah were on offer at Rs 21.50 against Rs 22.06; Ganges at Rs 12.91 against Rs 13.25; Birlas at Rs 28.69 against Rs 28.87 and New Central at Rs 17.62 against Rs 18.31. Nuddea, however, met with good support up to Rs 60 from Rs 57.75 and so also Megna upto Rs 14.00 from Rs 12.19.

Coal shares were rather sluggish and whatever little support there was, was confined to only a few selected shares. The lack of confidence stemmed largely from the various difficulties facing the industry. It was even thought that there was not much scope of improvement in the transport situation during the next few months. New Beerboom met with good enquiry up to Rs 22.87 from Rs 22.62; Western Bengal up to Rs 9.69 from Rs 9.37 and Central up to Rs 12.44 from Rs 12.31. Equitable turned rather quiet at Rs 30 against Rs 30.12 with Burrakur moving irregularly between Rs 18.50 and Rs 19, to close finally at Rs 18.87.

The tea section was devoid of interest and dealings were very few. Apart from a general fear of a further decline in auction prices, it was believed that supplies would be more than adequate during the current season. The only two bright features were Brooke Bond changing hands up to Rs 17.12 from Rs 16.44 and Hasimara up to Rs 31.12 from Rs 30.56. Gohpur met with some enquiry up to Rs 13.06 from Rs 12.81 and so also Dhekhakhat up to Rs 21.19 from Rs 21.06. Tezpur were, however, on offer at Rs 17 to Rs 17.25 against Rs 17.62.

Apart from Dyer Meakin which continued to have sustained support up to Rs 43.37 from Rs 42 following the company's proposal to diversify its activities and raise further capital, Sugar shares were generally dull. Raza/Buland, Carew, Cawnpore and Ramnagar were well maintained at last levels.

Textile shares shared the general trend of the market. Jay Shree were fancied and had buyers upto Rs 18.31 from Rs 18.12 following the company's decision to issue right shares, at par, in the proportion of one for two held. Dunbar closed better at Rs 33.75 against Rs 32.87, while Kesoram moved between Rs 31.31 and Rs 31.87 and J. K. Rayon between Rs 20.19 and Rs 20.44. The demand for Elgins seemed to have subsided and the scrip was marked back to Rs 22.56 from Rs 23. Cawnpore also moved down to Rs 9.37 from Rs 9.81 on profit-taking.

In the week's dealings, the lead to the sharp recovery in prices was mainly given by the speculative issues under the lead of Indian Irons which, in turn, were subjected to settlement considerations till Wednesday. Against the previous week-end closing of Rs 25.66, Indian Irons opened higher at Rs 25.80 and advanced further to Rs 25.92. After reacting at one time to Rs 25.54 on settlement considerations, the scrip showed a sharp recovery to Rs 26.28 before finishing the week at Rs 26.18. TEXMACO, however, firmed up to Rs 20.40 from Rs 20.10 in view of the short position, while Guest, Keen, Williams changed hands at Rs 40.87

to Rs 41.75; J. K. Steel at Rs 22.50 to Rs 23.12; Jessop at Rs 20.87 to Rs 21.12; Britannia at Rs 13.50 to Rs 13.75; Braithwaite at Rs 39.87 to Rs 40.25; Binani Metal at Rs 12.44 to Rs 12.81 and Jay Engineering at Rs 27.69 to Rs 27.87.

After ruling initially weak, Miscellaneous issues displayed a firmer tendency towards the close, as will be clear from the following price trends of a few selected shares:—

	High	Low	Closing
	Week's	Week's	Week's
	RsnP	RsnP	RsnP
Orient Paper	41.00	37.90	41.00
Shree Gopal	27.87	27.12	27.87
Bengal	105.50	101.00	104.50
Sirpur	17.62	17.12	17.31
Titagpur	36.50	35.75	36.50
Alkali Chemical	42.50	41.87	42.50
Rohtas	18.19	17.44	18.12
Dunlop Rubber	42.37	40.50	41.75
Hind. Motor	21.87	21.19	21.75
Union Carbide	53.87	53.12	53.75
Asso. Battery	38.50	38.50	38.50
Phillips Carbon	25.50	24.75	25.50
Goodyear	43.75	41.87	43.75
J. K. Synthetics	14.75	14.00	14.62
I. Oxygen	40.25	39.87	40.00
I. Cable	36.87	35.81	36.87
I. Aluminium	38.69	37.12	38.69
I. Steamship	7.75	7.62	7.69
I. Copper	5.00	4.94	5.00
General Tyres	7.56	7.06	7.06
BIC	9.37	9.12	9.25

* Turned ex-Bonus on Thursday.

MADRAS

22 November

There was select buying in textiles, chemicals and industrial in today's market. This proved mainly to be selective investment support to some of the scrips that were on the front generally this week. Banks were steady and public utilities too. Sugars and Plantations were weak.

Government Securities: The Madras Loan 4½% 1972 was quoted at Rs 98.25. 4% Madras Government 1971 was available at Rs 98.52. Andhra Government's 4½% 1972 Loan was quoted at Rs 98.00. 4½% 1970 Andhra Loan was quoted at Rs 98.25.

Bank: The Indian Bank continued unchanged at Rs 181.00 and the Rs 80 paid share was sold at a lower rate of Rs 152.00. Pandyan improved by half a rupee to Rs 27.50. Punjab National Bank was at Rs 20.40.

Electrics: Ellore declined to Rs 20.25. Kumbakonam was at Rs 10.78. Salem-Erode was available at Rs 14.00. Tinnivelly-Tuticorin was sold at Rs 11.75 and West Coast was at Rs 14.00.

Sugars & Breweries: Cauvery declined to Rs 123.00. Deccan was at Rs 12.22. E.I.D. was sold at Rs 37.50. India Sugar was at Rs 10.80 and K.C.P. remained at Rs 16.25. Kirlampudi declined by a rupee at Rs 77.00.

Plantings: Amaparai was lower at Rs 3.40 and Balmadies was offered at Rs 14.20. Blue Mountain did not change at Rs 2.90. Cochin Malabar was at Rs 7.40. Coffee Lands declined by half a rupee at Rs 17.00 and Cons. coffee was available at Rs 21.40, registering a decline of forty nP. Kil Kotagiri was at Rs 5.08, Kumer-gode gained ten nP. at Rs 4.60. Midland was available at Rs 11.20. Mysore Coffee xd was at Rs 5.25. Ouchterlony was lower at Rs 5.25. Peermade was at Rs 22.75 and Peninsular was marked at Rs 22.00. Periakaramalai was at Rs 3.75. Sangameswar xd was was at Rs 1.82. T.R. & T. was at Rs 10.85. Twyford was quoted at Rs 11.85. United Nilgiri was at Rs 23.50. Waterfall gained a little at Rs 2.87.

Textiles: Anglo-French declined to Rs 144.00. Buckingham was at Rs 259.00 increasing by three rupees and Bangalore Woollen was unchanged at Rs 246.00. Coimbatore Spinning was sold at Rs 65.00. Kothari gained a little at Rs 13.75. Lakshmi was unchanged at Rs 169.00. Madura was at Rs 42.25, and Loyal was at Rs 51.00. Radhakrishna declined to Rs 40.00. Rajalakshmi was at Rs 109.00. South India Viscose was at Rs 188.00. Travancore Rayon was quoted at Rs 45.75.

Miscellaneous: Aluminium Industries was available at Rs 23.70. Ashok Leyland was marked at Rs 9.30. Dalmia Cement declined to Rs 12.45. FAC.Ts. was quoted at Rs 9.12. Forest Industries was better at Rs 2.65. India Cement was at Rs 6.61. I. S. Rolling was at Rs 11.90. Madras Rubber improved to Rs 22.25. Mettur Chemical was quoted at Rs 15.20 and Mysore Cement was at Rs 8.65. Mysore Paper was at Rs 15.05. Panyam Cement gained two points to be marked at Rs 105.00. Seshasayee Paper was five nP. higher at Rs 8.55. Southern Structurals was at Rs 11.25. Travancore Ogale improved to Rs 6.20 and Tube Investments moved to Rs 289.00.

SCIENCE NEWS

Hill Streams for Power Generation

One of the significant developments in the field of power generation in 1960-61 is the harnessing of hill streams fed by glaciers, producing enough electric power for groups of villages in remote areas in the country.

During the Second Plan a micro or baby hydel set was installed at Chaila, in Himachal Pradesh, on an experimental basis, for harnessing the waters of the Giriganga, about 18 miles from Simla. This power house has been meeting the demands for electricity from the nearby villages, and a second set is being installed in the Bharmour valley in Chamba district and another is being planned for Chini in 1961-62. In the Third Plan period, it is proposed to install 13 micro sets in Himachal Pradesh.

The head required for these micro sets is low—a maximum of 25 ft. with adequate water flow. An attempt is also being made to use timber planks for penstocks instead of cement and steel and assemble and erect them at site.

Improved Malted Milk Powder

An improved process for the production of nutritive and palatable malted milk powder and allied products has been developed at the Central Food Technological Research Institute in Mysore. The new process makes use of solid powder, such as malt extract and milk powder, as base material instead of fresh milk and malt liquor. Production is thus facilitated since the amount of water to be evaporated for preparing the product is reduced.

The base materials required in the new process are ragi, jawar, barley, wheat and milk which are easily available in the country. The total capital outlay for a 300-ton annual capacity plant is estimated at about Rs 6.85 lakhs.

In recent years a considerable market has been developed for malt products in India. The demand has been largely met from imports. In 1957 the total value of malted milk and malted milk powder imported was about Rs 95 lakhs. Since then, imports have been drastically reduced to about 5 to 10 per cent.

THE INDIAN IRON & STEEL CO., LTD.

NOTICE.

LOST—Allotment Letter No. 0/10709 for 100 Ordinary Shares (Rights) in the abovementioned Company issued in the name of Shri Nitve Chand Auddy having been reported as lost, an application for the issue of the relative Certificate for the 100 ordinary shares Nos. 5429659/758 registered in his name without production of the said Allotment Letter has been received from the shareholder. Notice is hereby given that the issue of the relative Certificate for the said shares will be considered unless valid objection is received by the Company within one month from date.

For The Indian Iron & Steel Co. Ltd.,
MARTIN BURN LTD.,
F. G. Liversedge,
Managing Director,
Managing Agents.

12, Mission Row,
Calcutta.
Dated the 24th November, 1961.

MARTIN BURN LIMITED.

12, Mission Row, Calcutta-1.

NOTICE.

LOST—Allotment Letter No. 0/12149 for 20 ordinary shares in the abovementioned Company issued in the name of Mr. Goneshwar Saha (now dead) having been reported as lost, an application for the issue of the relative Certificate for the said 20 ordinary shares Nos. 1174668/685 in the name of the allottee without production of the allotment letter has been received from the legal representative. Notice is hereby given that the relative Share Certificate will be issued unless valid objection is received by the Company within one month from date.

L. K. SEN CHOWDHRY,
Acting Secretary.
17th November, 1961.

INDEX NUMBERS OF SECURITY PRICES (1952-53=100)

Week ended	12-11-60	4-11-61	11-11-61
Government and semi-Government securities—All-India			
Total	100.6	101.0	101.0
Government of India	100.5	101.0	100.9
State Governments	102.0	102.0	102.0
Municipal, Port Trust, etc.	99.9	99.3	99.3
Debentures of Joint Stock Companies—All-India			
Total	100.7	101.2	101.3
Preference shares—All-India			
Total	86.3	82.5	82.6
Variable dividend industrial securities—All-India			
Total	169.4	183.9	185.8
Agriculture and Allied Activities	165.5	163.0	165.0
Tea Plantation	157.5	155.4	156.7
Gum Plantation	204.8	167.6	169.7
Rubber Plantations	171.5	171.7	173.9
Mining and Quarrying: Total	160.0	169.4	161.1
Cu	114.0	118.3	118.4
Coal	174.6	189.3	190.3
Other Mining	174.6	189.3	190.3
Processing and Manufacturing: Total	182.2	199.4	201.7
Processing & Mfg. (Food stuffs, Textiles, etc., Total)	183.8	210.7	213.6
Sugar	101.6	157.0	156.8
Cotton Textiles	148.0	185.5	187.7
Other Textiles	8.7	9.3	9.5
Silk & Woolen	107.2	110.1	121.5
Processing & Mfg. (Metals, Chemicals, etc., Total)	190.8	199.8	201.5
Iron & Steel	152.4	158.9	160.0
Transport Equipment	392.4	398.5	402.7
Electric Machinery	143.3	164.7	165.7
Machinery Other than Transport and Electrical	208.0	214.0	214.7
Basic Industrial Chemicals	209.0	206.3	214.0
Processing and Mfg. (Others): Total	161.3	164.4	161.7
Cement	143.1	152.3	155.8
Paper	216.9	206.8	208.4
Other Industries: Total	108.5	112.0	112.2
Electricity Generation and Supply	82.6	85.4	85.6
Trading	115.6	131.7	121.5
Shipping and other Transport	104.8	93.8	93.5
Construction	202.9	207.0	207.9
Financial Total	177.0	207.0	208.7
Debt	199.1	234.7	234.8
Equity	131.4	153.5	154.1
Investment Trusts	89.1	89.6	89.9

Variable dividend industrial securities—Regional			
Bombay	174.7	191.3	193.0
Calcutta	155.7	168.4	170.1
Madras	127.9	202.1	204.0
Delhi	221.0	245.0	250.7

*Including "Miscellaneous."
*Including "Edible and Vegetable oils."

SHORT-TERM MONEY RATES

(Per cent per annum)

	11-11-60	3-11-61	10-11-61
Call Money—			
From Banks—			
Bombay	4.50	3.00	4.50
Calcutta	4.51	4.18	4.50
Madras	4.27	3.96	4.70
Deposits at notice of 7 days—			
Bombay	2.16	3.00	3.00
Calcutta	2.00	3.00	3.00
Madras	2.00	3.00	3.00
Fixed Deposits—			
3 Months—			
Bombay	3.50	3.00	3.50
Calcutta	3.49	3.00	3.50
Madras	3.48	3.00	3.50
6 Months—			
Bombay	3.45	3.75	3.75
Calcutta	3.25	3.75	3.75
Madras	3.45	3.75	3.75

No Transaction.

BULLION PRICES

Week Ended	10-11-60	10-11-61	17-11-61
	Ra. nP	Ra. nP	Ra. nP
GOLD—			
Spot—			
Highest	115 75	124 45	124 70
Lowest	114 30	123 40	123 30
Average	114 88	123 98	123 88
1st Settlement—			
Highest	116 65	124 90	124 95
Lowest	115 40	124 40	124 65
Average	115 83	124 83	124 47
SOVEREIGN—			
Average	89 96	98 44	98 00
SILVER—			
Spot—			
Highest	195 85	207 40	209 00
Lowest	194 00	206 00	207 15
Average	195 20	206 98	208 65
1st Settlement—			
Highest	197 30	208 65	210 10
Lowest	196 30	207 85	208 85
Average	196 78	208 16	209 24

GOVERNMENT OF INDIA TREASURY BILLS

Week ended	11-11-60	3-11-61	10-11-61
Amount offered	2.00	2.00	2.00
Amount tendered	2.00	2.00	2.00
Amount sold by tender	2.00	2.00	2.00
Of which against maturing Treasury Bills	...	...	...
Int. rate in Treasury	...	...	...
Bills sold	31	34	18
Total sales	2.31	2.34	2.18
Average rate of discount for auction sales	2.305	2.500	2.520
Sold in favour of Reserve Bank of India	63.88	39.28	65.48
Total amount outstanding	1,145.75	1,022.97	1,020.06

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From To	
Belgium	Fcs. to Rs. 100	10.3 10.2	11-11-61
France	"	10.2 10.1	15-11-61
Netherlands	Gulden to Rs. 100	75.60 75.70	11-11-61
W. Germany	Mks. to Rs. 100	84.10 84.00	11-11-61
Italy	Lira to Rs. 100	1.015 1.010	11-11-61
"	"	1.010 1.015	11-11-61
"	"	1.015 1.010	11-11-61
Denmark	Kronor to Rs. 100	144.70 144.80	11-11-61
"	"	144.80 144.70	11-11-61
Sweden	"	108.70 108.60	11-11-61
Hungary	For. to Rs. 100	119.00 119.50	11-11-61
Japan	Yen to Rs. 100	7.61 7.62	11-11-61
U.S.A.	Dollars to Rs. 100	47.50 47.75	11-11-61
Canada	"	46.75 46.80	11-11-61
"	"	46.80 46.75	11-11-61

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	11-11-60	3-11-61	10-11-61
Forward Contracts—			
Purchases £ ('000)	80	100	578
Sales Rs. ('00,000)	11	12	77
Debit—			
Spot Transactions—			
Purchases £ ('000)	...	...	...
Sales Rs. ('00,000)	955	2,240	259
Against forward contracts—			
Purchases £ ('000)	300	1,055	1,088
Sales Rs. ('00,000)	48	1,41	1,48
Debit—			
Sales Rs. ('00,000)	...	...	...

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	10-11-60		10-11-61		17-11-61	
	Price Rs nP	Yield %	Price Rs nP	Yield %	Price Rs nP	Yield %
3½% 1961	99 65	3·47	99 90	3 39	99 90	3·40
3½% 1962	99 30	3·66	99 78	3·56	99 75	3·57
3½% N.P.B.1967	99 37	3·41	98 90	3·72	98 45	3·73
3½% Dev. 1970-75	85 94	4·29	90 45	4·30	90 33	4·32
3½% 1974	99 00	3·25	99 55	3·09	99 55	3·20
3½% (Con.) 1986 or later*	74 15	4·04	72 25	4·26	71 50	4·20

*Running yield.

INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS

(Base: 1952-53=100)

Group and Sub-Group	10-11-60	10-11-61	17-11-61
Food Articles			
Cereals	121.7	121.3	121.6
Pulses	101.3	103.4	102.7
Fruits & Vegetables	91.7	91.2	91.5
Milk & Cheese	113.8	117.4	115.2
Edible oils	148.2	146.3	146.4
Fish, Eggs & Meat	114.1	113.5	113.2
Sugar & Gur	127.5	121.3	122.6
Others	145.5	142.2	141.1
Liquor and Tobacco	99.5	99.5	99.5
Drugs	96.0	96.0	96.0
Fuel, Power, Light & Lubricants	122.0	122.0	122.0
Industrial Raw Materials	135.0	135.0	135.0
Fibres	125.0	125.0	125.0
Outdoors	151.5	145.7	145.7
Minerals	91.9	91.8	91.8
Others	127.7	127.7	127.7
Manufactures	126.4	126.3	126.3
Intermediate Products	119.7	119.7	119.7
Finished Products	125.2	123.9	123.5
Textiles	125.3	124.9	124.3
Cotton	128.2	128.2	128.2
Woolen	120.8	119.1	117.5
Silk & Rayon	123.1	123.1	123.1
Metals	147.1	147.1	147.1
Chemicals	112.0	111.9	111.2
Oil cakes	145.7	144.0	144.8
Machinery & Transport Equipment	113.8	113.8	113.8
Others	181.6	181.6	181.6
All Commodities	124.8	124.7	124.4

*Estimated.

† Revised.

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

	17-11-61	10-11-61	18-11-60
LIABILITIES:			
Notes in Banking Dept.	16,21.63	18,84.63	22,34.89
Notes in Circulation	1920,41.86	1946,52.97	1820,31.49
	1936,63.49	1965,37.60	1842,66.38
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Starling Securities	116,86.07	116,86.07	123,00.89
Total A	234,62.10	234,62.10	240,76.92
(B) Rupee Coin	123,17.64	121,91.75	129,83.82
Rupee Securities	1578,63.75	1608,83.75	1472,05.64
	1936,63.49	1965,37.60	1842,66.38

BANKING DEPARTMENT:

	17-11-61	10-11-61	18-11-60
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	50,00.00	50,00.00	40,00.00
National Agricultural Credit (Stabilisation) Fund	6,00.00	6,00.00	5,00.00
Deposits—			
(a) Central Govt.	62,49.52	65,40.85	53,68.55
(b) Other Govt.	11,13.42	10,11.77	23,48.60
(c) Banks	82,82.79	77,65.46	95,16.88
(d) Others	146,23.74	155,90.37	86,78.86
Bills Payable	22,69.74	19,19.67	25,67.60
Other Liabilities	39,47.64	21,88.74	29,18.43
	495,86.85	481,76.36	443,98.72
ASSETS:			
Notes	16,21.63	18,84.63	22,34.89
Rupee Coin	3.54	3.32	1.67
Subsidiary Coin	3.98	3.53	6.30
Bills DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	50,28.75	46,85.23	8,47.50
Balances held abroad	24,58.21	25,78.59	16,61.99
Loans & adv. to Govt.	73,60.24	65,84.50	30,23.15
Other Loans & Adv.	131,85.07	154,70.43	118,42.31
Investments	180,51.69	150,39.15	234,98.39
Other Assets	18,74.74	18,72.98	12,82.62
	495,86.85	481,76.36	443,98.72

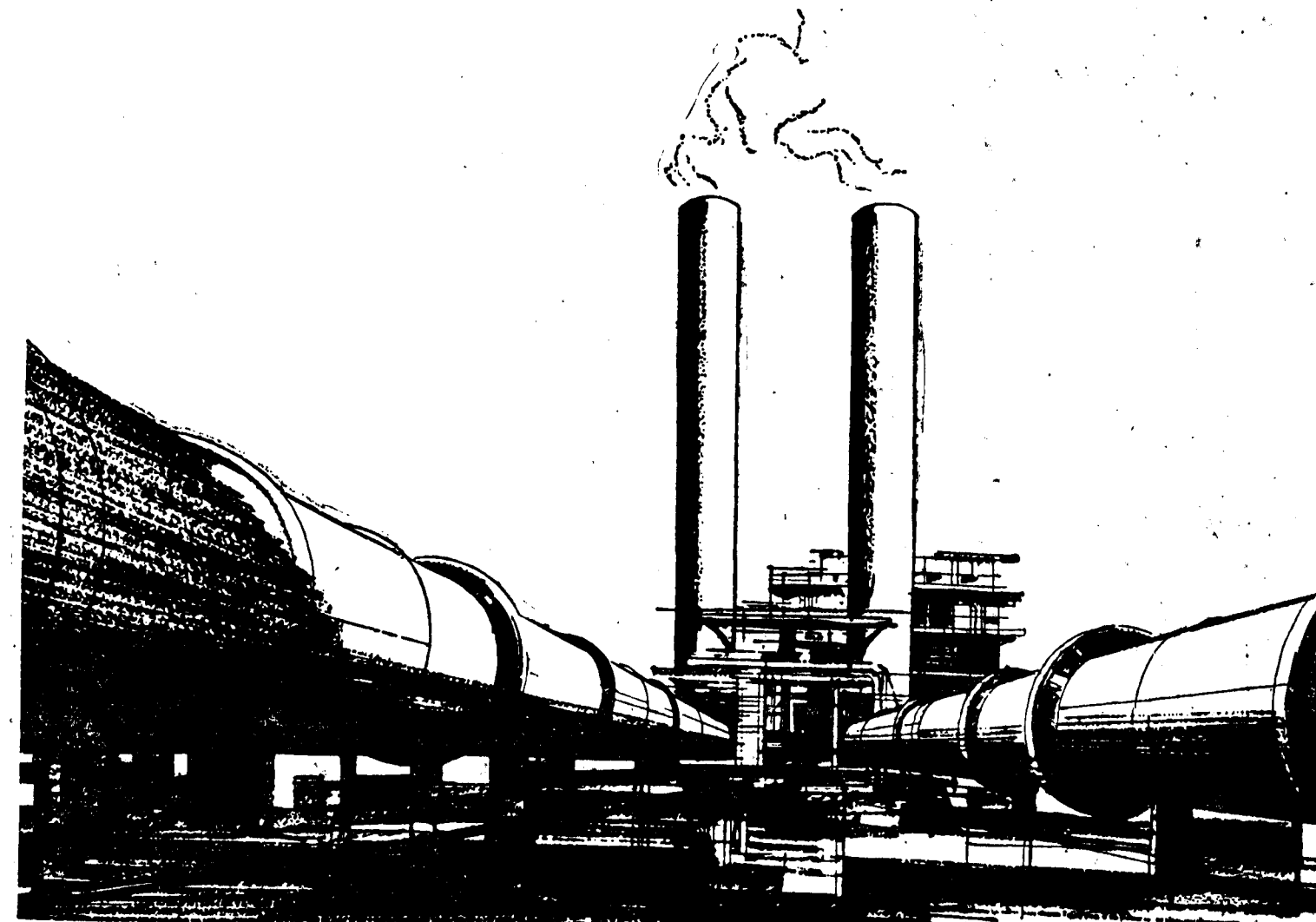
(1) The item 'Other Loans and Advances' included Rs. 2,30,50,000 advanced to scheduled banks against advance bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees)

	11-11-60	3-11-61	10-11-61
Demands Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	21,20.41	18,95.09	16,92.12
(ii) Other demand liabilities	768,90.65	823,13.66	820,04.87
(iii) Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	16,68.39	19,72.71	18,20.61
(ii) Other time liabilities...	1127,99.91	1111,94.80	1107,76.65
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	9,69.59	9,54.93	9,21.97
(ii) Time Liabilities	60.00	10,59.42	10,13.33
Borrowings in India from the R. B. I.			
Bank in India	25,19.24	16,52.20	36,14.15
Balances with the Reserve Bank of India	47,39.53	50,82.83	55,09.51
Balances with other banks in current account in India	101,57.22	73,36.86	71,20.19
Money at call and short notice in India	14,98.02	15,86.11	15,55.78
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	31,78.18	44,03.15	41,42.02
Advances in India	687,46.89	630,72.76	610,94.46
Bank Bills Purchased and Discounted in India	955,53.69	1053,48.11	1056,36.94
Foreign Bills Purchased and Discounted in India	106,68.80	138,20.62	141,82.91
	47,26.67	47,48.41	47,11.46

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



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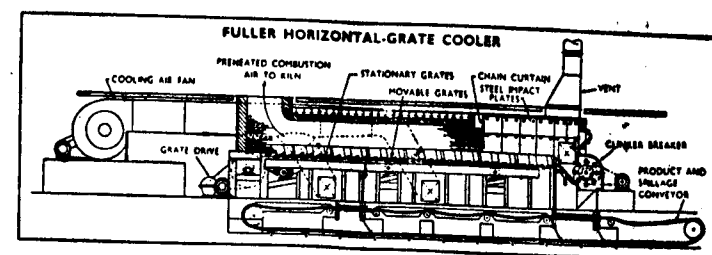
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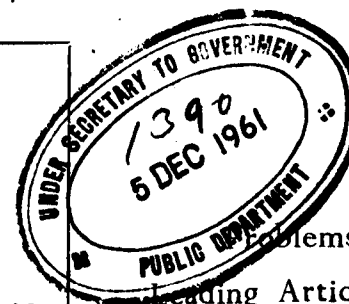
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HIGHLIGHT OF THE ISSUE

Problems of Industrial Finance are discussed in the first leading Article and the World of Finance.

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by

C. S. Rangaswami

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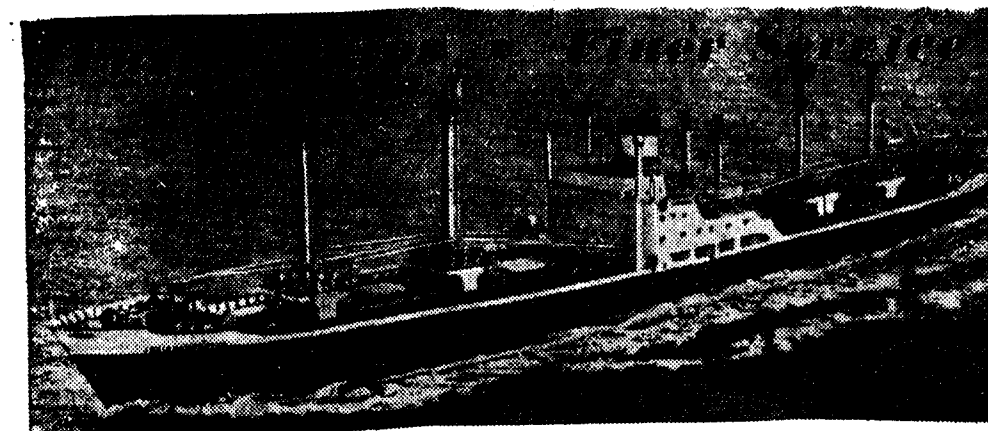
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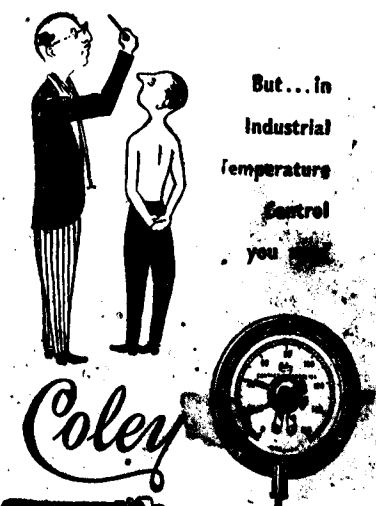


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Problems of Industrial Finance

IN Madras during the last week, there has been detailed thought given to the subject of finding sources of finance for the industry in the private sector. The occasion was provided by the annual conference of the State Finance Corporations. Besides the discussion during the Conference, which began with a forthright and constructive address from the Governor of the Reserve Bank, special studies on particular aspects of the subject prepared by the Reserve Bank of India were also made available. But these were deferred for further consideration at a later date. Though no particular decision of immediate interest can be said to have been taken it is clear that in the next few months we shall have a fuller picture of where the money is to come from for financing the private sector's tasks in the Plan and how institutional agencies are going to help in this regard.

The Third Plan envisages fixed capital expenditure of industry in the private sector at Rs 1350 crores. As against this, estimate of funds available is only Rs 1250 crores showing a shortfall of Rs 100 crores. The fact that during the Second Plan, according to the latest estimates, a sum of Rs 850 crores has been mobilised for investment in the private sector against an anticipated Rs 620 crores may engender some confidence about the Third Plan expectations. But it will be poor planning, to assume automatically that the sources of funds will be as plentiful during the Third Plan as they proved to be during the Second. For instance, considering the selective character of public support for new issues noticeable for some time, realisation from new issues may not net in the full quota of Rs 200 crores. Increased cost of production and the spiralling of wages may make the hopes of getting Rs 600 crores from internal resources of the corporate sector somewhat difficult of realisation. Foreign credits and assistance from the Central and State Governments may not exceed the Rs 300 crores and Rs 20 crores already taken credit for. If these were to happen, the overall shortage may go up to much beyond the Rs 100 crores anticipated by the Third Plan. This will mean that the private sector has to lean heavily on institutional agencies for its requirements of finance for fixed capital requirements.

Increasing reliance on institutional agencies and commercial banks will become unavoidable in the coming years. The extent to which commercial banks can be expected to play the role of provider of finance for fixed capital expenditure and medium term requirements of industry is one that does not lend itself to an easy estimate. The implications of this proposal from the point of view of the banks have been discussed in World of Finance this week. Banks have in the last few years, been obliged to play willy-nilly the role of a medium term lender and the ability of the banks to do this has been enhanced by the activities of the Refinance Corporation lately. A great deal more will have to be done before banks can overtly commit themselves to the tasks and responsibilities of a long-term and medium term lender. The reported suggestion, of the

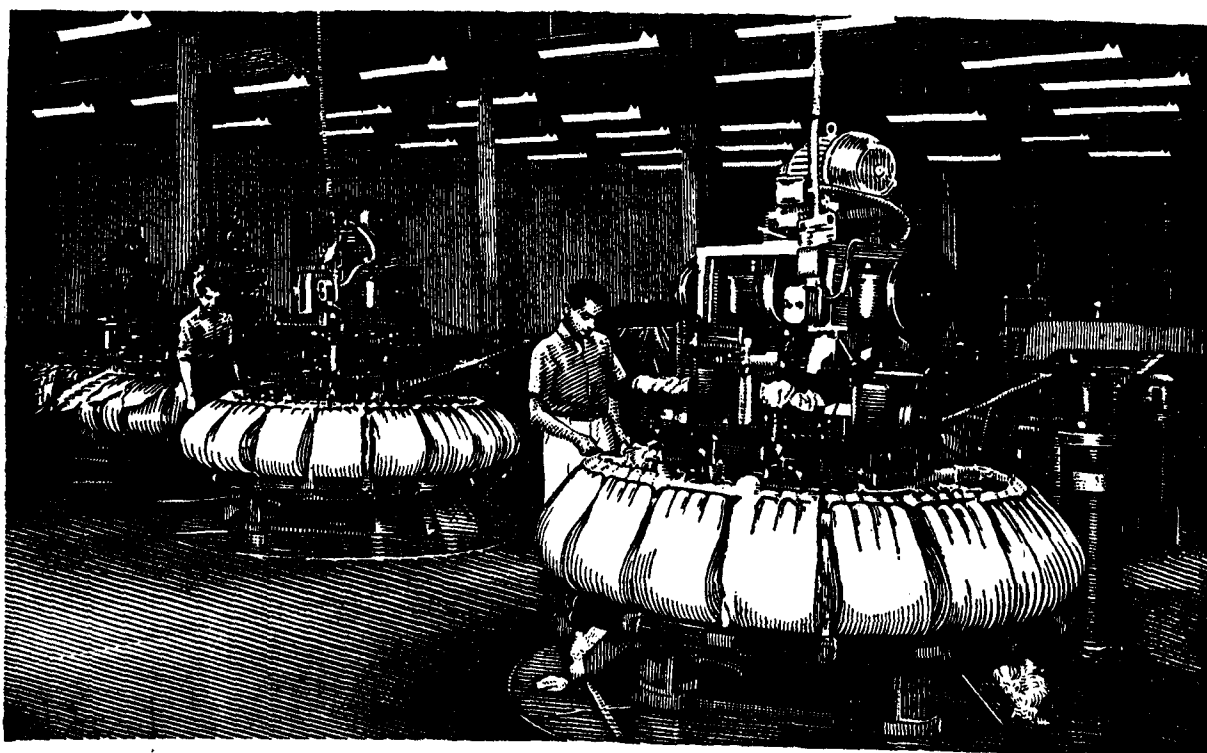
Reserve Bank study that commercial banks, at least the major ones, should go in a much bigger way for long term and medium term lending, will have to be examined in far greater detail before anyone can assume that banks can be made a suitable source of long term finance for the industry.

This leaves the other institutional agencies like ICICI, and Industrial Finance Corporation and the State Finance Corporations. These are institutions that have come into being to meet the special needs and requirements of planned development. They are comparatively new, as financing institutions go, and they may be said to be feeling their way. Mr H. V. R. Iengar, expressed himself as disappointed with the achievements of the State Finance Corporations. It is difficult to deny that the nature of their assistance and the terms and conditions on which it is to be extended are conceived on somewhat rigid lines by the State Finance Corporations. This has led to the denial of assistance to many enterprises and entrepreneurs worthy of such assistance and even where the assistance has been promised, disbursements have been somewhat niggardly. For instance, figures for 13 State Finance Corporations available show that loans sanctioned since inception upto end of 1960-61 add up to slightly over 30 crores of rupees. Of these disbursements amount only to slightly over Rs 17.5 crores. The industry-wise distribution of loans also shows no particular enterprise and among the various State Finance Corporations, performance varies.

If the State Finance Corporations are to make headway and play a significant role in the financing of the private sector, they will have to conceive their tasks on much broader lines than they have done hitherto. Reports aver that the Reserve Bank does not think that there can be any objection to the State Finance Corporations taking an interest in equity shares. The fact that the Governor of the Reserve Bank feels that the State Finance Corporations are not enterprising enough would seem to lend plausibility to the hope that one way in which the State Finance Corporations may utilise even their somewhat meagre resources—now comparatively idle, from the point of view of the private sector—in more effective ways than has been the case so far.

The needs of the smaller units in industry stand on a somewhat different footing and the Reserve Bank has produced a report on the subject also. Many of the ideas in the report have been canvassed for some time and the principal practical step so far taken has been the State Bank's pilot scheme to co-ordinate the activities of various agencies offering credit to the smaller industrialists. Term lending assumes importance in these cases as it does in the case of the larger units in the industry. The need for liberalisation of procedures, of security requirements, for the quick processing of applications and for humanising and personalising the way the relationship between the lender and the borrower cannot be over-emphasised.

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Problem of Costs

WHILE Government have accepted the main recommendation of the Tariff Commission, to continue protection to the caustic soda industry for a further period of three years at existing rates, the ancillary recommendations are more relevant to the programme for the further development of the industry and the measures that have to be taken for its economic working. Under prevailing conditions of restricted imports, the necessity for protection may not be very obvious. The Commission however are of the view that continued protection is necessary both for providing the necessary stimulus for the further development of the industry as well as for maintaining continuous check on its performance. Since 1955, when protection was first granted, the industry has made significant progress and it is felt that withdrawal of protection at this stage when largescale developments are envisaged would be decidedly harmful to its progress.

During the period 1948 to 1959, the installed capacity of the industry increased from 12,000 tons to 98,940 tons. There has been further additions of considerable order to installed capacity during the last year of the Second Plan. The progress both in respect of installation of additional capacity and production has been more marked during the Second Plan period than during the First Plan period. While between 1950 and 1955, installed capacity increased by 23,100 tons, the increase during the Second Plan period was of the order of 75,700 tons. Along with the increase in production, there has also been a noticeable improvement in the quality of production which has come as a sequel to the attention drawn to that aspect by the Tariff Commission in one of its earlier reports on the industry.

There are now eighteen units engaged in the manufacture of caustic soda, of which eleven manufacture for sale and the remaining seven, mostly paper and rayon mills, make caustic soda mainly for own use. The annual installed capacity of these eighteen units has been assessed at 143,900 tonnes, of which the achievable capacity is estimated at 122,400 tons. Production has increased from 58,311 tons in 1958 to 97,400 tons in 1960 and was running at the annual rate of 116,000 tonnes during the first half of the current year. Along with the increase in the total output, production of rayon grade caustic soda has also increased from 24 per cent of the total to 42 per cent in the first half of 1961.

On the other hand, demand for caustic soda has been increasing at a faster rate than production and, after allowing for expansion during the Plan period, there is likely to be a large gap between supplies and requirements. The Planning Commission has fixed the target for capacity at 400,000 tons and the production target at 340,000 tons. The Tariff Commission estimate that demand will increase from 201,000 tonnes in 1961 to 391,000 tonnes by 1964. Including additional capacity licensed and expected to be established by that date, the maximum production likely to be realised is estimated at 254,000 tons leaving a gap of 65,000 tons. Such conditions of persistent shortage which ensure that all the caustic soda produced is easily sold hardly offer any incentive for cost reduction. Protection in such circumstances may be considered an aggravating interference. But the logic of protection has to be sought in other considerations. But this does not mean that the duty for seeking all possible reductions

in cost should be shirked. Indeed protection itself casts this duty on the producers and the industry would not have deserved the help extended if it did not consciously try to seek every mode of reducing cost. This is particularly incumbent on it because caustic soda, as is well known, is a basic raw material and enters in the production of a variety of articles of great importance to industry. Many of these industries are of crucial importance from the point of view of exports. And the most important single reason for the comparative failure of our export drive is the fact that our exports tend to get priced out of every market abroad by competitors who are able to quote a much lower price for their products.

While recommending continuance of protection, the Tariff Commission have also noted that the weighted average of the fair ex-works price of Indian units is more than double the landed cost of the imported product. The landed cost is not always a fair basis of comparison, for the domestic prices of the exporting countries are usually higher than their export prices. Even so, the fair ex-works price of caustic soda in India, it has been noted is 36 per cent higher than the domestic selling price in Britain. The question of reduction of costs is, therefore, of urgent importance, if the large number of industries which use caustic soda in their manufacturing processes are to make a good showing in export markets. Among these industries may be mentioned, soap, textiles, paper, rayon, vanaspati, aluminium and a numerous group of miscellaneous industries such as rare earths, dyestuffs and intermediates, petroleum products, drugs and pharmaceuticals, plastic raw materials and other organic chemicals.

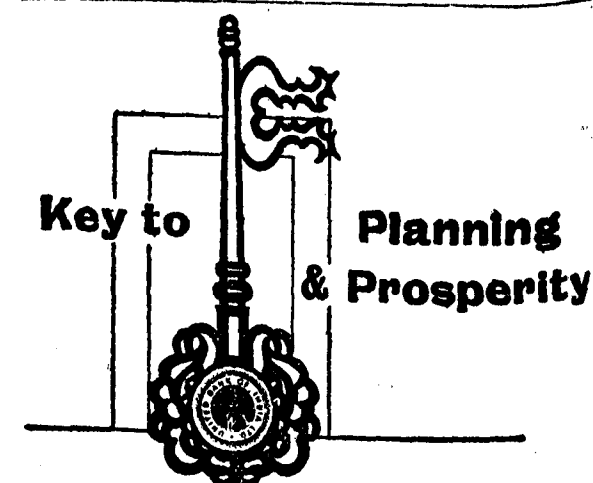
The recommendations of the Tariff Commission are of value in that they help to focus attention on the areas where effective action can be taken to reduce the cost of this basic industrial material, if that aspect is kept in view in drawing up the programme for the future development of the industry. Analysis of the cost of production shows that electric power accounts for 42 per cent of the total cost, conversion charges for 24 per cent and raw materials for 13 per cent. The costs are also related to the process of manufacture adopted, chemical or electrolytic, and the success achieved in utilising chlorine which is a by-product of the latter process. Since conversion charges as at present amount to 24 per cent on the average, the units should be enabled, and encouraged, to achieve the economies of scale, in order to bring down this element of the total cost. A comparison of the figures of individual factories shows that the unit with the largest daily output has also the lowest cost of production, even though at present it is obliged to waste practically its entire output of chlorine. The Commission have, therefore, recommended that while licensing additional capacity, existing units should be encouraged to expand their capacity to an economic size and in licensing new units due attention should be paid to the importance of setting up plants of large size in areas advantageously situated with regard to power and the principal raw material, common salt.

The 18 units of the industry now in operation are dispersed in eleven States and the daily rated capacity ranges from two to eighty tonnes. When the programmes of expansion for which capacity has been licenced are fully implemented, there will be 27 caustic soda units dispersed in thirteen States. But twenty of these will still have a capacity of less than 50 tonnes per day and only three will have a capacity of more than 75 tonnes

which is considered necessary for economic working.

Since the Tariff Commission last reported, considerable progress has been made in the utilisation of chlorine and this is not at present a serious problem. But, with the programme of expansion envisaged, it is estimated there would be an excess of 57,000 tonnes of chlorine per year. The alternative of switching on to chemical process is not advisable for the reasons that the cost of production is much greater and in this process the entire chlorine is wasted in the form of calcium for which there is only very limited use. In choosing between the two processes, the Tariff Commission has emphasised that reduction of the cost of caustic soda should, in the present stage of development, receive priority over complete utilisation of chlorine.

The contribution that State Electricity Boards can make to building up this basic industry is highlighted by the fact that 4,000 kwh of electricity are required to produce one tonne of caustic soda. A difference of one naya paise per unit in the electricity tariff will mean a difference of Rs 40 per tonne in the cost of caustic soda. It is a matter of regret that only a few of the State Governments are prepared to supply power at concessional rates and none of them has agreed to maintain current rates throughout the Third Plan period. The Railway administration could also be more responsive to the requirements of the industry by providing adequate number of tank wagons for movement of caustic soda lye and by adjusting freight rates so that freight will not be an inhibiting factor on the growth of demand for liquid caustic soda. In view of the current shortage of coal or other fuel, and steel used as packing material, use of caustic soda in liquid form should be encouraged as it leads to saving in both these items.



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World of Finance

BANKS

A New Source of Medium-term Loans?

AS long ago as in 1956 this journal had drawn attention to the emergence of a new form of lending by banks. From that year it has been found that short-term accommodation, which is the kind of finance that the banking system has traditionally extended, was being put to medium-term use by constituents. Ostensibly taken for financing stocks, loans were in many instances "invested" in the acquisition of new plant and equipment; and the bank accounts of such constituents tended to show some rigidity at the upper level of their overdrafts. Industrial ventures were thus compelled to utilise bank loans because, at the time and until the middle of 1958 or so, the capital market was very hard indeed to tap. Then there are also the cases where existing companies preferred to finance their expansion through bank loans rather than by approaching the shareholder with a rights issue. The convenience of borrowing (against stocks) from banks and utilising the proceeds in the purchase of plant and equipment has been such that it is likely that a not inconsiderable sum, of the total of Advances of the banking system, is now tied up in the form of medium-term loans. It is logical and necessary that banks should now seriously consider medium-term finance as part of their operations, instead of permitting its existence camouflaged as short-term accommodation.

We find that a working group in the Reserve Bank of India has recently submitted a report, and one of the recommendations contained therein is to the effect that major banks should branch out into medium-term financing. The financial requirements of the private sector, during the Third Plan, are placed at Rs 1,350 crores; available resources still leave a short-fall of about Rs 100 crores, and the institutional agencies (banks, etc.) are supposed to come up with around Rs 130 crores. While bank credit will expand in the quinquennium by a larger amount, it is doubtful if that portion of it attributable to the needs of fixed investment can, on the present basis, be covered. For, the simple fact of the matter is that the rate of growth of Deposits lags behind the rate of expansion of Advances; and banks are already working at a high ratio of Advances to Deposits.

It is therefore not enough for banks to embark upon medium-term lending; what needs to be done is a greatly expanded working of the Refinance Corporation. The major banks can merely act as the experts who will vet the proposals for medium-term loans; they do not have the resources to extend such assistance. Hence it will be the Refinance Corporation (whose resources can surely be enlarged with another tranche of allocation from Public Law 480 counterpart funds) which will be the lending authority, with major banks acting as agents.

There is need for another kind of agency to reduce the pressure upon the banking system, in order that banks can be enabled to cater to the enlarged demand for the financing of trade, commerce and stocks. (A brief reference to such an agency was made in last week's article). Where industrial output, temporarily, outpaces demand, banks in recent years (as in the case of cotton textiles, cement and sugar) have been called upon considerably to step up Advances to the affected industries. More often than not the imbalance gets corrected in a short (relatively, that is: but the period may last as long as two years) while; and in the interim bank finance is locked up. Similarly in the case of industries dependent for some of the components upon imports, the foreign exchange shortage sometimes involves a sharp increase in "semi-manufactured" articles that have to be financed. Such situations again reduce

PROGRESS OF BUSY SEASONS (In Rs Crores)

	1959-60	1960-61	1961-62
Reserve Bank:			
Active Notes	— 6.99	+16.79	+20.42
Rupee Coin	+ 0.84	+ 0.19	— 2.59
Banks' Deposits	+ 7.99	— 2.08	— 2.25
Other Loans and Advances	—11.29	— 1.37	+ 0.05
State Bank:			
Deposits	+10.27	—11.41	— 2.07
Borrowings	—	+ 0.96	+ 0.53
Cash Balances	— 1.83	+ 6.53	— 7.43
Glitgedged	+ 9.22	— 1.86	— 4.21
Advances	— 6.74	— 8.07	+ 2.06
—As Percentage of Deposits	(26.7)	(36.4)	(45.5)
Other Scheduled Banks:			
Net Deposits	+22.90	— 1.86	— 1.27
Borrowings from RBI	—12.48	+ 0.58	— 1.61
Cash Balances	+13.45	— 5.32	— 1.60
Glitgedged	+ 2.41	— 2.48	— 1.55
Net Advances	—12.46	+ 1.98	— 2.61
—As Percentage of net Deposits	(61.3)	(68.2)	(69.3)

Notes:—As at 4th Friday in November for Reserve Bank and State Bank. As at 3rd Friday in November for Other Scheduled Banks. Figures in brackets are percentages.

the quantum of resources available with banks for their normal and traditional short-term, working capital loans.

It will be seen that both agencies are refinancing in character. And this is the crux of the problem facing banks. The demand that will be thrown up for merely the strictly "banking" sort of accommodation is of itself going to be enormous enough. Unless there is a sharp and unexpected (at the moment) improvement in the growth of new Deposits, banks will just not have the resources for taking on new kinds of services, essential though in the interests of the Third Plan they may be. Insurance of bank Deposits may conceivably help in quickening the pace of Deposit accrual; a more energetic branch expansion programme may, it is barely possible,

mobilise resources from areas which presently are outside the sphere of banking operations; and the vast governmental disbursements on plan projects could, it may be presumed, provide a fillip to Deposit growth. But, a good proportion of plan disbursements find their way back to Government in the form of taxes, and another fair amount gets lost in the "unmonetised" areas; and Government's greatly reduced use of deficit financing should also temper the rate of growth of Deposits. In such circumstances it seems to us that over the next five years, and until the banking habit has spread a good deal more, resources with banks will be inadequate. Therefore, it will be necessary for banks to be able to "refinance" their Advances which have taken on a medium-term character as well as to "discount" such of their loans which, owing to surplus production, have become stagnant; and the alternative is for banks to have massive resort to central banking assistance. To consider now how bank (major or not) could extend medium-term loans is to put the cart before the horse; what comes earlier and is much more urgent is to find out how banks' resources can be augmented for taking on such new and necessary tasks.

It is relevant to point out that, at the annual meeting of the Indian Council of Economic Affairs, attention was focussed this week on credit for private sector enterprises. The President of the ICEA, Mr K. N. Mookerjee, stated bluntly that the rate of growth of bank Deposits would be far too meagre as compared with his assessment of a doubling of the demand for bank credit by the end of the Third Plan. Shortage of banking finance is what he apprehends, and he has called upon the Reserve Bank and other authorities to take "timely" steps. The address of Mr K. P. Mathrani, Chairman of the Industrial Finance Corporation, appeared to be in the nature of a rebuttal, since he took it upon himself to give a detailed exposition of the assistance that public sector agencies had extended to private sector enterprises. His estimate is that, of Rs 945 crores of investment in organised industries during the first decade of planning, the contribution from public sector entities (various Financial Corporations, the Central and State Governments, the State Bank and the Life Insurance Corporation) works out to something like Rs 224 crores; and to this could be added another Rs 40 crores in the form of underwriting and guarantees of deferred payments. In short, as much as 28 per cent of investment in private sector industries had been found from public sector agencies.

In another context, however, Mr Mathrani has come to the heart of the matter. Various types of institutions now exist in the country for assisting industry: but then, he added, in this vast country, the demand for funds is "almost insatiable." As we have argued, it is not that India does not possess financial institutions; merely that we have need of one more, and that the activities of another need to be stepped up.

BANK RETURNS

Fair-sized Rise in Deposit Resources

Further easing of busy season pressure is disclosed in the returns of the Reserve Bank for 24 November. Active Note circulation has declined by Rs 1775 crores to Rs 1,902.67

crores—but the expansion in currency in the present busy season still exceeds the relative figures for the corresponding periods of the last two busy seasons. Rupee Coin has returned from circulation for Rs 1.48 crores—but the outflow in the first four weeks of the current busy season is larger than in the previous two years. Currency has been contracted against Rupee Securities for Rs 20 crores, reducing the latter portfolio to Rs 1,588.84 crores, by transfer to the Banking Department. Foreign Securities are unchanged at Rs 116.86 crores, and the Reserve Bank's cash in the till has moved down slightly by Rs 0.77 crore to be placed at Rs 15.44 crores.

Inter-governmental transactions are suggested in the return for the Banking Department. The Centre's balances have been marked down by Rs 13.11 crores to just a shade less than the traditional minimum of Rs 50 crores—Rs 49.39 crores. The States have obviously received payment, since their Deposits are higher by Rs 11.21 crores at Rs 22.34 crores despite a fall of Rs 7.14 crores to Rs 66.46 crores. The Centre, moreover, has had a maturing liability in respect of Treasury Bills purchased and discounted, which are lower by about Rs 16 crores at Rs 33.99 crores. Hence, recourse has been had to deficit financing. The magnitude of created money probably comprises (a) Rs 5 crores, being the increase in Investments (Rs 25 crores to Rs 205.19 crores) surplus to the transfer from the Issue Department and (b) Rs 12 crores representing State Bank purchase of gilt-edged during the week.

A further reduction in the pressure upon banks is indicated in the rise of Rs 1.29 crores to Rs 84.12 crores in Reserve Balances of member banks as also in the decline of Rs 2.27 crores to Rs 129.58 crores in the Reserve Bank's Other Loans and Advances. That the latter is largely on account of reduction in indebtedness of Scheduled Banks is confirmed by the fall of some Rs 2 crores to Rs 0.25 crore in the Reserve Bank's advances against usance bills. In as much as the State Bank's return for the same week shows a drop of over Rs 3½ crores in cash in hand and with Reserve Bank, it is also possible that the rise in Reserve Balances of other Scheduled Banks is larger—almost Rs 5 crores.

There is a mysterious rise of Rs 6 crores to Rs 35.69 crores in Other Liabilities, but this is offset by as unusual an increase of Rs 6 crores in Other Assets. Balances Held Abroad have improved by Rs 4.40 crores to Rs 28.98 crores, and foreign assets held by the Reserve Bank now exceed Rs 145 crores.

Easing of the strain on banks is also suggested in the return of the State Bank for 24 November. Deposit resources are better by Rs 1.40 crores at Rs 529.02 crores. The total of Advances has contracted by Rs 1.29 crores

to Rs 240.90 crores. So much so, the State Bank, by running down its cash balances by Rs 4.05 crores to Rs 25.51 crores and "liquefying" Other Assets to the extent of Rs 4 crores, has been able to add Rs 12 crores to its gilt-edged portfolio, raising it to Rs 262.14 crores. However, as a result, borrowings have gone up nominally by just under half a crore of rupees to Rs 0.70 crore.

The return of the Scheduled Banks for 17 November shows how the banks were able greatly to reduce debt to the Reserve Bank. On the one hand, the growth in net Deposits is of commendably large size—Rs 10.23 crores, of which only a little over Rs 1 crore is on account of the State Bank. Net Demand Deposits are higher by Rs 1.72 crores at Rs 821.77 crores, and the rise in net Time Deposits is a sharp one of Rs 8.51 crores to Rs 1,126.28 crores. On the other hand, the total of Advances has dipped by Rs 8.58 crores to Rs 1,236.73 crores. Both these have enabled borrowings from the Reserve Bank to be reduced by Rs 21.22 crores to Rs 4.92 crores. Indebtedness to the State Bank has also gone down by Rs 0.78 crore to Rs 17.57 crores. Disinvestment in gilt-edged adds up to nearly Rs 3.79 crores, the portfolio now being shown at Rs 607.16 crores. As an end result, cash balances have been marked up by Rs 6.10 crores to Rs 188.97 crores.

Treasury Bills

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 28 November 1961. Total amount offered was Rs 2,00,00,000. Tenders at Rs. 99.375 per cent were allotted in full. Total amount accepted was Rs. 2,00,00,000, the average rate of accepted tenders being Rs. 2.500 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, 4 December 1961. Successful tenderers should make payment on Friday, 8 December 1961. Other conditions are as usual.

During the week ended 24 November 1961 Government of India Treasury Bills for Rs 25,61,50,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from 29 November to 2 December 1961 at Rs 99.391 per cent. Sales can be stopped at any time without notice if Government thinks it necessary.

91 days' Intermediate Treasury Bills sold from 22 November to 25 December 1961 amounted to Rs 22,00,000.

No Sterling Devaluation

By Paul Einzig

ONCE more there is some talk about the possibility of a sterling devaluation, or alternatively of a decision to adopt the system of floating exchanges. In view of the recent influx of foreign funds to London and of the revival of pessimism about the dollar, these rumours are somewhat unexpected. They are based on the assumption that the Government's efforts to defer wage increases have broken down. This assumption is likely to prove well-founded to a very large degree, even though the Government is justified in claiming that to some extent at any rate the wage increase process has been slowed down. If, as seems probable, the next two months will witness the granting of some wage concessions, the prospects of an improvement in the balance of payments position will be none too favourable. It is no wonder, therefore, if many people have begun to speculate what the next move will be. Most people consider it unlikely that the authorities will revert to the orthodox device of Bank rate increase and intensified credit squeeze. In order to make an impression the Bank rate would have to be raised this time even higher than 7 per cent, and most people are thoroughly tired of seeing interest rates in Britain at a level which was formally considered to be appropriate to backward countries only.

Even allowing for this consideration, a devaluation of sterling in the foreseeable future may safely be ruled out. The Government is known to be dead against it, mainly because it assumes that Britain's trade rivals would follow this example and this would nullify any beneficial effect on the balance of payments. Nor is the Government responsive to the idea of a floating pound. That idea had strong advocates ever since the Conservative Government assumed office ten years ago. It has recently been disclosed that in 1952 there was a strong possibility of its adoption, and that it was to the credit of Lord Cherwell that Sir Winston Churchill decided eventually against it. The trouble is that sterling could only safely be floated out of strength not out of weakness, yet when sterling is strong there is no inducement to make such a change. The Government fully appreciates the advantages of stability within the support points and in existing circumstances it is not likely to abandon it for the dubious advantages of a fluctuating sterling.

Possibly official circles build some hopes from the effect of tariff cuts on British costs and prices, though from this point of view it is necessary to differentiate between effects in the short run and effects in the long run. The additional tariff cuts to members of the European Free Trade Association in 1962 cannot be expected to produce any dramatic effects, and we are still a long way from any conceivable agreement with the Common Market as a result of which more effective cuts would be made. Possibly the negotiations in Geneva may lead to some reciprocal tariff cuts within the framework of GATT. All this is liable to aggravate rather than relieve the balance of payments position in 1962, whatever its effect may be later. There remains the possibility of borrowing abroad both on Government and on private account and of selling out foreign investment or admitting foreign participations in British industry. It would be a most unsatisfactory temporary solution, as temporary relief would be secured at the cost of increased difficulties in the future.

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Notes

RURAL WORKS Catalyst of Development

The rural works programme, which is a distinct feature of the Third Plan, is intended to serve the dual purpose of increased agricultural production and additional employment in the rural areas. The Plan envisages that additional employment created under this programme in the last year of the programme will be of the order of 2.5 million. It was proposed to provide employment for 100,000 persons at the end of 1961-62, to between 400,000 and 500,000 at the end of 1962-63, to one million persons at the end of 1963-64 and to reach the target of 2.5 million by the end of the last year of the Plan. The realisation of the full employment potential, it goes without saying, will depend on the efficiency with which programmes are executed and on how the experience gained in the actual working of the pilot projects is put to practical use. During the last slack season 32 pilot projects were in operation and it has been estimated that these have provided employment, so far, to about 10,000 persons for 100 days on an average. The Planning Commission expects to take up another 150 blocks after the coming harvest

for extending the programme. The State Governments have been asked to send in proposals for eight to ten blocks in each State. Including the blocks selected during the first series of pilot projects, there will be about 180 pilot projects in operation at the beginning of 1962-63.

The rural works programme is being taken up as a Centrally sponsored programme, and States have been assured that financial provision for it will be made over and above the present allotments under the Third Plan. The entire expenditure on the first and second series of pilot projects, that is, upto the end of 1962, will be borne by the Central Government. But from 1962-63, the expenditure is to be shared by the Centre and the States. The pattern of assistance will be 50 per cent grant and 50 per cent loan.

By and large, it is unfortunately true that the significance of these programmes as catalyst of economic development in rural areas has not yet been sufficiently appreciated. The Planning Commission is acutely aware of this. The Planning Evaluation Organisation has undertaken a preliminary survey of a large number of blocks and reports have been submitted to the State Governments. A special officer deputed by the Planning Commission has also visited 15 blocks in different States and reported on the problems encountered in these areas. But this investigation was confined to organisational aspects and the identification of the causes of delay in getting the projects started, such as failure to arrange in advance for preparation of estimates, technical clearance, supervision etc. The public aspect of the programme also needs a probe.

Ideally rural works programme should spark off a wide range of economic activities in rural areas. Its success will particularly be judged by the extent to which it is able to create conditions for full employment in the rural areas on a continuing basis. Agricultural programmes alone cannot be expected to achieve this objective. Rural industrialisation is the only solution. The Planning Commission proposes to take up in each State, as a pilot scheme, two of the blocks selected for the rural works programme for intensive development of rural industries. The Planning Commission is also setting up a Rural Industries Planning Committee to review the progress of industries in rural areas as well as to chart out the

policy and programmes for their further development. This committee should get down to its task without delay.

FERTILISERS

Revised Targets

After a spell of indecision and vacillation, the Government seems now to have made up its mind about the level of capacity that should be licensed for fertiliser production in the Third Plan period. While the Third Plan fixed a target of production for nitrogenous fertilisers at nearly 1.0 million tons, foreign exchange shortage and other difficulties in requisitioning the necessary machinery and equipment seemed to point to the futility of pitching the target at 1.0 million tons, though, even at this level, dependence on imports will not have been eliminated. Second thoughts seem now to have prompted further revision of targets and it is understood that the Government has taken a decision to license a total capacity of 1,170,000 tons for nitrogenous fertilisers to be reached by the end of the Third Plan period. Though, this is 17 per cent higher than the Third Plan target at 1.0 million tons, actual production that will be attained by the end of the Plan period will be of the order of only 1.0 million tons, since, even under the best of conditions, full utilisation of capacity is not a practicable proposition. Including the fertiliser units already existing, there will be a total of 18 fertiliser projects in the private and public sectors by the end of the Third Plan. With the exception of Kashmir every other State will be having a fertiliser factory each. In the private sector seven plants have already been licensed, the latest one being the project sponsored by Kothari and Sons of Madras for setting up a 30,000 tons of fertiliser plant at a cost of Rs 15 crores at Tuticorin. In the public sector, fertiliser plants are envisaged to be set up at Gorakhpur in UP, Naharkatiya in Assam, Rourkela in Orissa, Neyveli in Madras and Durgapur in West Bengal. Most of the new plants are not expected to be ready for commissioning before the penultimate year of the Third Plan, and in this light no substantial decline in imports is to be expected till the last year of the Plan. Estimates of imports indicate that imports which in 1960-61 were of the order of 120,000 tons will progressively rise touching a peak in the third year at 350,000 tons, after which it is expected to decline to 300,000 tons and 240,000 tons in the last two years of the Plan.

While in view of the growing pressure of demand for fertilisers, the decision of the Government to license capacity in excess of the original Third Plan target will be welcomed, the inconsistencies of

the pricing policy pursued by the Government in respect of fertiliser cannot be passed over. The higher price of Indian fertilisers and its deterrent effects on more widespread use of them by the cultivators have often come for adverse comment. The Fertiliser Distribution Inquiry Committee, in its report, drew attention to the huge difference between the landed cost of fertilisers and the ultimate price charged by the State Governments, and traced it to the relatively higher handling and interest charges, and sales tax levied by the State Governments. The Committee also indicated scope for bringing the margin on distribution of fertilisers from the high level of Rs 90 per ton to Rs 30. The very system and machinery for distribution with the Central Fertiliser Pool at the helm functioning as a weak limb of the Food Ministry seem ill-adapted to an enterprising policy in respect of fertiliser prices and distribution. The need for an autonomous body to handle distribution and with powers for price fixation has been long felt. But differences between the Food Ministry and the Finance Ministry have raised difficulties in the way. The Finance Minister seems to be bothered with the loss of revenue that will result from a slight reduction of the present prices, while being oblivious of the gains in agricultural production that will result from more widespread use of fertilisers. The remark of the FAO that "it is not consistent to treat fertilisers simultaneously as a means of agricultural development, and a source of public revenue" is a telling comment on the price policy that is now being pursued by the Government.

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TEA INDUSTRY Sorely Tried

Speaking at the annual general meeting of the Assam Branch of the Indian Tea Association, Mr I. F. Morriss, urged upon the Government the need for reduction or even abolition of the export duty on tea and simplification of the internal taxes. These suggestions have obviously been made with a view to providing incentives to the tea industry to step up production and as a stimulus to export promotion. In both these regards, the experience of the tea industry in the course of the last two years has been disappointing. In respect of exports, there has occurred a decline in the total share of India in the last two years. Indian tea has lost ground to its competitors namely, Ceylon, Indonesia and East Africa in the principal markets of the UK and the USA. Matters were made

worse by the fall in production during 1960 as a result of which exports had recorded a further steep decline. What lends urgency to measures intended to provide incentive to growers is the target for production fixed at 900 million lbs in the Third Plan. The rate of growth of production of tea in the country in the last decade would provide hardly any ground for optimism for reaching the Third Plan target. The industry faces a multitude of problems in successfully embarking on schemes of development among which, lack of incentive arising from the crushing burden of taxation, shortage of fertilisers and lack of finance to put through scheme to raise output are notable. There is hardly another industry which has to bear taxation at rates comparable to those of the tea industry. Apart from the Central Excise and income tax on tea companies the tea industry is also subject to a

variety of other taxes such as agricultural taxes in Kerala, the Assam carriage tax, the West Bengal Entry tax, etc. The crushing burden of taxation is a great disadvantage to exports of Indian tea in relation to exports from other countries like Ceylon, Indonesia and East Africa. In this connection, it deserves to be noted that East Africa which is emerging as a strong competitor in the UK and the continent levies no export duty which gives it a keener edge in the competition with other countries and particularly with India. The Third Plan has set a target of 600 million lbs for tea exports the outlook for which will necessarily be conditioned by the competitive character of Indian tea prices. It is in this connection that the need for reducing the export duty on tea as suggested by Mr Morriss assumes significance. A reduction of the export duty will, as Mr Morriss pointed out, greatly en-

courage big buyers to make their purchases in India and also enable the country to quote competitive prices.

Mr Morriss has also drawn attention to other problems faced by the tea industry such as shortage of fertiliser, difficulty in obtaining licences for import of plant and machinery required by the tea industry, delay in payment of compensation to owners of tea gardens that have been requisitioned by the Government. There are two aspects to the problem of fertilisers faced by the tea industry. There is first of all a physical shortage which impedes attainment of maximum output in the tea gardens. Besides, it is also odd that the tea industry should be called upon to pay a higher price for fertilisers than other agriculturists which on the face of it is patently unjust.

IRON & STEEL

Wage Board Repercussions

The appointment of a wage board for iron and steel may lead not only to a rise in retention prices to meet higher costs of production but to cost differentials between the new and the old works. The public sector enterprises cannot escape an award about wages. The tripartite representation is not going to make much difference either to the inquiry or its outcome. The wage board's appointment may suggest that steel is already a major industry like cotton or jute, but the point to note is that India is not at present self-sufficient in iron and steel; also that exports are exiguous and temporary.

There is no need to describe the current operating difficulties of the industry. The Chairmen at Company meetings have mentioned coal and other shortages. A rise in wages may leave less for reserves or distribution as dividends. This is a conclusion drawn from the market angle. The other is that ambitions to launch new steel plants in the South may be stifled quickly. This may not provoke so much pessimism as the fear of coal shortage even in Bengal. The material consideration for many is that no guarantee of any increase in price to meet the probable rise in wages has been given by Mr Nanda. This may hit shareholders more severely than supposed, and the desire to expand output may be checked. However, this is not the main issue. The competitive capacity of the Indian steel industry in relation to its growth over a decade might be endangered by a rise in wages. The likely surplus may be hard to sell abroad and the country will have to rely long on export of iron ore, not on

export of iron and steel, even if prices for export items are not subject to excise. In any case, steel may become like sugar, an export hard to sell abroad. That raw materials like coal are likely to be dearer is another reason for apprehension, and if wages are not related to productivity, the condition of India as a high cost producer may become unenviable. Not the impact on excise revenue but the failure to reach output in relation to capacity (as in the case of Britain today) may mark off the Indian iron and steel industry. The risks are patent but the Government is committed to a wage policy that still thinks of the needs more than the deserts. The engineering industry too will be made to bear the burden to some extent and the first round of wage increases will not be the last, even if regional variations are provided. For the award itself may lead to labour trouble of one sort or other. The closure of a new works as done lately at Margam in Wales may not give relief to the industry though a shortage may help big traders to secure higher profits. It is perhaps dangerous to assume that the industry will not grow up as expected but big profits from the State plants to finance development may be ruled out and one of the assumptions in the Third Plan, may, therefore, be shaken.

EXECUTIVE SUITE

Parkinson's Law in Operation?

The pace of Indianisation in foreign firms has been accelerated and a reply in Parliament only confirmed what had been said about the trend in recent years with more of the better paid jobs falling to Indians in the foreign firms of Indian domicile. While official directives have helped, the trend has been favoured by inflation and other factors, including the demand for trained staff in Britain. According to experts, technical and scientific staff are needed at home, and emigration is not encouraged. The facilities for increased supply were indicated in a report made to Lord Hallsham last month. More teachers of science too are wanted, and that is one reason why the reduced inflow into India is to be attributed to other than Government pressure for getting more jobs for nationals. Of course, expansion in the private sector creates more openings and the Government as employer has to compete actively and peacefully with the foreign firms that get the pick for various reasons. This aspect has not been mentioned so far as a result of what is called Indianisation. How far this trend is due to the increase in Indian directors in, and the Indian share in control of, British

or other firms may need to be examined. Take-over bids, if successful have many consequences. And the admission that 23.9 per cent of occupants of posts carrying a salary of over Rs 3,000 had gone to Indians by January 1961 is more than a sop to national pride. It is an apt indication of the growth of Indian influence in foreign firms.

What is clear at present is that representations have worked and Mr T. T. Krishnamachari's plea that more Indians should be given superior posts has been quite effective. The enlargement of opportunities offsets the increase in tax liability and the expansion of the executive class among Indians has been secured quickly enough. This is not wholly due to the political and economic climate: it is rather the result of co-operation in the fullest sense, and one of the probable results is that Indians holding jobs abroad may be tempted to come home because opportunities for them have al-

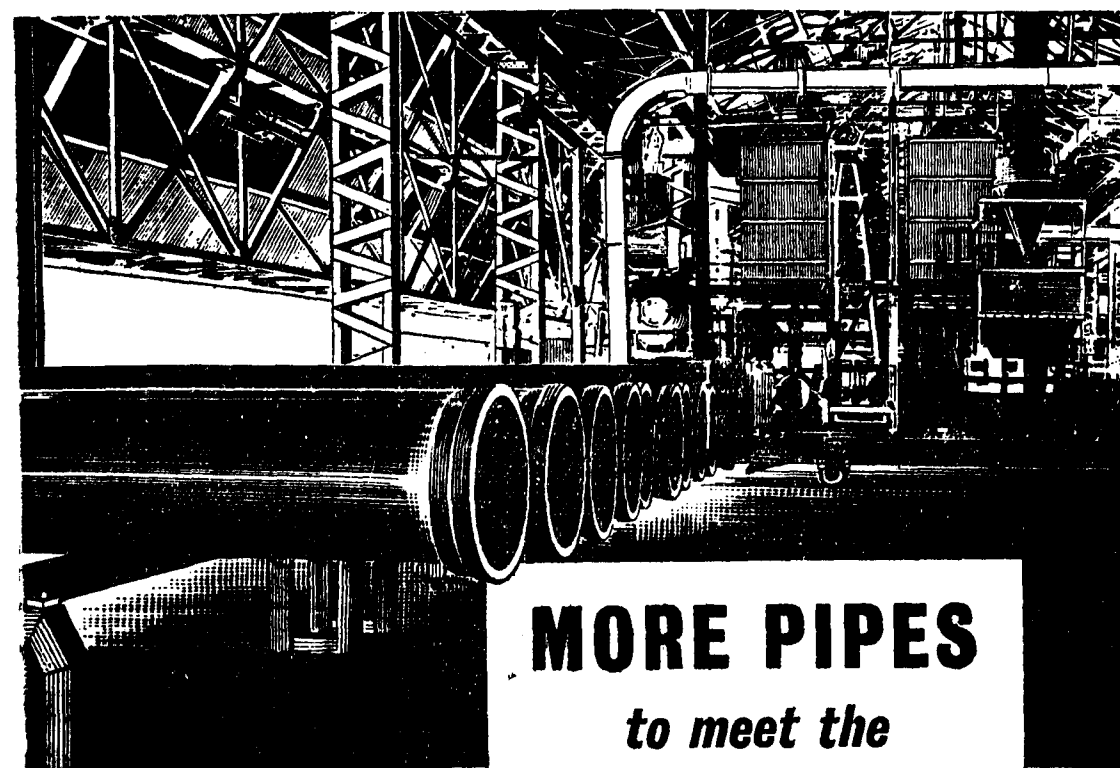
ready improved outside the Government service. A comparison of the number of posts and salary scales may even suggest that Parkinson's law is at work now in the private sector and the time may come soon when the gazetted posts in Government service would be less in number and not so attractive as those offered by the private sector for those who are both able and adaptable.

KGF

Compensation for Loss of Monopoly?

The Mysore Government sells the gold from the KGF at a fixed price to the Reserve Bank which takes it at the price fixed by the IMF. The difference between the market price and the official price is made good by the Centre which makes a big profit as the sole shareholder in the Reserve Bank.

The arrangement in force is endangered by the proposal for a take-over by the Centre. The Chief Minister has argued that the subsidy should continue. The issue has been raised because of negotiations for giving up control of the mines. There has been no reference to the excise duty that the Mysore Government collected in the past from the gold mines on the score that the royalty paid by the British mining companies under an old agreement was quite inadequate because of the premium on gold in 1940 and after. The subsidy paid is the equivalent of the excise duty. But the opposition has endorsed the Government view that such compensation is necessary in the event of a transfer of control to the Centre. The argument is different from that relating to coal mines in Bengal because the plea of Dr B. C. Roy is on account of fuel and power shortage. In the case of Mysore it is a financial argument based on the fact that cheap



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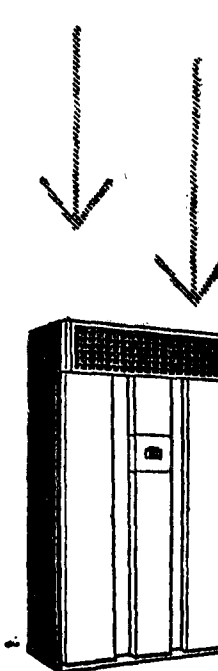
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power has helped the mines to work for a long period. There is also the fact that Mysore today has the only domestic source of gold, owing to the impossibility of imports from Russia or any other supplier. The Planning Commission cannot enter into the argument. The fact that for years the difference in price has been paid has been cited. The compensation paid to the British companies in 1956 should have been recovered, but the Mysore Government apparently holds that the State is entitled to set up a corporation and run the mines, if the subsidy is not offered. The Finance Commission will probably propound a solution for the difficulty described. The enlarged State has to provide for mineral development from its own resources and the most interesting point made is that the price of gold in India is abnormally high as compared with the price in London or New York. But the latter is the official price for buying gold and the Mysore claim is not for a subsidy of Rs 214 per ounce to subsidise deep level mining of lower grade ore but for proper compensation due to the monopoly of a source of supply.

★

VIDARBHA Industrial Potential

The survey conducted by the Small Industries Service Institute in the Vidarbha region has brought to sharp focus the vast industrial potential in the area. The survey was carried out at the behest of the Industries Department of the Maharashtra Government for utilising the industrial development opportunities in Vidarbha and the survey has suggested about 80 small industries that can be developed in the region. According to the recent estimates, these enterprises will entail a capital outlay of Rs 1.3 crores. Though the employment-potential they hold out—opportunities for barely 3,700 persons; is not very attractive, there is diversity in the programmes contemplated. Among the ventures listed in the survey are fertilisers, chemicals, plastics, rubber, paper and paper boards, ceramics, leather and leather goods and small machine components. The individual capital requirements of these industries have been estimated to range from Rs 5,000 to Rs 10 lakhs.

About fifty per cent of the projected units will be established in the Nagpur region and the rest will be located in places like Akola, Amravati, Wardha, Chanda, Bhandra, Gondia, Achalpur, Murtizapur and Kamptee. The plan for the promotion of small industries in this region has been subjected to detailed discussion by the Vidarbha Coordination Committee. The major objective

the plan, as revealed during the discussions, is to help the industrialists to make the right choice for their future entrepreneurial activities. It has also been suggested that Government assistance should be extended to the industrialists to develop each unit to the maximum capacity. The Government's proposal to establish industrial estates in different regions of the State during the current Plan will render the requisite help to the new ventures. The facilities afforded for securing loans against Government guarantee will certainly eliminate most of the financial difficulties. The absence of a branch of the Small Industries Service Institute in Nagpur has been a serious handicap to small units and the setting up of one will stimulate the development and growth of small industries. The Coordination Committee has also disclosed the Government's intention to instal some large-scale industries in the Vidarbha area. The readiness expressed by some big industrialists to start new ventures in Nagpur can be deemed as a happy augury.

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MACHINE MAKING

Full Order Books

The review of machinery manufacture in India made by Mr Manubhai Shah at Bombay on Nov. 25 has made it clear that progress in industry depends on the local supply of machinery for existing industries. The beginning made with textile machinery before the war has been greatly extended in recent years and most of the new projects undertaken with foreign aid relate to the production of machinery and stores. Mr Shah's claim that imports are being reduced by the increase in domestic output of machinery is perhaps less significant than the reference to full order books. The engineering industry's performance may be reckoned satisfactory if it were not for the power shortage imposed by irregular coal supply to which Mr D. C. Driver drew pointed attention recently.

The support given to the engineering industry in India by the investor is in part derived from prospects and the assurance of foreign technical aid. The engineering concerns are assured of a market, but production up to capacity remains a problem because power and rail transport shortages persist. The steady success in light engineering exports has not altered the conclusion that the engineering industry has to grapple with high cost and the supply of skilled labour is inadequate. However, Mr. Shah hopes that apprenticeship schemes will help and to the adaptation of factory layout and design. In this case it is Japan that must influence India and the keener

competition with Japan in Asian markets in future may limit assistance available especially if India hopes to sell railway equipment as a rival of Japan that has long supplied S. E. Asia and Latin American countries. The fact that chemicals and engineering alone are considered progressive at present is not so much due to the growth of demand as to the curb on imports and the success of many new ventures is bound up with the continuance of prosperity in the textile, paper and other industries.

★

MICA LABOUR Depressing Picture

The report of the Committee set up by the Government of Bihar to conduct a survey of the wage structure and allied factors in the mica industries in the State has revealed depressing conditions of employment obtaining in the mica industry. The Committee, in the course of its inquiry, went into all important aspects of employment, such as the nature and duration of employment, the level of wage and method of payment and other facilities provided to labour in general which may broadly be classified as fringe benefits. The report of the Committee discloses a highly unsatisfactory state of affairs in respect of all these matters.

The study of the Committee covered conditions in the mica industry as well as the mines. The total number of workmen employed in the registered and the unregistered factories is shown to be 5,752 while in the mica mines, the total number of workers is placed at 1,761. A depressing feature of employment conditions is the temporary nature of employment for a majority of the workers. Nearly half of the employees in the factories are reported to be working on temporary basis, while the proportion of temporary workers in the mines is even higher.

The wages earned by the workers in both the factories and mines are below subsistence levels. The average daily basic earnings of mica workers are shown to vary between Rs 1-4-6 and Rs 1-7-7 in the factories and between Rs 1-8-0 and Rs 1-15-6 in the mines. An attendance bonus which varies on an average basis from Re 0-2-0 to Re 0-3-0 is the only other additional earning for the factory workers. The mine workers are in this matter better placed since, in addition to the attendance bonus, they enjoy also other allowances, though even in this case, the total earnings do not add up to a decent figure. Absence of wage payment on the piece-rate basis is one of the reasons which ex-

plains the depressed level of wages in the mica industry. Though the importance of introducing piece-rate system of wage payments in industrial establishment has been emphasised by the Government, difficulties of standardising operations in the mica industry, would seem to preclude possibilities for introducing the system in the mica industry.

The workers in the mica industry also compare unfavourably with workers in other industrial establishments in respect of fringe benefits which include housing accommodation, medical facility, recreational facility, and provident fund scheme. Such benefits are reported to be almost non-existent in the factories, though the workers in the mines are provided with medical and recreational facilities, on account of the services provided by the Mica Mines Welfare Organisation. Absence of such fringe benefits have made the inadequacy of cash earnings even more pronounced. The Committee has called for urgent steps to make conditions of living more tolerable for the mica workers. One problem that has to be faced is the existence of innumerable small units in the industry which would make enforcement of welfare measure somewhat difficult.

★

IDA Three Credits to India and...

The International Development Association (IDA) has extended to India three development credits totaling \$22.5 million for projects to increase agricultural production. A credit of \$8 million will assist the Salandi project for the irrigation of about 225,000 acres in the State of Orissa, in eastern India; another credit, of \$4.5 million, will help to finance completion of the Shetrunji project for the irrigation of 88,000 acres in the State of Gujarat, in the west; and the third credit, of \$10 million, will assist a project of flood protection and surface drainage of about 8 million acres in the State of Punjab, in the north. The credits are repayable in foreign exchange over a term of 50 years, and are free of interest.

The Orissa project includes the construction of a dam on the Salandi River, a main canal 45 miles long, and about 450 miles of distribution canals, as well as related structures necessary for the operation and maintenance of the dam and the canals. Extension services are well established in the area. In addition, the State of Orissa will provide technical assistance to farmers in the planning construction and operation of field channels and in the establishment and operation of a

rainage programme to improve techniques of irrigation farming. The total cost of the project is estimated at the equivalent of \$10 million. The State of Orissa will provide 40% of the financing needed and the Central Government will provide 60% as a loan, most of which will come from the proceeds of the IDA credit.

The Shetrunji irrigation scheme will provide water for 88,000 acres of land in the State of Gujarat. Some of the main civil works, including a dam across the Shetrunji River, have already been built. The work now to be undertaken to complete the project involves building about 94 miles of main canals and distribution canals, houses, workshops, buildings and service roads.

The total cost of the project is estimated at the equivalent of \$9 million. The State of Gujarat is providing half the fund and the other half, the rupee equivalent of the \$4.5 million IDA credit, will be provided as a loan from the Central Government to the State.

With the introduction of perennial irrigation in the 19th Century, the Punjab became one of the chief agricultural States in India. Unfortunately, however, the extension of irrigation and the building of embankments for roads, railways and town sites, without providing adequate drainage, has caused the water table to rise steadily. It is now so near the surface that water-logging is severe over wide areas of the State and agricultural production has thereby been reduced. In many places the lands have become salty and are now useless for agriculture. The high water table has also aggravated the serious floods which occur in the Punjab when the monsoon is heavy. They cause serious loss of life as well as of agricultural production and severe damage to buildings and other property.

To prevent this flooding the Punjab is building embankments along the rivers to keep them in their channels and constructing a system of adequate surface drainage. The project being assisted by the IDA credit consists of the construction of 17 miles of such embankments, the enlargement of 40 miles of existing drains, and the excavation of 2,000 miles of new drains.

The estimated cost of the works to be undertaken is equivalent to \$10 million. The Central Government will make the entire amount available through loans from the State of Punjab. Half of the loan will represent the proceeds of the \$10 million IDA credit.

Repayment of all three credits will begin after a ten-year period: the repayment of the irrigation credits will begin on 15 April, 1972, and that of the Punjab drainage credit on 15 May, 1972. Thereafter, 1% per annum of the principal will be repayable for

ten years, and 3% per annum will be repayable each year for the final 30 years. A service charge of 3/4 of 1% per annum on the amounts withdrawn and outstanding will be made to meet IDA's administrative costs.

Another to Pakistan

The International Development Association has recently extended a development credit equivalent to \$2 million to Pakistan to help finance the first phase of a programme to improve the inland water transport system of East Pakistan. This is IDA's second credit to Pakistan. The first, in the sum of \$1 million was extended in between for an irrigation project in East Pakistan.

Various rivers traversing East Pakistan make it one of the largest deltaic areas in the world. There are some 2,800 miles of navigable

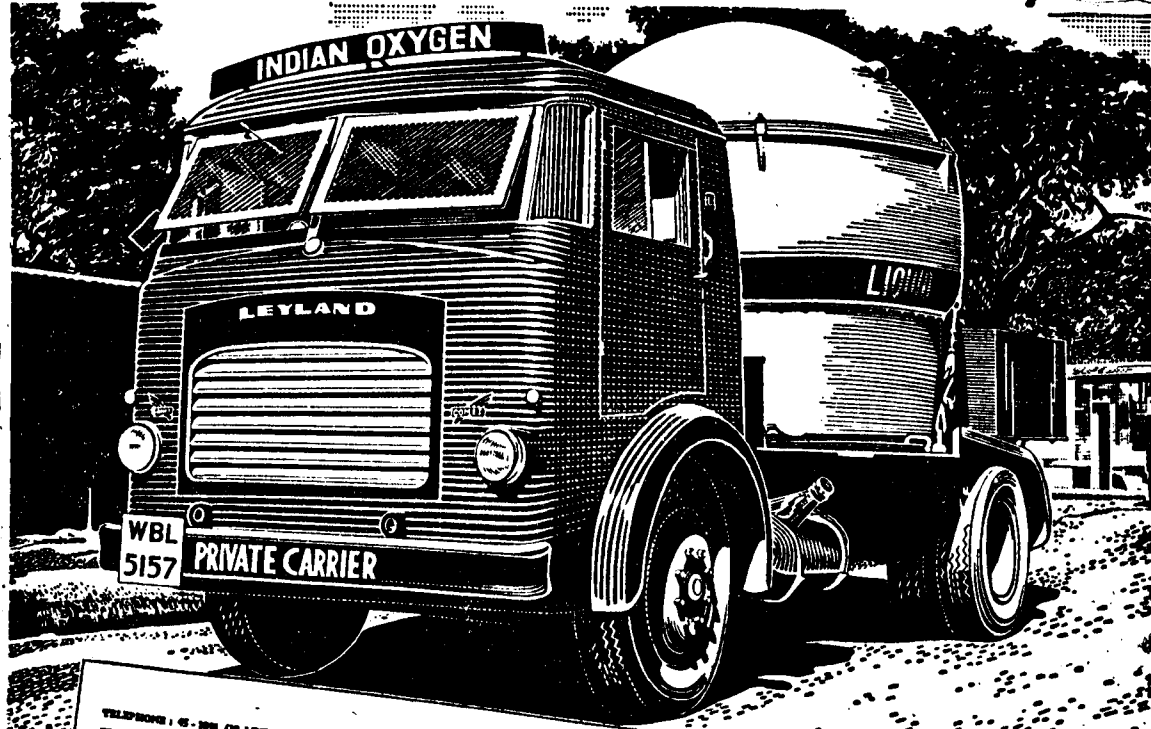
channels, which increase to about 4,000 miles during the rainy season. In general, water transport is the most economical and in large areas the only means of transportation. About 60% of the two billion ton-miles of freight carried annually in East Pakistan is transported by watercraft. In the Greater Dacca Area alone, over six million passengers use water transport annually.

Inland water transport is, however, operating under difficult conditions and at relatively high cost. Many of the motorized vessels are old and run-down, and repair facilities for them are scarce and expensive. Even more fundamental, however, most of the rivers are unstable, frequently changing course, and are apt to silt up. Until recently, channel maintenance, navigational aids, pilot services and port facilities for cargo and passengers were the responsibility of different agencies with no central control.

In 1958 the Inland Water Transport Authority (IWTA) was established, with the initial advice of the World Bank, as an agency of the East Pakistan Government. Its main responsibilities are to provide river conservancy services, to operate and improve inland ports, terminals and storage facilities, and to supervise inland water transport operations. Of the amount of Rs 220 million provided under the Second Five-Year Plan for improvement of the inland water transport system of East Pakistan, Rs 80 million has been allocated for a programme being executed by IWTA. The balance of Rs 140 million has been allocated for improvements in the river fleet, most of which is privately owned.

The IDA development credit will help to finance the first phase of the Authority's programme. During this phase, cargo jetties will be built at Dacca, Khulna and Narayanjanj and mechanical equipment will be installed to expedite

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the handling of cargo. These facilities, together with the provision of mooring places and related dredging, should result in quicker turn-around time of vessels and lower handling costs, thus eliminating one of the causes for the high cost of transport. Increased port capacity will also help deal with the larger volume of cargo traffic resulting from the further economic development of East Pakistan. Terminal buildings for passengers and landing stages will be constructed at these ports and also at Barisal and Chandpur. As a result vessels will be able to load and unload more quickly and conditions for passengers will be safer and more convenient.

Part of the IDA credit will pay for the services of experts who will assist the IWTA for a period of at least two years in conducting its operations and in training permanent staff. The credit will also provide funds for a study of navigable waterways that will lead to recommendations for detailed surveys.

The first phase of the programme will cost about Rs 19.4 million (about \$4 million) which will be financed by loans from the Government of Pakistan to the Provincial Government. Half of these funds will come from the \$2 million IDA credit.

Repayment of the IDA credit will begin on 1 April, 1972, after a ten-year period of grace. Thereafter, 1% per annum of the principal will be repayable for ten years, and 3% per annum will be repayable for the final 30 years. A service charge of 3/4 of 1% per annum on the amount withdrawn and outstanding will be made to meet IDA's administrative costs.

COMPANIES

Concentration in Madras

The review of the working of Companies Act 1956 in the Southern region for the quarter ending 30 September 1961, indicates that a total of 124 companies with an authorised capital of Rs 1,547.35 lakhs have been registered in the Southern region. 111 of the new companies were private companies with an authorised capital of Rs 948.85 lakhs while 11 were public companies with an authorised capital of Rs 598.50 lakhs. The distribution of the new companies reveals a marked concentration in the Madras State which accounted for 93 out of the total of 124 new companies. New registrations in Kerala amounted to 20 while Andhra Pradesh and Mysore had 6 companies each. Notable among the new registrations are nine companies which were floated with an authorised capital of Rs 50 lakhs and more. These are

(1) Sun Paper Mill Limited, (2) Reichhold Chemicals India Private Ltd. (3) W. S. Insulators of India Limited, (4) Simco Meters Limited, (5) All Steel Industries Corporation Limited, (6) South Bend India Limited, (7) The Kerala State Industrial Development Corporation Ltd, (8) Kerala State Small Industries Corporation Limited and (9) The Kerala Premo Pipe Factory Limited. Madras and Kerala between them accounted for all the giant floatations, Madras accounting for 6 of them.

Industry-wise classification of the new floatations indicates that slightly more than half of the new registrations was in the field of transport, communications and storage, the total being 63. It is remarkable that 62 of these registrations were in the Madras State. The next largest registrations were in the field of commerce (Trade and Finance), the total being 24. Kerala accounted for 10 registrations, Madras 9 and Andhra Pradesh and Mysore 2 each.

During the quarter under review 39 companies with a total paid-up capital of Rs 18.32 lakhs were struck off the register of Companies as defunct, while another 36 companies with a total paid-up capital of Rs 35.78 lakhs went into liquidation. Further foreign companies viz. PKN Company (Burmah) Limited, (2) Aislabey Estates Limited, and (3) Gresham Fire and Accident Insurance Society Limited are shown to have wound up their business in the Madras State. Against this, one foreign company viz. Fertel Engineering Limited established a place in the State of Madras.

ECM

Commonwealth Pressures

One result of the Accra conference of Finance Ministers is the assurance by Mr. Heath that Commonwealth trade should not be disrupted. The guesses about the reasons for Mr. Heath's frank speaking are beside the point now. There is no eagerness to put a tax on raw materials from the Commonwealth because the UK economy requires metals and raw materials like tobacco. The issue whether the ECM is a rival in the case of raw materials like cotton or jute does not seem to be up for examination, and the trend in UK trade with Europe in recent years is apt to be ignored for the reason that Canada and others have protested about the retreat from Imperial preference. The continued dependence of the UK on imports of wool and other materials is one reason for second thoughts. The other is a reasonable fear that the developing countries like India would buy less machinery from Britain in future. The sterling area's trade

would contract further and to compete in Europe with Germany or Italy is harder. These fears are in the background. Nothing has been said about export duties collected by Commonwealth countries on their shipments to the UK. The preferences have been retained to help the UK's export trade and export duties in Ceylon or Malaya have been imposed mainly to obtain revenue. But the Commonwealth may be told that export duties are incompatible with entry into the UK market on the former scale and the cheapening of materials like oilseeds or leather is vital for a competitive British industry in future.

The issue is one to be faced by many countries that maintain import control in addition to protective tariffs. The ideal of ECM is a low tariff group that allows the movement of men, money and materials. The Commonwealth is, on the other hand, largely protectionist and has gradually made Britain also protectionist. It may be recalled Joseph Chamberlain got his ideas about Tariff Reform from New Zealand. That is a historical and perhaps an irrelevant point. The main risk is that Canada and West Indies may drift towards the USA and the infiltration of US capital may be enlarged because the UK has less capital to spare for investment abroad. But the main point is that political ties will be loosened—they were frayed by the Suez crisis—and the UK may find it harder to resist the new pressures of European politics. Mr. Heath has reassured the Tory dissidents like Sir Derek Walker-Smith and party unity has been retrieved after Brighton. That is Mr. Heath's claim to fame among Conservatives at home.

LIC

General Insurance Prospects

The freedom given to the LIC to look after its affairs has been reinforced by a hint of a bigger bonus after the valuation. This is perhaps meant to draw in new policyholders before the year ends and it is patent that in refusing to accept the views of the Estimates Committee, the LIC kept its eye on new business prospects. Far more important than investment is the recent warning to general insurer alone about observance of the code of conduct in force. In view of the LIC's own control of four companies which are going to be amalgamated because their business is improving and reserves are getting bigger though one company failed to make a profit out of its reinsurance operations in 1959. The general branch may get bigger if the STC extends its patronage on a big scale. The poor results for the general branch in 1959 and 1960 may lead to a new policy and the general insurance companies may feel competition from the LIC's wing soon. The funds are small at present, but it is easy to limit expense and the LIC may even try to secure business abroad. The important point is that even if an assurance against nationalisation has been offered, the public sector

can compete strongly because of State aid given to industrial concerns and the dependence of many on the IFC and other agencies. Whether business will be dimmed up because of larger opportunities remains to be seen. Of course, the figures relating to assets, revenue etc. of the general branch are not big like that of the Commercial Union but the LIC's fire or marine branches can be developed easily by securing business from the State Governments that have to insure machinery, vehicles, etc. The growth prospects for the LIC in the general insurance field may be called good, even if some assets are in dispute.

TUBE INVESTMENTS

Good Reason to be Satisfied

Tube Investments of India is a progressive concern in every sense and the larger profit for the year ended 31 July has led to addition to reserves and a large carry-forward needed to meet the requirements of plant extension. Tube Investments has up and coming subsidiaries and expects profits from chains, saddles and lamps. The chairman at the annual meeting spoke of the satisfactory results, the improved labour situation and the disappearance of imported components in the output of the factory that is now assured of its raw material. Tubing for various purposes is also being produced and T. I. is not wholly dependent on the flourishing bicycle business. The saddles and chains, when rated output is reached under both heads, will leave a surplus for sale and replacement needs will be easily met. The only sore point mentioned by Sir A. R. Mudaliar relates to the power tariff which was revised in 1959 and has made expanding industry in Madras conscious of costs even more than power cuts in summer. The expansion of both production and sales in 1960/61 has made T. I. a major feature on the industrial landscape and the U.K. associate has good reason to feel satisfied with the performance and prospects of T. I. of India. Few protected industries have shaped so well and so fast. The dividend is 10% again but T. I. is growing and the shareholders retain faith in the possibilities of growth in a company whose last report indicates conclusively that it is dynamic. It may be noted its net block exceeds Rs 3 crores and earnings after depreciation and tax exceed 20% on the capital.

EXPORT MARKETS

Burma and—

A report on the market in Burma for diesel engines and chemicals and pharmaceuticals, prepared by First Secretary (Commercial) Indian Embassy, Rangoon, draws attention to the scope for expanding India's exports of these goods to the Burmese market. Diesel engines particularly are noted to be in good demand in Burma in view of the variety of uses

made of them in rice mills, saw mills, oil mills, pumping sets, marine boats, generating sets etc. Requirements are of present mostly met by imports from the United Kingdom. But Japan and West Germany are emerging competitors in the Burmese market. Proximity to Burma should enable India also to effectively compete with present suppliers. In this connection, the report lays emphasis on the price factor which at its currently high level in relation to the products of other countries, is operating as a major deterrent to the expansion of Indian exports. Also important is the need for a vigorous publicity campaign, and on this issue, the report has underlined the importance of illustrated brochures, and catalogues, containing a comprehensive description of the engines and other technical details, and also regular distribution of price lists to all importers.

The market for pharmaceuticals and chemicals in Burma is now controlled by the UK, the USA, West Germany and the Netherlands. Pharmaceuticals figure as one of the items of Government imports. The "Burma Pharmaceuticals Works Ltd." a Government concern imports medicines in bulk and after simple processing and packing places the items in the market for sale to the general public. The sole importing agency for the entire pharmaceutical trade in Burma is the Rangoon Drug House Ltd., and all the pharmaceutical agents and distributors place their orders with this firm. The report of the Indian embassy observes that it would be worth while for Indian manufacturers to consider initial expenditure on promotional advertising in the medical journal of Burma, prominent dailies and magazines. The appointment of agents and distributors for familiarising the Burmese public with Indian products is also considered necessary. In view of the keen competition from the UK, the USA and West Germany, great emphasis has been laid on quality.

With effect from 15 September, Burma has raised its tariff on a number of imported articles. The new duties, in some cases, like cotton textiles, electrical fans, refrigerators and paints are prohibitive. How far Indian exports will be hurt by the new duties remains to be seen. But the raising up of tariff on imported items makes it necessary to explore scope for expansion of exports of articles which bear only moderate duties. The duty on diesel engines at 15 per cent is moderate and should permit expansion of Indian exports. This applies to pharmaceuticals also though in this case certain items enjoy tariff protection, their imports being completely banned.

—Indonesia

Exploring the scope for boosting India's exports to Indonesia is timely when a trade delegation from that country is touring this country. Similarity in the various economic problems of the two nations are well known: both countries are in the thick of development programmes, and the problem of foreign exchange shortage is also common to both. As between the two, there is no gainsaying that India is better-placed for

stepping up its exports to the other. But the paucity of foreign exchange in Indonesia makes opportunities for India somewhat meagre. Nevertheless, the picture is not entirely hopeless. From Indonesia's point of view, apart from pepper, oil is perhaps the only commodity which it can offer in abundance for exports. The reported decision of the Government of India to import sizable quantity of oil from Indonesia assumes a certain topical importance in view of current uncertainties. From the Indian side, the outlook for exporting manufactured goods, especially engineering products, is bright. Apart from these, the country can also export commodities like steel and iron pipes, shoes, cotton cloth, cement, bicycles and films to Indonesia. The recent agreement of the State Trading Corporation to export cotton yarn worth about Rs 1 crore testifies to the scope for catering to the needs of the textile industry in that country. The need for examining these spheres and the adoption of suitable steps cannot be over-emphasised. In view of the tight foreign exchange position in both countries, barter deals seem to offer possibilities.

RESEARCH

Two New Processes

Details of a new and economical process for the manufacture of low carbon ferro-chrome, developed at the National Metallurgical Laboratory at Jamshedpur, have been published in the November 1961 issue of *Research and Industry*, a monthly periodical of the Council of Scientific and Industrial Research.

Low carbon ferro-chrome, containing less than one per cent carbon, is used in the alloy steel industries for the production of different types of stainless steels, automotive steels, heat and electrical resistant alloys and hard steels for the milling and mining industries.

Low carbon ferro-chrome which was hitherto mainly imported can now be produced in India directly from high carbon ferro-chrome by the new process. No additional capital is involved in the new process for furnace equipment where facilities exist for the production of high-carbon ferro-chrome and ferro-silicon.

A ferro-chrome plant is now being set up at Bhadrak in Orissa in the private sector to produce 8,000 tons of low-carbon ferro-chrome and 2,000 tons of high-carbon ferro-chrome.

Another article published in this issue of the Journal describes the production of thermal insulation boards from coconut husk and pith according to a process developed by the Central Food Technological Research Institute (CFTRI), Mysore. The boards have insulation properties comparable to those of cork or other cellulose boards.

About 30,000 tons of pith are estimated to be available in India annually. At present, there is not much use for the pith and its disposal presents a problem. About 1,000 million lb of husk are sundried and used as fuel.

The work of CFTRI is of significance as natural cork, the most important among materials of low-thermal-conductivity, is not indigenous to India. Large quantities of cork and other insulating materials like asbestos, insulation boards, bricks, etc. are imported.

US

Trends in Capital Investments

The capital investment budgets of American businessmen are on the rise. This is significant not only for the vitality it reflects in the current US economic upsurge, but also for the support it lends to the efforts being made by the administration of President Kennedy to accelerate the nation's long-term economic growth rate. Capital investment, of course, is an important ingredient of economic expansion.

The latest report on this subject indicates that American businessmen will be spending \$35,800 million dollars for new plant and equipment. This is four per cent more than the estimated capital investment total for this year.

These tentative plans, uncovered during the regular October survey of the McGraw-Hill Company, are subject to later revision, of course.

These revisions should become evident in the company's next regular survey, due in the spring. McGraw-Hill, publisher of *Business Journals* and a pioneer in the study of capital spending, emphasizes that its surveys are not forecasts, but rather reports on what companies actually are planning to invest.

What is particularly significant about these autumn surveys is their value in indicating the trend of capital spending. The record shows they have been remarkably accurate in this regard.

If these surveys have tended to err, it has been on the side of understating the magnitude of change, when inducted in the early stages of business swings. Research economists have noted that capital spending is something of a laggard as a business indicator. This means that as the economy moves to higher levels of capacity utilization, as is the case now, the tendency has been for business outlays on plant and equipment to exceed the planned levels.

A case in point is the survey conducted during the fall of 1958, which indicated that business outlays in 1959 would rise less than one per cent. Yet actual expenditure during 1959, a year of strong economic activity, turned out to be seven per cent higher than in 1958.

If this pattern continues to hold true, it follows that capital spending in 1962 should increase by more than the four per cent reported in this latest McGraw-Hill survey. There is considerable encouragement in this analysis, particularly for those who have tended to look upon the four per cent projected increase as rather moderate and not necessarily in keeping with a vigorous general economic advance.

McGraw-Hill economists, it should be noted, share the view that the present preliminary plans tend to underestimate the eventual 1962 total. This appraisal is based partly on the fact that even at this early date plans for total 1963 spending are put at \$34,500 million, which is higher than the estimated 1961 total.

In addition, they note that virtually every important industry will be increasing its investment in new facilities in 1962. Manufacturers as a whole are planning a seven per cent increase, well above the average for all types of industries. Moreover, producers of non-ferrous metals, electrical machinery, autos, rubber, paper and some other products already expect to spend more in 1963 than in 1962.

The rise in scheduled capital spending reflects the considerable improvement in industrial operations this year. US manufacturers were operating at 81 per cent of capacity this past September, compared with 77 per cent, when the year began. The reported rise in the industrial production index for October indicates that industrial expansion has continued, and that operating rates have been pushed to still higher percentages of capacity.

This is a trend which promises to carry into 1962. Manufacturers anticipate that, on the average, the physical volume of their sales will rise seven per cent next year. This is in line with most of the business forecasts made to date, and according to the estimates would lift operating rates close to or above the 90 per cent level.

Coupled with the likelihood that more efficient operating rates would tend to improve earnings, this should provide significant incentives for further increases in capital spending. Still to be taken into account moreover, are the possible effects of any special moves the US Government may make to stimulate spending for plant and equipment—such as the Kennedy Administration's announced plans for wider depreciation allowances on textile machinery and its recommendations to Congress on tax incentives for capital investment.

WHOLESALE PRICES

Small Decline

The official wholesale price index (with the year ended March, 1953 as 100) declined by 0.5 per cent to 124.8 (revised) for the previous week. The index was also lower by 0.3 and 1.7 per cent respectively, when compared with the corresponding week of the previous month and that of a year ago.

The index for 'Food Articles' receded by 0.6 per cent to 120.5 as compared with 121.2 (revised) for the earlier week due to a fall in the prices of Gur (—9%), Rice at Kumbakonam (—5%), Tea (—4%), Urad and Betelnuts (—3% each), Gingelly oil (—2%) and Jowar, Bajra, Barley, Rag, Mung, Mustard oil and Sugar (—1% each), notwithstanding an increase in prices of Cashewnuts (+8%), Rice at Jayanagar and Contai and Oranges (+5% each), Arhar, Bananas and Milk (+3% each), Fish, Eggs and Salt (+2% each) and

Wheat, Maize, Masur, Potatoes, Coffee and Cardamoms (+1% each). The index for 'Tobacco' remained stationary at the previous week's level of 95.7.

The index for the 'Fuel, Power, Light and Lubricants' group also stood unchanged at its earlier week's level of 122.0, despite a rise in the prices of Castor oil (+1%).

Lower prices of raw Hemp (-11%), Tanning Materials (-4%), Lac (-2%) and raw Cotton, raw Jute and Castorseed (-1% each) brought down the index for 'Industrial Raw Materials' by 0.2 per cent to 136.3 as compared with 136.6 (revised) for the previous week. The prices of Cotton seed (+3%) and raw Silk (+1%), however, moved up.

The index for 'Intermediate Products' rose by 0.2 per cent to 140.3 as a result of an increase in the prices of Linseed oil, coir Yarn and Tin (+1% each), although the prices of Lead (-3%) and Zinc (-1%), showed declines.

A fall in the prices of Jute manufactures (-4%), and Handloom cloth and General Chemicals (-1% each) was responsible for a decline in the index for 'Finished Products' by 0.7 per cent to 123.9.

(For table See page 962)

NEWS IN BRIEF

The World Bank has granted last week a loan equivalent to \$2 million to the Development Bank of Ethiopia. Like an earlier Bank loan of \$2 million to the Government of Ethiopia, this loan will be utilised for meeting the foreign exchange requirements of projects financed by the Development Bank of Ethiopia. The Bank loan is for a term of ten years which may be extended fourteen years by agreement between the Bank and the DBE with respect to individual projects for which a longer period is appropriate. Amortization of the loan will begin 1 March 1965. This is the fifth loan made by the World Bank in Ethiopia, bringing the total lent there to \$25.5 million. Loans of \$21.5 million have been made to finance improvements in road transport and telecommunications.

As a measure of export promotion, the Government of India has decided to allow drawback of customs and/or Central Excise duty on export of oil mill machinery, railway wagons, glycerine, tooth powder, gas plants, thermocells, vacuum flasks, valve-type football bladders, room coolers, incandescent lamps, pencils, canvas and tarpaulin. Changes have been made in the items relating to shrimp cartons, plywood, steel products (wire, gauze, netting and so on and steel clips for railway track) and fatty acids.

Exports of mica from the port of Calcutta during the week ended 31 October totalled more than 0.3 million kgs., of which black mica accounted for over 43,000 kg., split mica more than 0.1 million and scrap and others more than 0.1 million kgs. Norway was the leading purchaser accounting for 97,540 kgs. Next came

Japan with 23,575 kgs, Poland with 22,732 kgs and the UK with 20,291 kgs.

The world refined oil capacity at the end of 1960 aggregated approximately 1,241.4 million tons against 1,162 million tons at the end of the previous year. Out of this 687 million tons or 55.3 per cent belonged to American interests and 15.4 per cent (190 million tons) to Anglo-Dutch interests. The share of communist bloc stood at 13.2 per cent on 163 million tons, of which 140 million tons was held by the USSR alone. The refining capacity of Europe totalled 221.8 million tons.

The Government of India has entered into an agreement with the Burmese Government for the purchase of 1,800 tons of Burmese teak valued at Rs 1.5 crores. This deal is 'the biggest India has made since the War.

According to a recent survey conducted by the Reserve Bank of India, the total assets of Indian joint stock companies in Pakistan is to the tune of Rs 17.6 crores. In view of the paucity of foreign exchange and the need for industrialisation at home, the Government did not generally allow investments abroad by Indian companies.

The US Department of Commerce has revealed that the aluminium exports by the countries in the world rose 21% higher in 1960 than in 1959. The 1960 exports of crude aluminium, the major item exported, amounted to more than 1.1 million short tons against 960,200 tons in 1959. Exports of semi-fabricated aluminium in the same year was placed higher at 321,500 in contrast to 265,700 tons. Canada was the largest exporter with 552,155 tons followed by the USA with 284,979 tons and Norway with 152,272 tons.

India exported about 7.1 million lbs of cashew kernels during the first nine months of the current year. This represented an increase of about 3.8 million lbs over the quantum exported in the corresponding period in 1960. The USA maintained its imports from India almost at the same level. There was an appreciable level of increase in the exports to other traditional markets like the UK, Australia and Canada. Poland was a new comer in the cashew kernels market and accounted for 1.6 million lbs export of cashewnut shell liquid also showed an upturn and was placed at 4,800 tonnes.

Sardar Swaran Singh, the Union Minister for Steel, announced in the Lok Sabha that all the three expansion schemes of steel plants were nearing completion. While the project reports on Bhilai and Rourkela had been scrutinised by the Technical Committee, that on the Durgapur was still under examination. The Minister also announced that the expansion of Mysore Iron and Steel Works for raising its capacity to 100,000 tons of steel ingots from 30,000 tons per annum would be executed in the current Plan period.



If you can say so about all the purchases you make, you will be saying good-bye to the uncertainty of material, quality, durability of product etc.

Unfortunately, there are many articles produced in India which do not conform to any standard—although they should. For, standards ensure quality products, fair competition, consumer goodwill, increased profits. To manufacturers producing goods according to Indian standards, the Indian Standards Institution grants licences for applying on their goods the ISI mark which is a third-party guarantee of quality.

Write to ISI for a list of products which are manufactured to prescribed standards and carry the ISI mark. Make sure that the next time you buy anything, it is a quality product carrying the ISI mark.

INDIAN STANDARDS INSTITUTION
NEW DELHI - BOMBAY - CALCUTTA - MADRAS - KANPUR
ISI-4.61

The total quantity of fish and fish products exported from India during 1960-61 amounted to 19,914 tons. Mr M. V. Krishnappa, Union Deputy Minister for Agriculture, also stated that the Government had no proposal to set up a fish canning factory in the public sector.

According to Pick's World Currency Report private hoards of gold at present amount approximately to 13,000 tons worth about Rs 20,000 crores. Total hoards are now at a record level and the current value is 8.1 per cent higher than a year ago.

The Government of India has decided to constitute a committee to consider the various problems of the ferro-manganese industry. The committee will study the ways and means of ensuring regular supply of raw materials of requisite quantity and consider the question of railway

freight for movement of raw materials and finished products. Problems pertaining to export and marketing abroad of the ferro-manganese and any other allied matter will also be studied by the committee.

On the recommendation of the Tariff Commission the Government of India has agreed to continue protection to the caustic soda industry for a further period of three years ending 31 December, 1964, at the prevailing rates of duty i.e., 30 per cent ad valorem (preferential) and 41 per cent ad valorem (Standard).

The Indo-Norwegian Fisheries Project at present operating in Kerala will shortly be extended to Mysore and Madras also. These States have been selected because of their contiguity with Kerala and the similarity of fishing operations in the States.

Clive Street Gossip

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

THE CENTENARY of Tea Auctions in Calcutta falls upon 27 December 1961, but its celebration is being "updated" so that Mr Nehru's presence in Calcutta can be taken advantage of; for, at special auctions to be held on Saturday, 2 December 1961, Mr Nehru is to be the honoured guest. The realisations, as is proper, are to go to the benefit of the Prime Minister's National Relief Fund, and though but seven chests are to fall under the hammer, hopes are being entertained that the amount collected will be in the environs of Rs 50,000. I gather that a move was afoot to have the Prime Minister conduct the auctions; but no, a little bird just whispered to me. Instead each of the seven brokers will be duly represented, in auctioning off the seven chests. For the commanding position that the Calcutta Tea auctions have achieved, not a little credit is due to J. Thomas & Co, the successor company to R. Thomas & Co which, the first known tea broking house to have been established, is older than the auctions by ten years. Incidentally, the centenary of the auctions as held at 8 Mission Row is due on 24 March next year, and I suppose another set of celebrations, with J. Thomas & Co, a particular host, is in store for us. Of the seven chests to be offered, I see that three are from gardens under managing agencies—Andrew Yule, Duncan Brothers and Davenport. It is altogether fitting that tea from Hasimara (Davenport) has been chosen for the privilege of being auctioned at a function marking a centenary, since the managing agency house in question itself celebrated its 75th birthday on 27 November 1961. If I wish more power to the auctioneers' gavel, it is because I am hoping that my friend's estimate of Rs 50,000, as the proceeds to be turned over to a very worthy cause, proves to be an underestimate.

The reports of the Official Liquidator of the Palai Central Bank published in the Press make pretty unsavoury reading. It is evident that dishonesty at the top set in motion chicanery all along the line and the directors' own dealings left them without any real control over their employees or agents. Share-holders did not have either the ability or the desire to keep the Board in good behaviour. Most of them probably did not even know that anything

was wrong, for dividends continued to be paid year after year. These dividends were paid by the simple expedient of year-end adjustments creating fictitious credits to the profit and loss account. This practice enabled the company to keep the shareholders happy from 1936 to 1957 when the Reserve Bank stopped the farce. A rather odd beneficiary of this skulduggery was the Government: it collected income tax on non-existent profits in the not inconsiderable sum of Rs 25.96 lakhs. Part at least of this, in the sum of Rs 4.75 lakhs, being the tax on declared profits for the assessment years 1957-58 to 1959-60 may yet be salvaged by the liquidator since the report says that the assessments have not been made yet and revised returns may, in the circumstances, be accepted. But nothing whatever can apparently be done about the irrecoverable advances to the tune of Rs 2,32.30 lakhs unless, of course, more detailed investigation reveals debts that have not become time-barred, or are owed by directors against whom it is possible and worth-while to proceed. The merchant bank that runs itself by family tradition and unwritten rules hardly gets a testimonial from the report detailing the doings of the family that controlled the Palai Central. The final verdict is in these terms: "As the Official Liquidator.... I state that in my opinion loss has been caused to the bank since its formation by the acts of commission and omission of the directors and of the auditor of the bank." Further action should await the direction of the Kerala High Court, but it seems unlikely that the share-holders who got dividends on unmade profits have any claims to satisfaction. The depositors have much to depress them in the report, but it behoves Authority to make such amends as it can, by special procedure, if necessary. The suggestion that the taxes already collected by it should be disgorged may not find too ready an ear: even if it did, there may be legal difficulties in carrying out the idea. After all, if Government were to return all the taxes it has wrongly collected, there will be no end to the process. Any impulsiveness in this respect may be quickly snuffed by the thought of all the taxes that ought to have been collected and not collected. (As the village idiot philosophised, "Some people get more than they deserve and some people less than

they deserve. On the whole justice is done.")

From the long term point of view, it is necessary that some kind of professionalism in banking is fostered as a matter of policy. The habit of a smart Alec thinking of a bank as a family chest into which to dip as fancy takes him, needs discouragement. The training of directors may be difficult, but the need for a class that will have a professional rather than personal interest (and pride) in its job is paramount. Retired managers and agents with no financial axes of their own to grind in the affairs of the bank may well form a pool from which to draw for membership of bank directorates.

Incidentally, it is odd that the Kerala Banking Inquiry held in 1956 did not get at the facts of the pernicious practices of entrenched interests. Its preoccupation with pay scales and working conditions made it miss what now stand revealed as monstrous deviations from standards of propriety in banking. The affairs of Palai Central will get further airing before we hear the end of it. If at the end of it all, it is possible to salvage something out of the wreck and compensate the depositors, by some kind of merger, if necessary, it would be a clean end to a dirty episode in Indian banking.

Oscar Wilde once stood on its head the Aristotelean dictum that Art was an imitation of Life by averring that on the contrary it was Life that flattered Art in this fashion. A recent mishap may provide a rather macabre confirmation of Wildean aesthetics. (Or is it ethics?) An English passenger, John Greystoke by name, is reported to have leapt out of an aircraft while on a flight to Lagos in Nigeria. The name will ring a bell to the cognoscenti: Lord Greystoke was Tarzan's alias. It is a measure of the values of the times that Tarzan should recall Johnny Weismuller or Lex Baxter or any of the several other screen Tarzans—you can fix a man's age by the screen Tarzan he recalls—rather than the fictional aristocrat who had a whale of a time in Africa. Mr John Greystoke's rather unconventional departure from the plane has points of interest to others besides the coroner. The biologist or psychologist, for example. Is some principle of atavism involved in this attempt of Mr Greystoke to imitate the exploits of his fictional namesake? It would be frivolous to object that atavism is a principle in biology and there can be no "throw-back" to or from a creature of fiction. Even biologists, notably Medawar—have veered

round to view that biological continuity—or discontinuity, as in atavism—is to be inferred not only from purely genetical evolution but also from transmission of socially acquired characteristics in the form of historical and other traditions of knowledge and skills. The Shavian idea of the Life Force blundering through Shakespeare and Hamlet, through Faust, Marlowe and Goethe without particularising too nicely whether anyone of these were live-creatures or products of the imagination, is respectable biology today. If you consider this theory too thin-spun, consider another, based on psychology. Is it unlikely that the sight of the African soil released some obscure impulse in Mr Greystoke, whose unconscious, I assume, had been stored with the varied adventures of Lord Greystoke, better known as Tarzan? It is a pity that James Thurber isn't alive to draw the appropriate moral from the episode, for the secret life of Mr Greystoke may have obvious points of affinity with that of Mr Walter Mitty. The written word is still a potent force and the winds of change blowing fiercely through Africa may be no match for an inflamed imagination fed on romantic literature. (A rather different and less engaging encounter between the two forces is part of the history of our times.) Of course, I may have to give up this rather attractive theory if it turns out that Mr Greystoke was unacquainted with the works of the late Edgar Rice Burroughs. Well, let us await the verdict of the coroner. Should it turn out to be "Death due to misadventure," I know what conclusions to draw about the imagination of the coroner.

Popular recognition comes tardily to greatness such as Sir Bijoy Prasad Singh Roy's. In the turbulent politics of the days before independence, the kind of politics that Sir Bijoy felt instinctively drawn to was hardly calculated to win popular acclaim. But the liberals were then not entirely useless, even politically, as anyone with any acquaintance with the details of the politics of the time knows. Post-independent Indian politics too was, for different reasons, not such as to make men like Sir Bijoy see in it a vocation for themselves. And industry was the gainer by this circumstance. Like Sir A. Ramaswami Mudaliar, whose career has its points of resemblance with his, Sir Bijoy turned his talents to a sphere in which he has achieved great success. He was associated with a wide variety of industrial and commercial interests to all of which he brought the gifts of an alert and trained mind. Sir Bijoy had a large number of interests outside industry and commerce and the social life of Calcutta will be the poorer for his passing away.

EAVESDROPPER.

Olympus

AVRO-748

A Great Landmark

THE building of the Avro 748 by the IAF Maintenance Command in Kanpur, as Mr V. K. Krishna Menon said in his message of appreciation to Air Vice-Marshal Harjinder Singh, AOC-in-C, Maintenance Command is not just making an aeroplane, but a great landmark in our national and technical progress. This is the first major transport aircraft manufacturing project in which India is associated from the blueprint stage to the development and production of the aircraft. The successful completion of the first production model was signalled by the public flight inaugurated by the Prime Minister last Sunday. The IAF has now the distinction that it is the only air force manufacturing the aircraft it uses.

The Avro project for manufacture of transport aircraft to replace the existing fleet of Dakotas was approved in 1959 and the agreement with Hawker-Siddley Aviation Ltd, was entered into on July 7, 1959. Notable features of the project and its progress since the Aircraft Manufacturing Depot was formally inaugurated by the late Air Marshal S. Mukherjee on January 23, 1960 were explained by Mr R. P. Sarathy, Additional Secretary, Defence Ministry, and Air Vice-Marshal Harjinder Singh at a press preview of the static exhibition arranged in connection with the inaugural flight. Since the first rivet was driven on May 12, 1960, 414 technicians worked round the clock to complete the aircraft in record time. The jigs, tools and rigs required for the manufacture of the aircraft were locally made out of the resources available at the various defence establishments and material and equipment salvaged from disposals. Normally such capital equipment is imported from the original manufacturers. By undertaking indigenous manufacture of these items, the Kanpur Depot has not only saved time but also more than Rs 1½ crores in foreign exchange. While construction of the first production model was under way, jigs and tools were also being installed for the construction of another two aircraft. According to the programme of manufacture envisaged, 12 aircraft will be made in 1963, 18 in 1964 and thereafter it would be possible to turn out 36 aircraft a year by working double shift.

Under the agreement with the British manufacturers, who have extended the fullest co-operation and have also undertaken to make available all further modifications of the aircraft made during ten years of the agreement, there is scope for developing an export market. And it was stated that some neighbouring

countries had shown interest in Avro 748.

In spite of late start in industrialisation, India will not be at a disadvantage as compared with advanced industrial countries in undertaking aircraft manufacture. It may be mentioned in this context that mass production technique is not suitable for aircraft manufacture. Each single aircraft and every part of its housing have to be fabricated by hand with meticulous care. The vast potential of technical manpower—the AVRO project has demonstrated that quality of Indian craftsmen—gives India a decided advantage in this field.

From this point of view the training programme, which one may call a by-product of the Avro project, is a most encouraging development. The Air Force Technical Training School, which has been functioning for a year at Kanpur, imparts training to over 1,500 airmen every year in various technical cadres. It is also proposed to start a scheme for training 600 civilians every year to meet the requirements of skilled technical personnel. Besides, the Air Force Tutorial College at Kanpur will be running three types of courses; the Aeronautical Department to train executives; the Technological Department run by the Air Force Station, which would run short courses for the improvement of production techniques; and the Administrative Department which would provide short efficiency courses on administrative, accounts and factory legislation aspects of the industry. It may be recalled that the Ministry of Scientific Research and Cultural Affairs, have commenced a scheme of training engineers in engineering, aeronautical and telecommunication subjects in part-time evening colleges. During the last few months, 24 Tutorial Colleges have been established at Defence Establishments throughout India. About 3,500 students are undergoing a three-year training to prepare them for Associated Membership of the Institution of Telecommunication Engineers (India).

A New Industrial Complex

The large supplies of natural gas available from the Nahorkatiya and Moran fields will provide the basis for the establishment of a large industrial complex in the locality. According to the latest estimates made at the end of June 1961, the reserves, it is learnt, are of the order of 740,428 million cubic feet. The availability of gas from the oilfields for industrial uses is placed at about 35 million cubic feet per day. Three of the industrial projects to be set up around Nahorkatiya—a thermal power station, a fertiliser plant and a project for supplying natural gas

for domestic use and small scale industries—will be in the public sector. The private sector projects include a Synthetic Rubber plant, a Synthetic Plastics plant and a plant for manufacturing Carbon Black. A synthetic fibre and plastics plant and an Automat brick making plant may also be set up.

The Rs 10-crore power station at Namrup near Gauhati, will have an installed capacity of 50,400 kw. The Fertiliser Corporation of India will set up the fertiliser plant costing Rs 12 crores to produce 50,000 tons of ammonium sulphate and 50,000 tons of urea per annum. A Rs 15-crore synthetic rubber plant to be located near Nahorkatiya, with annual capacity of 20,000 tons per annum, will be set up by an Indian firm in collaboration with foreign concerns. The Synthetic Plastics plant and the Furnace Carbon Black plant have already been licensed. The Plastics plant costing Rs 4 crores will produce 4,000 tons of polyethylene and other plastics. The Carbon Black plant costing Rs 1 crore will produce 10,000 tons of carbon black per annum.

Sources of Energy

An ECAFE Regional Seminar on Source of Energy and Electric Power Development is meeting in Bangkok, at which India is represented by Dr Lal C. Verman, Director of the Indian Standards Institution, who left Delhi last Sunday. Dr Verman will be presenting two papers at this Seminar, one on Voltage Standardisation and the other on Standardisation of Electric Equipment. Among the countries of the ECAFE region, organisations for developing standards have been functioning only in India and in Japan. Other countries are just making a beginning. The formulation of standards on a uniform basis is a matter of considerable importance to the industrial development of the region as a whole. The standards in use in the West, which have been developed to suit temperate climates, may have to be modified to suit the different climatic conditions met with in the ECAFE region.

In this respect the work done by the ISI can provide helpful guidance. Dr Verman will also participate in the Intra-Regional Seminar on Hydrological Field Methods and Equipment Used in Hydrology and Hydro-Meteorology, which is jointly sponsored by the ECAFE and the World Meteorological Organisation. He will present a paper on International Standardisation of Methods of Measurement of Flow of Water in Open Channels. The Indian Standards Institution functions as the Secretariat of the International Committee on this subject.

Eleven Productivity Teams

The National Productivity Council will be sponsoring eleven productivity teams during 1962 with TCM assistance. Generally these teams will visit the US, countries in Western Europe and Japan, depending

on the nature of the subject of study. The Minister for Industry, who gave this information to Lok Sabha in a written answer, also stated that the final selection will be made out of the following 13 subjects of study: (1) Technique of International Trade; (2) Leather Industry (tanning, leather goods, footwear, sportsgoods, industrial leather, belting etc.); (3) Radio and Electronics; (4) Food Preservation and Canning Industry; (5) Non-Ferrous Metal Industry—Rolling and Processing; (6) Cable Industries; (7) Glass and Optical Industry; (8) Steel Re-rolling Industry; (9) Fuel and Power Industry; (10) Tools, Jigs and Fixtures Industries; (11) Posts & Telecommunications; (12) Woollen and Worsted Industry; (13) Industrial Designs in Metal Industries.

AT THE FAIR The Walchand Group

The impressive show put up by the Walchand Group at the Industries Fair recalls the pioneering role of its founder in the development and diversification of Indian industry. If Jamsheedee Tata initiated steel manufacture on modern lines, the late Walchand Hirachand, turned his attention to the development of the steel-using industries. He was the pioneer of Indian shipping as well as the first to make airplanes and automobiles in India. The concerns which he founded or helped to develop have grown into a far-flung industrial empire which has achieved the unique success of integrating modern industry, with progressive agriculture. The units of group—Foundries and Farms, Diesel Engines and Hume Pipes, Structural Construction and Sugar Farms, Lathes and Looms, Motor Cars and Machinery—are dispersed all over the country. The pavilion with its massive display of sugar mill and other types of machinery depicts the progress achieved in different lines of manufacture. The Walchand Industries Limited, which have grown up round the nucleus of a sugar farm established on a barren tract of land, comprise, besides the sugar factory, a Distillery, an Oil Mill, a Hydrogenation Plant and a Soap Manufacturing unit. The latest addition is the manufacture of plastic products. This industrial complex also manufacture the entire range of machinery required by a modern sugar factory.

The Health Pavilion

"Health Helps Industry, Industry Helps Health," is the basic theme of the Health Pavilion of the Ministry of Health in the Indian Industries Fair. A separate section is devoted to the significant role played by industry in promoting nation's health by production of drugs and other medical equipment. A section on "Conquest of Disease" depicts the growing provision of health services in hospitals, clinics, primary health centres, including family planning. Other sections present the needs of an industrial workers' family in terms of nutritious food, safe water hygienic environment and health care.

The Deccan Sugar & Abkhari Company Limited

Sixty-Fifth Annual General Meeting

Mr C. R. Srinivasan's Review

Before commencing the proceedings of the Sixty-fifth Annual General Meeting of the Shareholders of the Company held on 27th November 1961, Mr. C. R. Srinivasan, Chairman, made the following statement and requested Shareholders to observe 2 minutes silence in memory of Mr. H. I. Wofnor, a past Chairman and Director of the Company.

"Before commencing the proceedings of the meeting, it is my melancholy duty to convey to you a most distressing piece of news. I refer to the untimely and altogether unexpected death of Mr. H. I. Wofnor on Friday morning. He arrived from England for consultations on many matters of business on Thursday noon. I found him in very good spirits and I was talking to him till 9 p.m. Next morning I heard the tragic news that he had died in his sleep. I believe all of you know him or heard of him as one of the prime architects of the new deal in the Parry Group of Companies. Personally, I have moved with him in close intimacy for the last 25 years and with every passing year our friendship has found fresh points of contact and concord. He was a friend of this country in the fullest sense of the word and had faith abundant in its destiny. It almost looks as though he came to die in the land of his adoption where he had spent the greater part of his fruitful life. May God rest his soul in peace. I will ask you to stand up and observe 2 minutes silence in memory of a great Britisher who has served this country as well as any Indian could have, and in doing so, served his own country also."

In his review of the working of the Company the Chairman said:

"It gives me pleasure to welcome you to the Sixty-fifth Annual General Meeting of this Company.

The Accounts for the year ended 31st May 1961 and the Report of the Directors thereon have been in your hands for the statutory period and with your permission I shall take them as read.

The results contained therein reflect the position that was forecast in my statement at the last Annual General Meeting, namely that stocks at our factories would build up due to the increase in the all-India sugar production. Releases of sugar for sale by Government were severely restricted and this accounts for the drop in turn-

over of not less than Rs 86 lakhs compared with the previous year.

This is the major reason for the reduction of Rs 8.50 lakhs in our Net Profit before Taxation. I would mention that although the Company received a bonus in the shape of a rebate of Excise Duty of some Rs 4 lakhs for increased production, this was more than offset by the contributions of not less than Rs 6.50 lakhs that had to be made towards Sugar Export losses.

Thus, bearing in mind the need to conserve the resources of the Company, your Directors have been reluctantly forced to recommend a lower final dividend of 13½% for the year under review as against 18½% paid for the last year, thus making the total for the year 21% against 25½% last year.

In other respects I consider that the printed Accounts and the Notes thereon are self-explanatory and do not require further specific comment, but I shall, of course, welcome any questions thereon at the conclusion of my speech.

As you may have seen from the Report before you, the quantity of cane crushed and sugar produced during the year at Samalkot and Pugalur constitute a record for both factories. While this achievement, by itself, is gratifying, the immediate benefit was, as I have just said, largely lost by reason of smaller releases of sugar from both factories. The policy of the Government of India is to release every month a fixed percentage of the production of each factory, the total quantity released being the estimated all-India consumption for the month, excluding exports for which special releases are made from time to time. The effect of this policy is to make available in the States of U.P. and Bihar a much larger quantity than can be consumed in those States. Under controlled conditions, much of this surplus was allotted to other States including Madras and Kerala, in spite of the fact that the Southern Region as a whole is self-sufficient and had no need to import anything like the quantities allotted by Government during the control period.

Now that decontrol has come in the wake of over-production, with uncertain prospects as to the size of exports, we are entering a period of unstable prices and selling pressure. Already prices have come down by about Rs 20

per tonne. We can only hope that they will become stabilised at a level which would not have serious repercussions on all sugar manufacturers.

The rehabilitation and consolidation of Samalkot Factory to which I referred in my speech last year is proceeding. The suppliers of the fourth mill are expecting shortly the licence to import the foreign components. All going well, it is hoped to instal the mill in time for the 1963/64 season.

I stated in my speech last year that orders had been placed for almost all the equipment required for the expansion of Pugalur Factory from 1,000 tons to 1,250 tons cane per day, at an estimated cost of between Rs 25 lakhs and Rs 30 lakhs. The advantages of expansion need no emphasis. A lower cost of manufacture from higher output enhances the ability of a unit to withstand competition in times of abundance of supplies, but considering the position in which the industry is today, it would be wise to review decisions taken under somewhat different conditions a year or so ago. Your Directors, after careful consideration, have come to the conclusion that it would do no harm to go a little slow with the expansion scheme. Accordingly, the proposed extension originally scheduled to be completed before the 1962/63 season will be delayed probably by another year. These considerations however do not apply to the Samalkot Factory where the more urgent need is rehabilitation and not expansion.

An interesting development in connection with Pugalur Factory is an agreement made with Seshasayee Paper & Boards Limited whereby they will supply the factory with two oil-fired boilers and the necessary oil fuel to burn in them, and in return take all the bagasse produced in the factory for the manufacture of paper in their new factory near Erode. No capital expenditure will be incurred by the Company, and while no monetary remuneration will be received for the bagasse, it is hoped that the oil-fired boilers will provide steadier working conditions with a constant steam pressure, thus resulting in slightly reduced working costs. In the interests of the industrial development of the country this is a welcome step and I am sure our co-operation will be appreciated. The present position is that an application for

an import licence for the two boilers made by Seshasayee Paper & Boards Limited is pending with the Government of India.

The Tariff Commission's Report on the Price Linking Formula is still under consideration of the Government of India. We continue to be in the unhappy position of not knowing the final price for cane for the year 1958/59, 1959/60 and 1960/61. Reasonable provision has been made in the Accounts for these years, and some interim payments have been made to the growers.

The distillery at Samalkot is not doing very well. Our main market is West Bengal where competition is keen. To add to our difficulties, the Government of India have fixed a very low ex-distillery price under the Ethyl Alcohol Price Control Order 1961. If we sold at this price, we would be making a considerable loss. Representations have been made to Government to consider the question of price for smaller distilleries after an examination of their actual costs. It is to be hoped that the Price Control Order will not be enforced in the meantime.

Sales of Carbonic Acid Gas were not unsatisfactory but, here again, there is severe competition in a restricted field. Nevertheless, this section of the factory makes a useful contribution to Overheads.

Our relations with Labour and Staff during the course of the year have remained satisfactory. The Sugar Wage Board recommendations have been published and accepted by Government, and preliminary arrangements have now been made for negotiations with Staff and Labour, both at Samalkot and Pugalur, with a view to arriving at a long-term agreement on future terms of service. It is hoped we shall be able to conclude a settlement with the Unions on suitable lines.

Now you will expect me to say something about future prospects. In my speech to you last year I stressed that a state of over-production was being reached and, in the event, the present position is worse than I envisaged at that time.

The sugar year 1960/61 started with a carry forward of 5½ lakh tons which is generous but not unduly so. 5 lakh tons is generally considered the carry forward required to take care of any unexpected shortfall in pro-

duction. Production for the year 1960/61 reached the record figure of only just short of 30 lakh tons against which internal consumption has amounted to only 21 lakh tons and in addition 2.7 lakh tons have been, or are to be, exported by the 31st December, 1961.

You will see, therefore, that we started the current sugar year 1961/62 with a stock of 11.8 lakh tons and, allowing for the buffer stock of 5 lakh tons, there is 6.8 lakh tons surplus. As you all know, Government is trying to adjust the position by stipulating that factories shall only produce ninety per cent of their highest production in the preceding two years; various exemptions however are being made in favour of new factories and those with a small output and which for various reasons did not reach a certain minimum production in 1959/60 and 1960/61. In the result I therefore fear that we must look forward to a production of very nearly 30 lakh tons again during the current year. I sounded a note of warning last year when I said that the bulk of next year's sugar crop is already in the ground. It is very difficult to see how factories which have registered cane for their full requirements are going to deal with their excess production. In the case of our two factories, I am glad to say that as production last year reached record figures, we are unlikely to exceed the ninety per cent target this year, and I therefore, hope that the question of payment of the penal excise duty will not arise. Other factories are not so fortunately placed and there must be considerable hardship in those areas where there is no jaggery industry to take up the surplus if factories refuse to crush all the cane offered. Even if the surplus cane is used to produce jaggery, or khandsari sugar, this is likely to be offered at give away prices which in turn will restrict the offtake of factory sugar. Government have still not made any announcement regarding sugar cane prices for the 1962/63 season, and with all the earnestness I can command I would urge Government to set at rest without delay the anxiety of growers and millers. Ministers have admitted in Parliament that the current sugarcane price is attractive compared with the realization from other crops, and if it were not, how is the increase of over 8 lakhs acres under sugarcane during the last two seasons, mostly in U.P., to be explained? The simplest and most efficacious way of reducing the production of sugar in the country to something approximately to the country's requirements is an adjustment of cane prices by an emphasis on payment for quality, and may I take this opportunity of pleading once again for a floor price which will cover growers' out-of-pocket expenses, the balance to be paid on the basis

of quality. This I consider one of the most important aspects of the problem, both to meet the immediate situation and to build up an industry which may stand a chance of competing in the world markets in the future. As long as cane is paid for on the basis of weight irrespective of quality, I fear that India will be priced out of the export market.

Other steps which might be taken to remedy the situation are to cancel a number of licences for additional factories already granted, but for which no effective steps have yet been taken. Government have announced that they will not license any further new factories, but this does not go far enough. There may be difficulties in the way of cancelling licences already granted, but is it fair to allow factories to go into production with little chance of operating profitably, to the detriment of the interests of shareholders? There is general agreement that the demand for sugar in the country must be stimulated to mop up the surplus production and there is no reason why this should not be done. The average annual consumption per capita of the population in India is 5.5 kg. compared with 47 kg. in U.S.A. and 55 kg. in U.K. The significant fact is that the annual consumption in 1957 was 20 lakh tons and in that year the then Finance Minister doubled the excise duty on sugar with a view, as he said, to restrict consumption and to make sugar available for export. How well he succeeded in the first part of his intention is shown in the offtake for subsequent years.

		lakh tons
1958	..	20.5
1959	..	20.7
1960	..	20.2
1961	..	21.0

(estimated)

It is significant that offtake should have remained static over this period despite the increase in the population, and surely this is evidence enough that the decision of 1957 should be reversed and the excise duty reduced by fifty per cent. Our people want sugar, but at a price they can afford to pay.

There has been much talk about exporting our surplus production and earning valuable foreign exchange, but even if the Government, the industry, and the growers are prepared to subsidise exports, such exports can only absorb a small part of India's surplus production. India has become a member of the International Sugar Agreement, a step which was necessary to enable her to take advantage of the American quota, and her rights under this Agreement are not likely to exceed 1,50,000 tons per annum. What our quota will be from America this year is any-

one's guess, but we well know what happened to the initial quota of 2,25,000 tons which, overnight, was cut by 50,000 tons. It would be wise to realise that U.S.A. has her own problems and we cannot expect her to accommodate us at all costs. Efforts are also being made for a quota for supply to Great Britain under the Commonwealth Sugar Agreement, but latest information is that this is not likely to materialise. It is, therefore, unlikely that India's exports will reach 5,00,000 tons, and this, only at a loss of something on an average of Rs 300 per ton after full rebate of excise duty, cane cess, etc. We doubtless need foreign exchange, but some may ask whether it cannot be bought at too high a price.

Andhra State is already surplus in the production of sugar and Madras State is approaching that condition. As long as Government maintain the system of monthly releases adjusted to the approximate offtake of the markets, I think a price level can be held which will give a reasonable margin of profit, but I would be failing in my duty if I did not warn you that the industry is passing through a most difficult time and I wonder if we have seen the worst yet. Stocks are moving, but not as fast as they are accumulating, and this is a situation which cannot go on indefinitely. There are two difficulties to be faced—one, financial; and the other, physical. By the time our two factories stop crushing in April next, we expect to be holding stocks amounting to 23,000 tons and valued at Rs 1.84 crores. That is a heavy enough burden to carry financially. Any further addition will be a severe strain. The purely physical problem needs no explanation from me. No Company can go on building godowns indefinitely to store unwanted stocks, nor does sugar quality improve through storage. I, therefore, fear that a further and probably more drastic restriction of production may have to be enforced during the 1962/63 season.

In my opinion, the crisis in the industry, and it is a crisis although the Food Minister denied this at the last annual general meeting of the Indian Sugar Mills Association, cannot be met by exports. Exports can only be made at a substantial loss which the industry cannot afford to bear. The solution lies in increasing national consumption, and this can be done by paying for cane on the basis of quality, and also reducing the excise duty on sugar which will make sugar available at cheaper rates. Should consumption then rise faster than expected, the capacity is available, and it should be easy to match increased consumption with increased production.

And now, may I strike a personal note before I close. I joined

the Board of this Company in 1943 and have functioned as its Chairman from 1956. The Company is in fine fettle and during the past few years in particular, shareholders have gathered a rich harvest in dividends. At the moment the outlook may not be quite so promising, but there is no need to take a pessimistic view. I have indicated some of the correctives the situation calls for and I have no doubt Government will give serious thought to the problems posed, once the General Elections in the offing are over. The malaise affects the whole industry and not a particular unit and sugar represents too large an investment in our national economy to be ignored. We have been dealing with problems of sugar so far only in terms of internal and external consumption as edible sugar—sugar as a detergent is coming into the picture and if expectations are not belied, quite a new outlet for sugar may perhaps enter our calculations. So let us wait and hope for the best; and in that confident hope let me bid you farewell. This is the last meeting of the general body that I shall preside over. A few weeks back when I had occasion to address the shareholders of Parrys Confectionery Limited, I told them that I have decided to retire from all active work and from the Boards of all Companies I have been associated with, as soon as convenient, for reasons of health. I regret I have to say the same thing to you. I have carried a heavy burden on my shoulders these fifty years and need rest. I am sure you will not begrudge it. My best wishes are with the companies I have lived and worked for—"God bless you."

The Report and Accounts for the year ended 31st May 1961 were adopted and a final dividend for that year at the rate of 13.5% subject to deduction of tax, on the Company's Ordinary Share Capital was declared payable on the 28th November 1961.

The retiring Directors, Sir T. S. Venkataraman and Kumara-raja M.A.M. Muthiah Chettiar of Chettinad, were re-elected and the retiring Auditors, Messrs. Lovelock and Lewes, were re-appointed.

Mr. G. N. Noel-Tod, in proposing a vote of thanks to the Chairman, said:

"At this Meeting, which Mr. Srinivasan has said is the last over which the will preside as Chairman, it is fitting that I, who have been associated with him on the Board since 1954, should propose a vote of thanks.

It is difficult for me to realise that my association with Mr. Srinivasan in this Company will before long terminate. It has been a great experience for me to have worked for these years with, and under the guidance of, Mr. Srinivasan.

Mr. Srinivasan has pointed out that of recent years Shareholders have consistently enjoyed good dividends and I can assure you that the build-up of the Company to its present level of prosperity has been, in no small measure, due to Mr. Srinivasan's leadership as Chairman of the Board. It would be idle for me to attempt to disguise the fact that there have in the past been differences of opinion between the Board and certain

Shareholders. Such differences of opinion must inevitably arise from time to time, and do in fact arise in other companies. Nor in this Company are they unique to the time of Mr. Srinivasan's Chairmanship. I remember well the apprehensions of Shareholders as to the conduct of the affairs of the Company by the Board and the Managing Agents in the early fifties when, due to disease in the cane, the Pugalur factory had

temporarily to be closed. Consistently, however, this Board has always had as its objective the achievement of maximum prosperity for the Company. Equally, I do not doubt that Shareholders have the same objective, the differences of opinion relate only to the methods adopted to achieve this end.

I would like on your behalf to thank Mr. Srinivasan for his services to the Company over the

past 18 years and to wish him many happy years in retirement." On behalf of the Shareholders, Mr. S. Srinivasa Iyer, desired it to be recorded that the Company greatly appreciated the services of the Chairman and this was carried with acclamation.

N.B.—This does not purport to be a report of the proceedings of the Annual General Meeting.

Markets

JUTE Minimum Raw Jute Quotas for Mills

CLOSELY following the fixation by the Forward Markets Commission, of minimum price corresponding to Rs 30 per maund for Assam Bottoms delivered at Calcutta, the Indian Jute Mills Association initiated steps calculated to arrest the decline in raw jute prices. It was announced on Monday that the IJMA was reconstituting its Jute Quota Sub-committee with a view to stepping up mill purchases. It may be recalled that this committee was formed at the time of the acute shortage of raw jute to prescribe maximum raw jute quotas in order that the available supply was distributed to all the units in the industry. Expressing grave concern at the recent signs of a break in the jute market, the IJMA has pointed out that the fall in prices is not due to any decrease in purchases by the mills, which have continued to be substantial, but rather to the unusually large arrivals of raw jute. The Quota Sub-committee will lay down minimum quotas of jute to be purchased by the mills. The scheme is of course applicable to member mills but the IJMA has expressed the hope that non-member mills will co-operate in its efforts to support the market by stepping up their purchases of jute. In a Press Note announcing the steps taken to maintain raw jute prices, the IJMA has pointed out that for the successful working of the quota scheme there are two conditions which should be satisfied. In the first place, any stepping up of jute purchases by mills will require large funds which the industry will not be able to find from its own resources in view of the heavy losses incurred by it earlier in the year. Hence it is essential that the mills obtain from the banks more liberal credit facilities than have been available hitherto. Secondly, mills cannot be expected to go on purchasing jute at the minimum price now fixed if gunny prices decline with the result that mills are forced to incur heavy losses on

simultaneous business. The Press Note has noted that if it so happens that there is loss on simultaneous business, the IJMA would have to take prompt and effective action to remedy the position.

The situation created by the steep decline in jute prices has received wide attention and Mr. Nityananda Kanungo, Union Minister for Commerce, assured Parliament the other day that necessary measures had been initiated to restore stability to the market. Government has rejected the demand for fixation of floor prices for raw jute and Mr. Kanungo has explained how statutory fixing of minimum prices bristles with difficulties since jute goods are mainly dependent on foreign markets. The Minister has however said that with the Forward Markets Commission closely watching and controlling

futures trading and the buffer stock agency kept ready to step in whenever there is an emergency, there is no need for undue anxiety. The buffer stock agency, which is awaiting formal registration, will begin to make purchases the moment jute prices in Calcutta fall below Rs 30 per maund.

Thanks to the prompt steps taken by Government and the IJMA, prices in the raw jute market were well maintained at the prescribed floor levels. Mills evinced fair interest on most days and toward the close of the week the undertone was steadier mainly in sympathy with the goods section. It is to be expected that holders who appeared to be nervous and who were keen on selling at a discount some time ago will now hold on to their stocks despite the heavy pressure from arrivals because there is now the double assurance that mills will step up their purchase and that raw jute prices basis Assam Bottoms will not be allowed to go below Rs 30 per maund.

After a quiet opening, the goods market firmed up in later dealings mainly due to due date covering in ready goods. Ready delivery sackings were particularly firm reflecting a squeeze. Although there were re-

ports of scattered foreign business both in hessian and heavy goods, there was no indication of the long expected revival of overseas interest. The outlook for heavy goods exports does not appear to be very bright in view of the growing competition from Pakistan. Speaking at the annual meeting of the Gunny Trades Association in Calcutta on Tuesday, Dr. B. P. Kedia, has emphasised the need for taking emergent action to regain the lost markets for Indian jute goods. He has pointed out that there is severe competition to our heavy goods from Pakistan which is able to make headway in foreign markets because of the cost advantages of its jute goods industry. He has referred in particular to Pakistan's export bonus scheme and has suggested that Government of India should examine the possibility of adopting a similar course in order to safeguard foreign exchange earnings from jute goods exports.

TEA Prices Recede in Most Cases

In the Export Sale held in Calcutta this week, offerings were 74,063 packages. There was a fair general demand; but prices for the majority of the descriptions were again easier and the market was irregular. Plain Broken and Fannings were 15 nP to 30 nP easier, while plain BOPS were up to 30 nP lower and sometimes more. Medium Assam BOPs with good liquors were very well supported and the better descriptions were at times dearer. Similar OFs were, however, irregular.

The best CTC descriptions received good support with selected lines selling at dearer rates. The medium, poorer and secondary grades were, however, very irregular. Legg-cuts were well supported and sometimes dearer. The cheaper Whole Leaf grades were 10 nP to 15 nP easier, but the more stylish kinds declined by 30 nP and were at times difficult of sale.

Darjeeling teas received fair support, while Tippy sorts were easier. Following rates were quoted:—Clean Plain Pekoe Rs 3.75 to Rs 3.95; Plain BP Rs 3.40 to Rs 3.60; Plain Fannings Rs 3.30 to Rs 3.60; Medium Assam CTC BP Rs 4.10 to Rs 4.50; Medium Assam CTC Fannings Rs 4.10 to Rs 4.50; Best Assam CTC BP Rs 4.80 to Rs 5.40 and Best Assam CTC Fannings Rs 4.90 to Rs 5.50.

In the Internal Sale, offerings were 25,189 packages of Dusts. There

PRICE TRENDS

		As on 23 Nov. Rs.	High- 27 Nov. Rs.	As on 29 Nov. Rs.
Hessian:				
45" x 11 ozs.	...	57.00	58.00	58.50
40" x 10 ozs.	...	...	...	...
Ready	...	49.50	50.25	51.75
December	...	46.50	47.50	49.00
January-March	...	44.85	45.60	46.25
40" x 8 ozs.	...	40.50	41.25	42.25
40" x 7 1/2 ozs.	...	37.50	38.25	39.25
Sackings:				
B Twills—				
Ready	...	131.25	132.75	138.00
December	...	124.00	125.50	129.80
January-March	...	120.25	121.00	123.85
Heavy Ceers (Green)	...	131.00	131.00	134.00
Cornsacks	...	130.50	132.00	136.00
Cubans	...	168.00	171.00	174.00
A Twills	...	160.00	161.00	163.00
L Twills	...	152.50	153.50	155.00
D. W. Flours	...	156.00	160.00	164.00
Sugar Twills	...	151.00	153.50	157.00
Ready Raw Jute:				
Assam Bottoms	...	29.00	30.00	30.00
Northern Bottoms	...	28.50	29.50	29.50
Daisee	...	31.00	32.00	32.00
Futures:				
Hessian—February	...	49.24	...	...
Hessian—November	...	45.36	45.28	45.84
Sacking—February	...	125.50	...	...
Sacking—November	...	120.10	119.35	121.50
Raw Jute—December	...	30.94	30.86	30.94

*November delivery went off the Board on 25 November. The rate was quoted at Rs 48.46 for hessian and Rs 126.45 for Sacking on 24 November.

was a much improved demand. CTC types came to a strong market and were taken up at rates which were 20 nP to 30 nP per kilo above last levels. The fibrous teas, although irregular, were in better demand. Plain orthodox types declined in value by up to 10 nP, but the better liquoring dusts were generally firm to dearer.

Non-wither leg-cuts were in good demand and were generally dearer except for the plainer types which were irregular. Following rates were quoted:—Plain Orthodox Dust Rs 3.70 to Rs 4.00; Medium Assam Dust Rs 4.00 to Rs 4.20; Legg-cut Dust Rs 4.30 to Rs 4.70; Medium Assam CTC Dust Rs 5.70 to Rs 6.00 and Good Assam CTC Dust Rs 6.30 to Rs 6.70. Also 380 chests of Leaf grades were offered for internal consumption. These were absorbed at irregular rates.

Exports of North-East Indian tea are higher at 81.94 million kg this season up to 11 November as against 73.28 million kg in the corresponding period of the previous season. Shipments to the UK at 53.40 million are higher by 2.42 million kg than in the previous year, but lower by 2.10 million kg as compared with the 1959-60 season.

During the period under review, an appreciable increase in exports is noted to the USSR. From 4.33 million kg in 1959-60, the figure rose to 4.80 million kg the following year and went further up this season to 5.72 million kg. Besides Russia, the trend of shipments this season indicates larger exports of North-East Indian tea to the USA, UAR and other Middle Eastern countries, South America, West Indies and Central American countries.

Meanwhile, the Assam Government has convened a tea conference on 18 December. Representatives of the Indian Tea Association and tea planters will attend. The conference will try to devise ways for stepping up tea production in the State. The question of the creation of a tea finance replanting fund, expansion of gardens and the supply of fertilizers will figure prominently in conference.

Assam has now about 1,000 tea gardens and the total land under tea is nearly one lakh acres. Annual production is 350 million pounds against the country's overall production of 700 million pounds. The target has now been set at 900 million pounds by the end of the Third Plan. Assam will, therefore, have a major responsibility in reaching the target of tea production set under Third Plan.

In the Cochin market, offerings were 312,000 kilogrammes of tea dusts for internal consumption. Against less demand, Low Medium and Medium sorts were 20 nP to 30 nP a kilo lower, while better Mediums were up to 20 nP a kilo easier. Poorer sorts and residuals were much lower than last week's prices. Highgrowns were slightly easier. Unorthodox types were 10 nP to 25 nP lower.

Production of tea in Ceylon amounted to slightly more than 27.75 million pounds in September 1961 and the total, at the end of third

quarter, was nearly 341 million pounds, which is about 11.75 million pounds more than the same period of last year. Good growing weather was experienced last month and a preliminary estimate of the October crop at 40 million pounds indicates an increase of nearly 50 per cent on last year's figure.

Production of tea in British East Africa in September 1961 increased to 5.4 million pounds from 3.9 million pounds in the corresponding month of last year. This raises the total British East African tea output, in the first nine months of the current year, to 57.1 million pounds from 56.6 million pounds in the January/September 1960 period.

COTTON Mild Setback in Futures

THE tightening of control measures has at last started yielding results in the futures market in Bombay. The Jarilla March contract after the initial spurt during the past week has showed signs of decline and the buying spree is reported to have practically come to an end.

The reimposition of compulsory survey by the Textile Commissioner did not create any surprise in the market as the trade was fully aware that the authorities would introduce similar steps to cry a halt to the runaway prices of the contract. The increasing arrivals of new cotton crop at many of the upcountry centres also helped to prevent further rise in prices. The report that emanated from Khandesh and Vidarbha reveal that the new crop had started moving, though the pace of arrival was not upto the expectations. It is expected that sizable quantum of new crop will be arriving within the next few weeks. The marketing of cotton in many areas during this season has been delayed on account of the untimely rain in the last two months. This resulted in a virtual scramble for cotton and the spinners were prepared to meet their requirements even at higher prices. According to the official version, the recent spurt in prices was purely artificial and they are confident that the prices will come down in the immediate future. The outlook of indigenous cotton during the current season, which has been estimated at around 4.8 million bales, also does not warrant such a trend in prices.

Meanwhile the East India Cotton Association has been reported to have discussed the petition submitted by jobbers and brokers about the frequent intervention of the Forward Markets Commission in the market. The Board is likely to take up the matter with the authorities shortly.

In the spot market at Sewri, a slight slackening of mill demand was visible during the week under review. Spinner interest hovered around Vijay/Digvijay, Kalyan, 197/3, C02 and Surti. The prices of Vijay/Digvijay and C02 were kept firm due to the support lent by Southern and Ahmedabad mills.

Larger arrivals of Bengal Deshi in the terminal markets had their effects

in the prices on the export front and prices slipped down slightly by about 5 points during the past week. Demand from overseas particularly from Japan was well maintained. Sales registered with the Export Trade Controller's office till 22 November aggregated 88,200 bales.

The prospects for absorbing the entire quantum of 118,750 bales (shippers share) within a few days are rated bright provided the present trend is maintained. Rumours of further release of export quota for Bengal Deshi created a last minute rush in the registration of sales.

The import section was devoid of any fresh development. The American cotton met with good spinner interest. Sudan and African growths also attracted attention on a moderate scale.

The monthly review of world situation by International Cotton Advisory Committee has reported a possible reduction in the production of extra long staple cotton during the current season. Consumption of extra long staples has already turned down in many of the consuming countries particularly in the United Kingdom and India and the total consumption during the past season slipped down by 1 million bales to 1.2 million bales. According to the ICAC exports of extra long staple cotton in 1960-61 totalled about 1.5 million bales.

Total consumption of cotton by the mills in India from 1 September to 31 August amounted to 5,372,900 bales (180 kgs) in contrast with 5,105,085 bales in 1959-60

Description	1959-60	1960-61
Indian	4,419,307	4,246,281
Pakistan	21,728	16,833
American	223,284	665,013
Egyptian	141,160	118,450
Sudan	125,372	120,805
East African	155,545	171,285
Others	18,689	34,250

Piecegoods

The Bombay piecegoods market displayed listless conditions during the past week also. Demand in both the export and import sections was at a low ebb and the turnover fell down to a mere trickle.

Only stray business was transacted in the domestic sector. Seasonal goods and a few lots of grey cloth met with some attraction of dealers and consumers from Rajasthan, Southern States and Bihar. Dyed and printed flannels and seasonal coatings were also in request. Contrary to the earlier expectations, saris and dhoties were practically neglected.

It has been reported that the mills were reluctant to sell their goods at a lower price. A section of the trade feel confident that if the demand for piecegoods was kept at a level to offer their stocks at comparatively lower prices. Some of the upcountry dealers have reported to have cancelled even their moorat contracts, presumably due to the easy trend in prices. The tight monetary conditions were also partly responsible for the dull trading in the market. The prices of powerloom cotton piecegoods, however, ruled firm largely

due to the shortage of good quality cotton yarn.

The export section was on the whole devoid of any fresh developments. Even the traditional buyers like the UK and Sudan shied away from the market. Business on a moderate scale was concluded in dhoties, mulls and chaddars with Ethiopia and Eritrea. Singapore accounted for a small quantum of bleached longcloth at slightly reduced prices.

Enquiries for grey goods from Burma flowed on a small scale. Holland focussed its attention on grey cloth and finished cotton bags. Chile's fancy was directed toward poplin dress material.

Sugar Quota Cut Restored

The United States has agreed to the resumption of sugar shipments to India on the understanding that this consignment will be either equated against next year's quota or held in bond at Ports if it arrives before the year-end. This has, to a large extent, solved the problems created in India by the cut of 50,000 tons imposed by Washington last month in the Indian sugar quota. The only remaining question is to resolve the problems arising out of the cancellation of three scheduled shipments of sugar from India to the US. These problems relate to claims of damages made by the US firms for non-delivery of sugar according to original schedule.

The US decision to restore the import cut is generally welcomed by the traders as they feel that the decision will give the necessary fillip to the falling trend in sugar prices. Moreover, the announcement of this decision is considered most opportune in the context of the industry's recent request to the authorities to put a check on the falling prices by releasing limited quotas of sugar for internal consumption.

The overall outlook for the sweet commodity is not, however, likely to undergo any radical change in view of the large carryover stock from the previous season and the prospects of sizable production. The impact of the production will, no doubt, felt only by the middle of December when the inflow will gather sufficient momentum. This apart, the floating stocks at all important consuming centres are stated to have been greatly improved.

Meanwhile, sugar prices in the main producing centres in North India have turned weak in the absence of buying support from Gujarat, Rajasthan, Madhya Pradesh and the Punjab. The move on the part of some of the mills to market their produce at an enhanced rate also met with resistance at higher levels. In view of the inactivity of the sugar markets, it is considered possible that the Government of India will take immediate steps to regulate sugar releases and thus help in stabilising the prices.

FOODGRAINS

Conditions in the Hapur Foodgrains market ruled generally steady last week. Wheat was steady at Rs 15.50 a maund for the average quality and up to Rs 17 for the farm produce. Thanks to the easy supply position, the market for Rice remained quiet. 3ram improved fractionally to Rs 14.87 a maund for the Punjab variety due to good demand and firm advices.

In the Pulses section, Peas and Arhar rose further on good buying support for conversion into dal. Dealers were reported to be holding arhar stocks on hopes of early exports. Other pulses were generally steady.

CHEMICALS & DYES

Conditions in the Bombay Dyes and Chemicals markets were better with a fair turnover and an increased demand. The paucity of supplies was the main reason for a steady rise in prices. There were also fears that the supply position would not improve in the immediate future.

In the Dyes section, prices looked up on fears of a further shortage of goods. Indigo was in great demand; but the stocks were not reported to be adequate to meet the demand. The Italian variety shot up to Rs 9-0-0 and the German to Rs 10-4-0. Among vat dyes, blue RSN Japanese improved to Rs 35. In Naphthols, AS-1B was better at Rs 52, while AS was lower around Rs 8-8-0.

Among Chemicals, Bleaching Powder registered a substantial improvement in prices due to the shortage of goods. Consumers and the upcountry dealers showed a marked preference for the imported varieties. In Rengolite, the German quality attracted the attention of the dealers from Ahmedabad around Rs 2-0-0, while the Russian quality was traded around Rs 2-7-6 due to the increase in supplies. Price movements in Caustic Soda were confined to narrow limits.

PEPPER

Pepper markets are ruling generally weak in the absence of foreign advice and due to selling pressure. In the Cochin market, the rate for the ready position is quoted around Rs 330 per quintal and the December delivery at Rs 326.

Reports of arrivals of the new crop have induced caution among buyers who are found bidding for levels a couple of points below the sellers' ideas. Sellers, on the other hand, are waiting for fuller reports about the arrival position pending which they are showing a marked disinclination to make any commitment. The ready section is also affected by the prevailing sentiment.

The export front is also inactive, as market sources are gloomy about the export prospects, which are unsettled by the Brazilian entry into the American market with selling offers of more than anticipated size.

Although there has been a protracted absence of foreign demand during the past several weeks accounting for a bearish trend in the spot and forward sections, it is encouraging to note that India's export performance during 1960 was commendable. In a

review of the world pepper situation, the latest issue of the Forward Markets Bulletin states that the prominent role played by India since the war is more striking in the export of pepper than in production. In 1960, India exported 18.74 lakh metric tons against the 1950/55 average of 14 lakh metric tons and the maximum reached in 1958 of 19.61 lakh metric tons.

As regards production, the target laid down for pepper at the end of the Third Plan period is 27.4 lakh metric tons as against the output estimated during 1960/61 season at

26.6 lakh metric tons. It is said that the world production of pepper in the near future is not expected to differ greatly from the average of 73.3 lakh metric tons during the four years ending 1959 though, in the long run, the production is expected to show a substantial rise.

Referring to the establishment of co-operatives in Ceylon, which purchased pepper at a price fixed by the Government in order to mitigate the effects of price fluctuations on producers, the review suggests that a co-ordinated production and export policies by the main exporters like

India, Cambodia, Indonesia, Sarawak and Singapore might bring about a similar result.

It is also noted that the timings of harvesting of pepper in India, Indonesia and Sarawak—the three principal suppliers of pepper to the world market—are such that they follow one another in succession and assure the world of a more or less steady and continuous flow of the commodity. The bulk of the Indian crop is marketed from November to March, while the Sarawak produce moves from June to August when the Indonesian crop enters the market.



INDIAN INDUSTRIES FAIR (INTERNATIONAL) 1961 NEW DELHI

TIMINGS

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SATURDAYS & SUNDAYS - 1.00 P.M. TO 9.30 P.M.
TICKET : 25 nP.

CHILDREN BETWEEN 3 & 12 YEARS 10 nP.

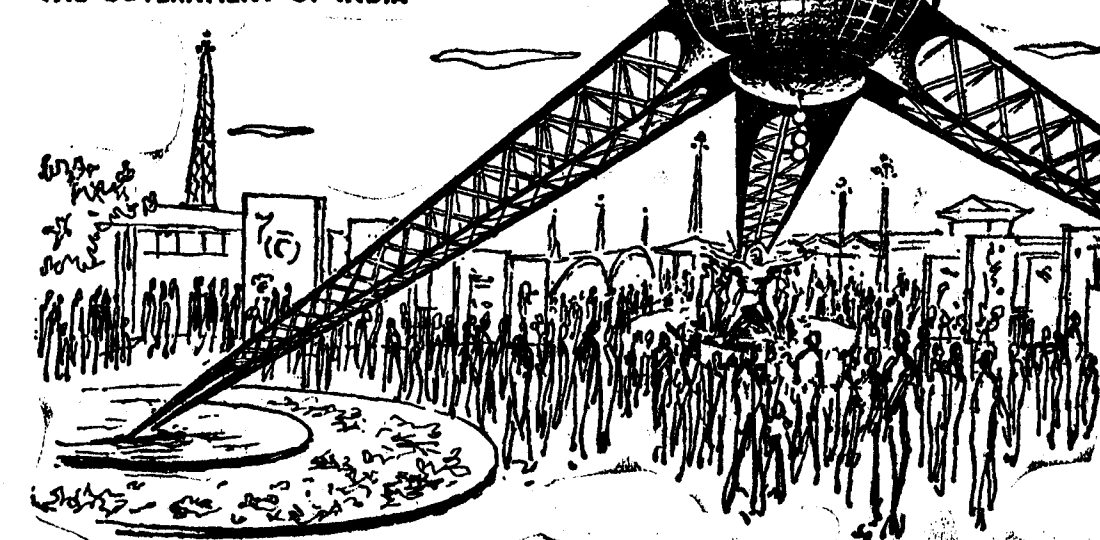
NOVEMBER 21, 1961 ONWARDS

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RUBBER

On the London market, Rubber prices have suffered a sudden and sharp fall in recent weeks. According to London market sources, it is part of a long-term adjustment, which has been inevitable for at least year by which time the natural production is being enabled to become fully competitive with its synthetic rivals.

In the recent weeks, Russian appetite for rubber has been reduced. More importantly, the British Board of Trade and the US authorities have announced policy changes which will allow them to dispose of their stockpiles more readily. But these factors only brought about more quickly than what was anticipated the price of natural in London almost exactly equal to that of most widely used synthetic grades. The pressure of synthetic competition has stiffened as the surplus production capacity develops.

More and more countries, which have previously relied on the US or Canadian exports of synthetic rubber, are expanding their own plants and several European countries—with Italy leading—have recently become net exporters. Within the next few years, the total capacity in the world is expected to expand by over 20 per cent and it is unrealistic to expect that more than about three-quarters of it will be used at first. This is despite the fact that synthetics are rapidly improving their share of the total rubber market and last year, for the first time, accounted for more than half of the total consumption.

Meanwhile, a new sliding scale of rubber export duty varying with the movement of London prices of rubber has been introduced in Ceylon from 26 November. This is in keeping with the recommendation of an official committee, which went into the question recently. The announcement has not given the details of the scheme; but has stated that the duty will be worked out on the basis of the earlier weeks' London prices.

At the present London price of sheet rubber, the new duty will be about 14 cents. The present export duty on rubber is a flat rate of 20 cents a pound of sheet rubber. The new scheme is expected to help the producer obtain his minimum price in adverse conditions while enabling the Government to realise higher revenue in times of boom.

CASHEW

There has been an increase in the export of Cashew kernels from India during the first nine months of this year. The rise in exports has been mainly brought about by the increase in the offtake by traditional markets like the UK, Australia and Canada, while the USA maintains her quantum of imports. The offtake by Russia is, however, less as compared to that in the corresponding period of the previous year.

India exported 71,000,000 pounds of kernels up to the end of September, which represented an increase of about 3,750,000 pounds over the quantity exported in the first nine months of 1960. Poland, a new comer in the Indian cashew kernel market, accounted for an offtake of 1,550,000 pounds while France and

Japan were said to be potential markets.

In line with the kernel exports, Indian export of cashewnut shell liquid is also maintaining an upward trend. According to the Cashew Export Promotion Council, India exported 4,800 metric tons of liquid valued at Rs 35 lakhs up to the September-end. The UK was the principal buyer.

The Council has, under consideration, the question of instituting some sort of quality control measure for imported raw cashewnuts. The Council has also decided to set up a sub-Committee to draw a scheme for streamlining the procedures relating to the collection, marketing and processing of cashewnuts.

CARDAMOM

There has been a marked increase in the area under Cardamom in the Kerala State; but the yield is not expected to be much higher due to the "kutte" disease which has affected the crop. The crop yield is expected to be about 600 pounds per acre; but now it is placed around 200 pounds per acre. The State Government has started a Cardamom Research station at Pampadum, which distributes disease-free seedlings at low cost. A loan of Rs 100 per acre is also given for replanting.

COFFEE

According to the Coffee Board, receipts of coffee into the Pool up to the end of October 1961, out of the 1950-61 crop, amounted to 67,386 metric tons against 49,160 metric tons in the corresponding period of the previous year. Out of the total receipts, Plantation variety accounted for 28,968 metric tons; Arabica for 10,218 metric tons and Robusta for 28,200 metric tons against 25,181 metric tons; 6,667 metric tons and 17,312 metric tons respectively in the similar 1950-60 period.

With the release of 3,213 metric tons in October 1961, total release of coffee for the internal market in the first ten months of the current year, amounted to 28,708 metric tons as against 24,380 metric tons in the corresponding period of the previous year.

Sale of coffee for export of the 1960-61 crop, up to 1 November amounted to 27,258 metric tons comprising 17,921 metric tons of Plantation; 3,158 metric tons of Arabica Cherry and 6,177 metric tons of Robusta. Exports during the current season, are almost double as compared to the 1959-60 season when exports up to 9 November 1960 amounted to only 14,127 metric tons.

GOLD & SILVER

Prices on the Bombay Bullion Exchange continued to show a mixed trend. While the Gold section remained depressed, prices of Silver displayed a fairly steady tendency.

In the Gold section, price gave way further on bull liquidation. Support was lacking owing partly to increased arrivals of smuggled gold and partly to the rising stock position. Arrivals amounted to 7,000 tolas as against an offtake of only 3,000 tolas.

Ready rates moved between Rs 122.25 and Rs 122.30, while Sovereign ruled steady at Rs 98.25.

Although offtake was still low and below expectations and activity restricted, prices of Silver managed to hold their levels, thanks to the bulls having maintained their grip on the market. Discouraging advices from the gold section did not have any adverse effect on the sentiment. Arrivals amounted to 40 bars as against an offtake of only 12 bars. Ready silver (below .996) changed hands at Rs 209.50 to Rs 210.05.

OILS & OILSEEDS

Prices on the Bombay Oilseeds Exchange showed generally a steadier tendency, being influenced by higher advices from Rajkot. Although trading in the Groundnut section commenced on a weak note and prices registered a small setback on fears that the authorities might impose a margin on purchases, there was a tendency for prices to move up later in the week. The improvement was attributed mainly to higher advices from the spot section where crushers and vanaspathi manufacturers were steady buyers. Groundnut Bold ready was quoted at Rs 44.25 and Groundnut Oil at Rs 18.60.

There was a good deal of speculative activity in the Linseed section. Apart from the fact that North Indian buyers lent a consistent support to the market, the shortage of spot supplies and higher advices in respect of rapeseed and mustard tended to inject a bullish feeling into the market. Linseed ready was quoted at Rs 43.75 and Linseed Oil at Rs 18.25.

There are, however, reports that exports of linseed oil have come down to an alarmingly low level this year owing to the fact that the Indian price is considerably higher than the prevailing international price. In recent months, the difference between the Indian price and the world price has been as wide as £40 per ton.

Moreover, the Australian market, which was traditionally a big outlet for Indian linseed, is reported to have been almost lost to Indian linseed oil and partly due to difficulties in obtaining shipping facilities. Some of the exporters have, therefore, suggested that, if the Government does not extend incentives to revive the lost market, the declining trend in the export of linseed oil, witnessed since 1958, may continue eventually to find Indian Linseed oil out of world trade.

In the Castorseed Section, trading was purely speculative in character with the conditions in respect of exports of castor oil remaining discouraging. The best levels of the week could not be maintained as buyers were inclined to book the available profit at higher levels. Castor ready was quoted at Rs 32.25 and Castor Oil, commercial quality, at Rs 13.60.

There were declines in the prices of both groundnut oil and kernels due to good arrivals of kernels in the Southern markets. Both in the southern markets and in the city kernels are being received at an accentuated rate with increased volume too. North and South Arcot districts

market are receiving about 500/600 tons daily.

In Madras city the arrival is around hundred tons daily. Calcutta later estimates are taking at present, are not keen though prices of oil had gone down to some extent. The decline is expected to continue for sometime more and at the most there would be another fall of about 3/4 rupees only per candy.

Both in Andhra and Telangana areas there was reported paucity of groundnut stocks. Also from the North Indian sides like Madhya Pradesh there was not much of stocks and this helped in keeping the price level not very low. Probably due to the fact that Calcutta wanted to keep going their vanaspathi factories, they evinced better interest in December middle deliveries last week though January forward transaction was only at a nominal level. This forward quotation for December middle was at Rs 175.50 per quintal and for the first week it stood at Rs 177.25. At this rate both the valdas were traded upon. Spot goods remained almost dormant though its rate of Rs 178.10 is considered lower and weaker than the previous weeks.

There was not much of an offtake in groundnut oil because locally the crushers had already committed themselves to November deliveries which they had to honour. This mainly contributed to the lower level of oil price in the market this week.

During the middle of last week groundnut oil was quoted at Rs 177.90 per quintal. Due to earlier commitments by some of the local big dealers, there were offerings at Rs 179.45 and the price went up again as high as Rs 180.75 per quintal. But on Monday again the price came down because the anticipated inquiries failed to materialise and there was dullness in the market. The apathy contributed to a lower rate at Rs 179.45 per quintal. Tuesday morning the price came down still lower to Rs 178.10 per quintal or Rs 494 per candy of 500 lbs.

HIDES & SKINS

The demand for tanned cowhide was poor both locally and from overseas due to high prices. Particularly overseas demand kept themselves lean on the price factor according to the shipping sources. For fifts and fourths of the inferior hide there was some demand.

Light weights continued to be in demand fairly on the basis of 79d, 69d and 53d. Only poor quality came for offering with the result since the last few weeks the overseas market had been trying to obtain their quality from outside the East India Tanneries.

While there was little change in tanned buff calf, the arrivals in tanned cow calf was better. Again here too the quality of the commodity was in question. For tanned buff calf there were good inquiries from United States and the Continent. Little business was reported in tanned goatskins. Inquiries, however, were reported from United States. In tanned sheepskins also poor business resulted last week.

Quoted Shares

Preference Shares

CALCUTTA

NAME	Paid-up per Share.	Quotation as on 24-11-61 Rs nP
BANKS		
Allahabad 6%	100	95.50
Barah 5%	50	16.00*
COAL		
Bharat 5 1/2%	100	50.50*
Bhowra Kankance 5 1/2%	100	32.00
Borrea 6 1/2%	100	70.00
Burrakur 7%	100	66.55*
Burrakur 6%	100	97.50
Equitable 6%	100	7.50
Ghusick & Muslia 5%	100	80.00
Gourangdi 5%	100	100.00
Karanpura 5 1/2%	100	40.00*
Khas Kajora 5 1/2%	100	54.00
N. Beerbhoom 7%	100	6.95
N. Churulia 5%	100	10.75
N. Huntodih 6%	100	5.06
Ondal 6 1/2%	100	45.00*
Parasea 5 1/2%	100	64.10*
United Colliery 5%	100	39.00*
		64.50*
COTTON		
Basanti 6 1/2%	100	6.94
Bengal-Nagpur 7%	100	49.50
Bharat Commerce 9%	100	100.00
Bowrah 8%	100	110.00
Bowrah 7%	100	71.00
Elgin 8%	100	107.00
Elgin 5%	100	6.97
Jijajee Rao 5 1/2%	100	30.08
J. K. Cotton 6%	100	86.00*
J. K. Rayon 6 1/2%	100	86.60*
Muir 6%	100	100.00
N. Victoria 3%	5	101.00
Orissa 5%	100	3.44
Shree Madhusudan 4 1/2%	100	65.00
Shree Niwas 4%	100	38.75
Shree Bhawan 8%	100	48.80*
Shwadesh 6%	100	69.00
		74.00
JUTE		
Agarpara 7%	100	82.00
Alexandra 7%	100	79.00
Alliance 6%	100	63.00
Anglo-India 7%	100	84.00
Auckland 5 1/2%	100	69.50
Auckland 4 1/2%	100	53.08
Bally 7%	100	93.50
Barnagore 5%	25	38.00
Belvedere 7%	100	90.50
Bengal 5 1/2%	100	53.00
Biria 7 1/2%	100	84.50
Budge-Budge 7%	100	83.14
Calcutta 6 1/2%	100	86.50
Caledonian 7%	100	15.00
Cheviot 7%	100	80.00
Chitavalah 7%	100	91.50
Clive 6%	100	89.00
Clive 7%	100	61.00
Dalhousie 7%	100	70.00
Datta 5%	100	36.00
Empire 7%	100	69.25
Fort Gloster 7%	100	74.36
Fort Gloster 5%	100	39.00*
Fort William 7%	100	54.00*
Ganges Mig. 8%	100	80.80
Gourepore 6%	100	102.00
Hastings 6%	100	81.50
Hooghly 6%	100	79.00
Moohy 6%	100	10.56
Howrah 'A' Pref.	100	89.00
Howrah 7%	100	90.00
Kankarnath 7%	100	82.40*
Kankarnath 6%	100	88.00
Kankarnath 5%	100	80.00
Kedarnath 6%	100	68.00
Kedarnath 7%	100	80.50
Kelvin 7%	100	92.00
Khardah 6%	100	78.00
Kinnison 7%	100	85.45
Lansdowne 7%	100	90.50

NAME	Paid-up per Share.	Quotation as on 24-11-61 Rs nP
Lawrence 7%	100	67.45
Lawrence 5 1/2%	100	66.97
Naihati 7%	100	98.00
Naihati 4 1/2%	100	84.00
National 7%	100	81.80*
Nellimarla 6%	100	76.00
N. Central 7%	100	82.90
Northbrook 5 1/2%	100	69.50
Rameshwara 6%	100	8.75
Reliance 7%	100	83.00
S. Ambica 7 1/2%	100	92.00
Soorah 7%	100	95.50
Union 7%	100	77.35
Waverley 5%	50	40.50

NAME	Paid-up per Share.	Quotation as on 24-11-61 Rs nP
MININGS		
Asso. Mining 5%	50	27.50
Ch. Mica 5 1/2%	100	45.00
Metal Corpn. 5%	100	99.00

NAME	Paid-up per Share.	Quotation as on 24-11-61 Rs nP
CEMENT		
Dalmia Bharat 6%	100	8.06
Jaipur Udyog 3%	100	34.00
Kalyanpur Lime 7%	100	80.00*
Kalyanpur Lime 6%	100	100.50*
K'dhubi Fire 5 1/2%	100	58.20

NAME	Paid-up per Share.	Quotation as on 24-11-61 Rs nP
CHEMICALS		
Alkali 5%	100	86.75*
Bathgate 6%	100	19.00
Bengal Chem. 7 1/2%	100	11.75
Bengal Chem. 4 1/2%	100	60.50
Calcutta Chemical 6%	100	7.75
Calcutta Chem. 4 1/2%	100	5.75
Frank Ross 4 1/2%	100	45.15
Smith Street 10%	50	63.12

NAME	Paid-up per Share.	Quotation as on 24-11-61 Rs nP
ELECTRICS		
Calcutta 5%	£1	9.06*
Dishergarh 5%	100	62.50
Dishergarh 4 1/2%	100	55.75

NAME	Paid-up per Share.	Quotation as on 24-11-61 Rs nP
ENGINEERING		
Arthur Butler 7%	100	14.00
Br. Building 6%	100	50.00
Br. Engineering 7%	100	88.50
Burn & Co. 7%	100	106.50*
Burn & Co. 6%	100	100.00*
Indian Iron 5%	100	89.00
India Machinery 7%	100	63.00
Ind. St. Wagon 7%	100	112.00
Jessop & Co. 5%	100	75.25
J. K. Steel 7%	100	100.00
Kumardhubi 5%	100	70.00
R. Cruddas 5 1/2%	100	54.00*
Steel Products 5%	100	7.75
Texmaco 5 1/2%	100	82.50
Texmaco 5 1/2%	100	67.00
Texmaco 6 1/2%	100	92.50

NAME	Paid-up per Share.	Quotation as on 24-11-61 Rs nP
MISCELLANEOUS		
Alum. Corpn. 6%	100	88.00
Alum. Corpn. 5%	100	64.75
Amal. Dev. 5%	100	37.00*
Asso. Hotel 7%	100	55.25
Bharat Nidhi 6%	100	50.00
Birds Investment 5 1/2%	100	68.00
Br. Biscuits 8%	100	8.24*
Br. I. Corporation 6%	100	108.50
Cal. Cr. Corpn. 5 1/2%	100	34.50*
Cal. Cr. Corpn. 5 1/2%	100	23.50*
Calcutta Gas 5 1/2%	100	52.14*
Calcutta Silk 5%	100	49.12*
Calcutta Trams 5%	100	£1 7.84
Duncan Bros. 4%	100	54.50
Dunlop 6%	100	109.50
Dunlop 6%	100	78.00
Eastern Inv. 5%	100	67.44
Gillanders 5%	100	57.00
Godfrey Phillip 5 1/2%	100	57.00
Greaves Cotton 5%	100	28.81*
Greaves Cotton 6%	100	41.35
Hindustan Alu-minium 6.3%	25	24.37
Hindustan Motors 6%	100	210.00
Hindustan National Glass 8%	100	94.12*
Hindustan Twyford 7%	25	23.00

NAME	Paid-up per Share.	Quotation as on 24-11-61 Rs nP
Indian Alum. 5%	100	69.00
Indian Cables 6%	100	31.75
Indian Plastics 5 1/2%	100	35.00*
Indian Rubber 5%	100	60.00
James Wright 6%	50	19.75*
J. Henderson 5 1/2%	100	54.00
Kesoram Ind. 7%	100	102.00
Kesoram Ind. 5 1/2%	100	89.00
K. Bullen 5 1/2%	100	55.50
K. Bullen 4%	100	48.10
Kusum 5 1/2%	100	64.00*
Macneill & Barry 5 1/2%	100	49.13*
Madhya Pradesh Ind.	100	86.00*
Martin Burn 5%	100	84.50
McLeod & Co. 5%	100	47.78
1st Pref.	100	60.25
McLeod & Co. 5%	100	84.00
Metal Box 6%	100	73.00
National Rubber 6%	100	2.35
National Tannery 5%	100	69.00
National Tobacco 4 1/2%	100	82.00
Nav. Bharat Vanija	100	75.00
Rallis 6%	100	63.50
Rohtas Indus 7%	100	107.00
Rohtas Indus. 4 1/2% B	100	53.50
Sen Raleigh 5%	100	145.00
Shaw Wallace 6%	100	64.00
Spencer 6 1/2%	100	5.37
Spencer 8 1/2% B	100	10.12
Standard Vacuum 6%	100	90.50
Union Tobacco 5%	100	15.50

NAME	Paid-up per Share.	Quotation as on 24-11-61 Rs nP
OILS		
I. B. Petrol 7%	100	83.00
PAPER		
Ballarpur 5%	100	112.00*
Bengal Paper 7%	50	46.50
Bengal Paper 7%	100	98.00
Bengal Paper 6%	100	59.43
Orient 5 1/2%	100	79.00
Orient 5%	100	59.50
Shree Gopal 8%	100	101.00
Shree Gopal 7 1/2%	100	96.50
Sirpur Paper 6%	100	85.00
Star Paper 5%	100	65.90*
Star Paper 6 1/2%	100	85.40
Star Paper 7%	100	71.00
Star Paper 7% Con.	100	80.00
Straw Products 7%	100	89.50
Titagarh 8%	100	107.00
Titagarh 4 1/2%	100	72.08
West Coast 6%	100	94.00



Indian Finance

NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 Rs nP			NAME			Paid-Quotation up per Share. 24-11-61 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NAME	Paid-Quotation up per Share.	as on 24-11-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 24-11-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 24-11-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 24-11-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 24-11-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 24-11-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 24-11-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 24-11-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 24-11-61 Rs nP	NAME	Paid-Quotation up per Share.	as on 24-11-61 Rs nP
Trav. Chem. 61%	10	8.22	Miamally	25	35.80	Vijayakumar	100	140.00	Ah. Adv. 5%	100	70.50	Caekwar	100	230.00	CEMENT			Chemo. Pharma	25	26.00									
T. Stanes 7%	100	80.50	Mysore Amalgam	5	5.55	Vijayalakshmi	100	105.00	B. R. Cotton 6%	100	105.00	Gokak (new)	100	189.00	Ashoka	10	9.08	Citric India	50	80.50									
United Elec. 5%	10	10.20	Mysore Coffee	2	5.19	Vijayamohini	100	95.00	Brachury 7%	100	49.50	Gold Mohur	100	285.00	Bagalkot	10	9.16	Colour Chem.	100	417.50									
Vanguard Fire 51%	6	4.73	Mys. Plantations	2	1.95	Vijayeswari	100	173.50	Central India 5%	500	434.00	Hindustan F.P.	1000	6510.00	Dalmia	10	12.56	Dharamsi Chem.	50	211.25									
W. I. Plywood 6%	100	96.54	Neelamalai	5	4.30*	Virudhunagar	50	58.50	Century 6%	100	109.50	Hukumchand	100	251.00	India Cement	5	6.80	Dhrangadhra Chem.	100	136.00									
			Nelliampathy	2	2.73*				Elphinstone 7%	100	70.00	Indian Manfg.	1000	3225.00	Indian	10	25.00	old	100	136.00									
			Nellithanam	10	11.00				Hindustan 4 1/2%	1000	625.00	Jam. Ranjit	500	1050.00	Japur Udyog	10	12.12	Dhrangadhra Chem.	100	136.00									
			Nemmeny	10	22.75				Hindustan 4 1/2%	250	175.00*	Jiyaeeeroo	1000	1300.00	Mysore	10	8.80	new	100	118.50									
			Nilambur	10	14.50				Indian Mig.	1000	625.00	Khandesh	1000	1250.00	Sone Valley	5	4.96	Indian Dyestuff	100	475.00									
			Nilgiri	10	8.55				Indian Mig.	500	315.00*	Khandesh	250	375.00			Kemp	200	310.00										
			Nonsuch	10	27.55*				Jiyaeeeroo 5 1/2%	100	90.00	Khandesh	250	375.00			Pesticides	5	4.76										
			Osoor	2	3.05				Khatav 4%	100	91.50	Khandesh	250	375.00			Poly Chem.	50	213.75										
			Oucherlany	2	3.65				Kothari 6%	100	77.00	Khandesh	250	375.00			Sirdar Carbonic Gas	100	625.00										
			Pasehura	1	5.25*				Kothari 6%	100	77.00	Khandesh	250	375.00			Ultramarine & Pig-	50	67.00										
			Parkside	10	28.50*				Kothari 6%	100	77.00	Khandesh	250	375.00			ments	50	135.00										
			Peermade	10	22.75				Lakshmi Cotton 5%	250	151.25	Khandesh	250	375.00			Universal Dyestuff	100	67.00										
			Perinipular	10	22.00				Mafatal 1st 4 1/2%	100	78.30	Khandesh	250	375.00			Zandu Pharmaceutical	50	112.50										
			Periakaramalai	2	3.75				Mafatal 2nd 4 1/2%	100	80.00	Khandesh	250	375.00															
			Pullangode	2	1.73				Mahendra 6%	100	99.00*	Khandesh	250	375.00															
			Puthuthottam	2	2.13				Mahendra 6%	100	99.00*	Khandesh	250	375.00															
			Rajagiri	10	20.85*				Morajee 4 1/2%	100	73.00	Khandesh	250	375.00															
			Rajendra	5	11.25				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Sangameshwar	2	1.82				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Savarnal	2	2.93				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Sheveroy	2	1.68*				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Stanes Amalgam	10	16.62*				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Swintan	2	2.92				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Talayar	2	1.70				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Teekoy	10	5.05				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Thamarpally	10	18.85				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Thirumalai	1	1.62				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Trav. Rubber	10	12.25				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			T. R. & T. Co.	10	10.85				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Tropical	25	18.87				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Twyfoid	10	11.85				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Negapatam	10	19.15				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Salem-Erode	10	23.50				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			South Madras	10	11.75				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Tin-Tuticorin	10	14.12				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			Vellore	10	14.12				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
			West Coast	10	14.00				Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
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									Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
									Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
									Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
									Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
									Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
									Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
									Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
									Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
									Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
									Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
									Mysore 4 1/2%	50	22.75	Khandesh	250	375.00															
				</																									

NAME	Paid-up per Share	Quotation as on 24-11-61 Rs NP
Ammi Starch	100	172.50
Madhya Pradesh Ind.	10	14.76
M. I. Fisheries	100	101.00
New India Indus.	100	402.50
Ogale Glass Works	5	5.88
Permanent Magnet	75	140.00
Phillips Carbon	75	24.24
Rohitas Indus.	10	18.12
Selected Satgram Col.	100	116.00
Southern Ind. Corp.	10	10.00
Southern Ind. Corp.	74	7.52
Supreme Industries	100	151.25
Synthetic & Chemis.	100	243.00
Thacker & Co.	50	40.00
United Wire Ropes	50	47.00

Ordinary Shares (Cleared) COTTON TEXTILES

Ahmed Advance	100	200.50
Apollo	2	2.16
Alam Jahi	100	91.00
B. R. Cotton	100	63.00
Bombay Dyeing	25	69.60
Central India	100	134.00
Century	100	614.00
Edward Textile	200	370.00
Elphinstone	50	113.00
Finlay	100	333.00
Gokak	100	205.00
India United	10	15.80
India United (Dtd.)	1	2.32
Indore	100	175.00
Khatu	100	487.50
Kohinoor	100	326.00
Minerva	100	72.50
Morjee	100	390.00
Mysore	50	61.00
New Great	100	257.00
Osmanabadi	100	74.00
Podar	100	152.50
Shrinivas	100	298.00
Simplex	50	167.00
Standard	50	1175.00
Svadeshi	100	282.50
Swan	100	645.00
Tata	25	74.00

ELECTRICS

Ahmedabad	100	93.00
Andhra Valley	100	1022.50
Bombay Suburban	100	104.00
Tata Hydro	100	109.25
Tata Power	100	1095.00

CEMENT

Andhra 'B'	100	9.40
A-C-C	100	188.75
Orissa	10	16.32
Shree Digvijay	100	206.00

STEEL

Indian Iron	10	26.15
Mukund	10	29.40
Tata	75	149.75

ENGINEERING

Alcock	100	327.00
Cooper	100	194.00
Larsen and Toubro	10	39.25
Tata Engg. and Loco-	100	374.75
motive	10	20.00
Texmaco	100	318.00
Voltas	100	318.00

SHIPPING

Great Eastern	10	13.36
Scindia	20	13.28

SUGAR

Belapur	50	279.00
Bhopal	10	24.80
Phaltan	50	129.00
Shree Changoode	124	23.72
Walchand	100	168.50

MISCELLANEOUS

Bombay Burmah	125	711.00
B. P. Petrol	15th	1.30
Hindustan Motor	100	21.72
Indian Copper	25h	4.98
Ind. Inv. Trust	100	75.50
National Rayon	100	500.50
Poison	100	175.00
Pragati Auto	100	164.25
Premier Const.	30	199.50
Shivrajpur	10	46.50
S. Paper	10	17.58
Tata Chemical	10	22.00
Tata Oil	25	43.00
Winco	100	310.00

For the Investor

INVESTMENT GOSSIP Subdued Trend

Although the heavy selling pressure that characterised trading early in the week has gradually yielded place to moderate support at lower levels, the undertone of the stock market even toward the end of the week is rather cautious. It is true holders too do not seem to be anxious to lighten their portfolios. This suggests that genuine investors are not unduly concerned about the so-called adverse developments while corporate news continues to encourage. The very fact that there is thus a scarcity of floating scrip should pave the way for the return of steady conditions to the market before long. One of the main reasons that brought about Monday's nervous selling is said to be the statement made by the Union Finance Minister, Mr. Morarji Desai to the effect that the scheme of automatic margins will soon be implemented. This rather violent reaction to a development which has already been discounted indicates that Mr. Morarji Desai's statement has belied the hope entertained by some that the scheme may not be put into effect at all. But what seems to be an unsettling influence for operators, should be welcome to investors; for the automatic margin scheme is designed to discourage excessive speculation. With speculation under effective control investors will be encouraged to take sustained interest in the stock market undisturbed by violent price fluctuations.

Even if Mr. Morarji Desai had not obliged the bears with his statement about the early implementation of the automatic margin scheme, it would have been difficult to maintain the higher levels. Operators would have turned cautious in view of the meeting of the Committee of the Presidents of the Stock Exchanges. Since this committee has been entrusted with the responsibility for ensuring the proper functioning of the stock exchanges, its meetings are vested with special importance and it is but natural for operators to be cautious before every meeting lest some decision taken at the meeting upsets their calculations. Moreover, the situation on our northern borders and in Goa seems to have reached a stage at which there are grave possibilities. On both the questions, Government's attitude has hardened quite a good deal lately. The general expectation is that before the current session of Parliament is over, more will be heard on these vexed questions.

NEW ISSUE NOTES United Breweries

United Breweries Limited, Madras, has proposed to issue 5,000 equity shares of Rs 10 each, at par, pro rata, to equity shareholders as on 30 December 1961. The new shares shall rank pari passu with the existing equity shares in all respects.

Seshasayee Industries

The original proposal made by Seshasayee Industries to issue equity shares for Rs 40 lakhs to the existing shareholders has been dropped and the closure of Transfer Books from 1 November to 11 November is infructuous. The company now proposes to issue 4,00,000 equity shares of Rs 10 each to the public. An extraordinary meeting has been convened on 14 December 1961.

Investa Machine Tools

The Investa Machine Tools & Engineering Company Limited has received permission from the Controller of Capital Issues to issue to the holders of the existing ordinary shares further equity capital of Rs 20 lakhs. The directors have decided, subject to the approval of the shareholders, to raise the paid-up capital of the company by the issue of 20,000 new ordinary shares of Rs 100 each, at par, to be offered to the existing ordinary shareholders in the ratio of two new ordinary shares for every three existing ordinary shares. This will raise the paid-up capital of the company to Rs 60 lakhs. This additional capital is to provide a part of the finance required for the company's expansion project, which includes the setting up of a new factory at Chinchwad at a cost of Rs 80 lakhs, excluding the cost of a new foundry.

Modella Woollens

Modella Woollens Limited, Bombay, has been granted consent to issue capital of Rs 65 lakhs, divided into 6,50,000 equity shares of Rs 10 each, for cash, at par. Of this, shares of the value of Rs 13.33 lakhs shall be issued to the foreign collaborator, Messrs Robert Jowitt and Sons Limited, Bradford, UK. The proceeds of the issue shall be utilised for the manufacture of woollen shoddy yarn wool tops.

Nuboard Company

Nuboard Manufacturing Company Limited, Bombay—a company re-

cently incorporated in the State of Maharashtra for the manufacture of chipboard in collaboration with the Indian nationals resident in British East Africa—has been accorded consent to the issue of Rs 25 lakhs in equity shares of Rs 10 each of which 50 per cent will be allotted to the foreign collaborators against supply of machinery and the balance for cash at par. The requisite licence under the Industries (Development and Regulation) Act has been granted.

Thomas Mouget

Thomas Mouget & Co. (India) Private Limited, proposed to be incorporated in West Bengal, has been granted a consent to the issue of capital of Rs 37.60 lakhs in 37,600 equity shares of Rs 100 each. The company is being formed for undertaking the recovery of iron and steel scraps from the Steel Melting Shop slag at the Durgapur Steel Project. Messrs Thomas Mouget & Company Limited of Redcar, England, will invest shares worth Rs 27.82 lakhs, being the cost of plant and machinery to be supplied by them.

Electro Equipments

Electro Equipments Corporation Private Limited, Bombay has been granted consent to issue capital of Rs 24,99,800 divided into 2,49,980 equity shares of Rs 10 each, for cash, at par. The proceeds of the issue will be utilised for financing the expansion from 60,000 meters per annum on single shift basis to 2,20,000 meters per annum on two-shift basis. The company is now proposed to be converted into a public company. The company has a subscribed paid up capital of Rs 10,00,200 in equity shares of Rs 10 each.

Calcutta Credit Corporation

The Calcutta Credit Corporation Limited, engaged in business as financiers of automobile vehicles and development of lands and buildings, has been granted a consent to the issue of capital of Rs 15 lakhs in 15 lakh equity shares of Rs 10 each out of which 1 lakh shares shall be issued for cash, at par, and 50,000 shares shall be issued as bonus shares on capitalisation of its reserves to the extent of Rs 5 lakhs. The company's existing paid up capital is Rs 14 lakhs.

Assam Government Marketing Corporation

Assam Government Marketing Corporation Limited, Shillong, has been granted consent to the issue of further capital of Rs 10,00,000 in equity shares of Rs 100 each for cash, at par. All the shares will be issued to the Government of Assam. The proceeds will be utilised for the implementation of some new schemes of marketing of small scale industry products. The present paid up capital is Rs 4,23,600 in equity shares.

INVESTMENT NOTES Sayaji Mill

The shareholders of the Sayaji Mills Limited, Ahmedabad, have endorsed the decision of the management to take over the entire block of 21,000 equity shares at the rate of Rs 105 each of the Subhalakshmi Mills of Cambay. The management proposes to run the Cambay unit as a subsidiary. It is stated that the Sayaji Mills will make an aggregate investment of over Rs 1 crore.

Tensile Steel

The equity shares of the Tensile Steel Limited are admitted for dealings on the non-cleared list of the securities of the Bombay Stock Exchange. The unit of trading is 5 shares. Only those shares on which the allotment money is fully paid can be sold and delivered.

Modern Mills

The shareholders of the Modern Mills Limited, having their names on the company's register on 15 December 1961, will get one new ordinary share, at par (Rs 50), to one old ordinary share. The ex-rights deals have been permitted from 27 November and their first settlement will be after 25 December 1961.

Calcutta Chemical

The Calcutta Chemical Company has recently commenced manufacturing menthol BP (synthetic) under manufacturing licence from the Central Government. This is the first venture for the manufacture of synthetic menthol in India. The production at present is small; but the company is making arrangements to increase the production and is also trying for foreign collaboration for large scale manufacture.

Two New Projects

Chamanlal & Brothers, Bombay, have proposed to undertake two industrial projects and are seeking US collaboration for the same. The company has obtained a licence to set up a plant for the production of industrial and pharmaceutical equipment. The planned initial capacity is 1,000 tons per annum. It is proposed to form a new company for undertaking this project and is prepared to allow the foreign collaborator to participate up to 49 per cent of the equity capital or to a rupee equivalent of the foreign exchange cost of the imported plant and machinery and technical know-how.

The second project envisages the production of seamless steel tubes and welded steel tubes. The initial capacity will be 48,000 tons each on two-shift basis. The size of the tubes will vary from 4 to 8' diameter. The company is seeking the services of the foreign collaborator for design fabrications and erection of the plant. In return, the foreign firm will be given shares in the equity capital of the company up to 49 per cent.

STOCK EXCHANGES Cautious Trading

Watch-Dog Writes:

CAUTION has been the keynote of trading in stock markets during the week under review. For want of fresh incentives, price movements have been irregular as every attempt at rally has proved to be short-lived due to profit-taking. There is also a general disposition to restrict commitments, resulting in a moderate turnover.

Although the Calcutta Stock Exchange started the week on a weak and hesitant note, influential buying in selected shares promoted slightly steadier conditions towards the close of the week.

Prices on the Bombay Stock Exchange showed a mixed trend. Kohinoor Mills, Associated Cement and Sirpur Paper were the bright features.

Price trends on the Madras Stock Exchange were easy. There was a tendency to take profits, being influenced by the cautious note in outside markets.

CALCUTTA

Friday Evening.

LYONS Range, which disclosed unbridled enthusiasm in the previous week, turned sober during the week under review. The market took a sudden plunge on the opening day of the week due to some unfavourable developments. First, the decision made by the Committee of the Stock Exchange to impose a margin of Rs 2 per share on fresh purchases of Orient Paper and Dunlop Rubber had the inevitable result. The move was aimed to check a run-away boom in the prices as was seen recently in these two particular shares.

Secondly, advices from Bombay were not encouraging following the fixation of heavy budla charges at the turn to settlement. Thirdly, developments in Goa gave cause for some anxiety. Finally, the statement made by Mr. Morarji Desai in the Lok Sabha that the automatic margin system would become effective shortly induced some of the weak holders to liquidate their holdings.

Taking advantage of the situation, bears dominated the scene and depressed prices. Even at the lower levels, there were no signs of buying interest, as the operators did not seem to have got over the nervousness caused by the sudden landslide in values on Monday. Of course, frequent attempts at rally were made; but the recovery in prices was only moderate. On the whole, the market swayed this way or that by the manipulations of a few, who were adept in interpreting a particular development either bullishly or bearishly to suit their financial commitments.

The Gilt-edged section continued to lack support and the tendency was for the prices to sag slowly on small offerings. Where changes occurred, those were against the holders. Little

or no interest was shown in the State Loans section. 3 per cent 1986 Conversion Loan showed a further decline to Rs 70.90 from the week-end level of Rs 71.25.

Bank shares remained practically unchanged with United Commercial quoting Rs 92 and Punjab National Rs 20.37.

Jute shares, which had been in the picture for the past few weeks, were slightly depressed and only selected shares showed some improvement from the initial low levels. The fear that the fixation of a minimum price for raw jute might affect the profit margin of the mills was the main contributory factor. Ganges came in for offer at Rs 12.25 to Rs 12.50; Birlas at Rs 28.12 to Rs 28.37; Howrah at Rs 21.25 to Rs 21.50; Megna at Rs 13.37 to Rs 13.87; Nuddea at Rs 59.50 to Rs 64 and New Central at Rs 16.87 to Rs 17.31. Lawrence ruled comparatively steady, with buyers up to Rs 176 against Rs 170.

The Coal section remained dormant as the crisis in the industry persisted due to the shortage of wagons. The only steady feature were Amalgamated at Rs 22.56. Bengal were, however, lower at Rs 357.50 against Rs 360; New Beer-boom at Rs 22.50 against Rs 22.62 and Western Bengal at Rs 9.66 against Rs 9.87. Burrakur, after ruling firm at Rs 18.87 on rumours of the dividend being maintained, turned quiet at the close at Rs 18.44 due to some speculative selling.

Except for some enquiry in the shares of those companies whose gardens are situated in Assam, Tea shares were generally dull and quiet. Brooke Bond changed hands at Rs 17.19 to Rs 17.62; Hasimara at Rs 31.50 to Rs 32.12; Hattikhira at Rs 9.87 to Rs 10.06 and Methoni at Rs 17.12 to Rs 17.31. Jay Shree displayed a slightly easier tendency to quote at Rs 19.75 against Rs 20.12 on lack of fresh support.

Sugar shares displayed a slightly steadier tendency, thanks to the news of the USA having agreed to accept the cancelled quota. Carew ruled very firm at Rs 13.69 with Cawnpore improving to Rs 13 from Rs 12.59. SKG moved narrowly between Rs 10.62 and Rs 10.81 with Raza Buland rather quiet at Rs 10.75 against Rs 10.87.

Textile shares showed an irregular tendency due to profit-taking at every rise in prices. Kesoram were at one time taken up to Rs 31.50 from a low of Rs 30.75 and J. K. Rayon up to Rs 20.06 from Rs 19.69, to close finally at Rs 31.37 and Rs 20 respectively. Cawnpore were, however, quiet at Rs 9.44 against Rs 9.50 and so also Jay Shree at Rs 18.44 against Rs 18.50.

In the week's dealings, price movements were mostly influenced by the speculative activity in Indian Irons. After opening steady at Rs 26.16, Indian Irons were depressed at one time to Rs 25.38 at which level some short-covering induced the scrip to recover to Rs 25.72 before closing

finally at Rs 25.50. However, TEXMACO met with sustained covering due to a heavy bear position built up earlier, resulting in a sharp jump at one time to Rs 22.40 from a low of Rs 20.15. The closing rate was, however, lower at Rs 21.60 due to profit-taking. Guest, Keen, Williams turned quiet at Rs 40.37 against Rs 41, while Brathwaite were in enquiry up to Rs 40.25 from Rs 39.87. Indian Standard Wagon showed a drop of Rs 3 at Rs 117 with Kumardhubi hovering narrowly around Rs 6.87. J. K. Steel met with business at Rs 22.25 to Rs 22.37 and Dalmia Iron at Rs 10.62 to Rs 10.81.

In the Miscellaneous section, most of the issues suffered minor losses due to scattered liquidation. But for some replacement buying at the lower levels, the entire list would have shown major losses for the week, as will be clear from the price trends of a few selected shares:—

	Week's High	Week's Low	Week's Closing
Orient Paper	41.70	40.15	40.60
Shree Gopal	27.75	27.37	27.37
Sirpur	17.25	16.75	17.12
J. K. Synthetics	14.62	14.19	14.25
Goodyear	42.25	41.87	42.00
Phillips Carbon	26.00	24.75	24.75
Rohitas	18.00	17.37	17.44
Dunlop Rubber	41.37	40.06	40.12
H. Motor	21.56	20.62	21.00
Alkali Chemicals	42.75	42.50	42.75
I. Cable	36.50	35.87	36.06
I. Aluminium	38.56	37.12	38.06
I. Oxygen	40.50	39.19	39.37
I. Steamship	7.81	7.69	7.50
I. Copper	4.98	4.84	4.88
General Tyres	7.12	6.94	6.94
BIC	9.69	9.06	9.69

THE INDO-BURMA PETROLEUM COMPANY LIMITED.

Registered Office:
Gillander House, Netaji Subhas Road, Calcutta-1.

NOTICE is hereby given that the Preference Register of Members of the Company will be closed from the 11th December 1961 to 2nd January 1962 both days inclusive for payment of the dividend for the half-year ending 31st December 1961 on the 2nd January, 1962 at the rate of Rs 3.108 per share (being the stipulated dividend of Rs 3.50 per share increased by 11% thereof to Rs 3.885 less Rs 0.777 being Income Tax at the Company's rate of 20%) subject to tax being deducted therefrom in accordance with the provisions of Section 18(3D) of the Indian Income Tax Act.

By Order of the Board,
STEEL BROTHERS AND COMPANY LIMITED,
Managing Agents.

Gillander House,
Netaji Subhas Road,
Calcutta-1.
27th November, 1961.

INDEX NUMBERS OF SECURITY PRICES (1952-53=100)

Week ended	19-11-60	11-11-61	18-11-61
Government and semi-Government securities—All-India			
TOTAL	100.6	101.0	101.9
Government of India	100.4	101.9	100.8
State Governments	101.7	102.0	102.0
Municipal, Port Trust, etc.	99.7	99.3	99.3
Debentures of Joint Stock Companies—All-India			
Total	100.7	101.3	101.2
Preference shares—All-India			
Total	86.2	82.6	82.4

Variable dividend industrial securities—All-India

TOTAL	169.9	185.3	189.1
Agriculture and Allied Activities			
Total*	165.8	165.0	166.8
Tea Plantation	157.5	156.7	157.2
Coffee Plantation	203.1	169.7	169.0
Rubber Plantations	173.5	173.9	174.8
Mining and Quarrying: Total	159.2	161.1	162.9
Coal	113.5	118.4	120.6
Other Mining	175.4	190.3	192.0
Processing and Manufacturing:			
Total	182.8	201.7	205.9
Processing & Mfg. (Food stuffs, Textiles Etc., Total)*	183.7	213.6	217.7
Sugar	192.4	156.8	157.6
Cotton, Textiles	147.5	187.7	190.9
Jute Textiles	85.1	95.0	94.9
Silk & Woollens	107.1	121.5	125.8
Processing & Mfg. (Metals, Chemicals Etc.) Total*	192.8	201.5	200.7
Iron & Steel	154.5	160.0	164.5
Transport Equipment	403.0	402.7	415.5
Electrical Machinery	142.2	165.7	167.4
Machinery Other than Transport and Electrical	208.5	214.7	220.5
Basic Industrial Chemicals	211.4	214.0	222.1
Processing and Mfg. (Others):			
Total*	161.6	165.7	168.7
Cement	142.8	155.8	156.6
Paper	218.6	208.4	211.8
Other Industries: Total*	109.1	112.2	112.9
Electricity Generation and Supply	82.7	85.6	85.8
Trading	117.3	121.5	123.5
Shipping and other Transport	105.0	93.5	94.2
Construction	296.1	297.9	300.4
Financial Total	177.3	208.7	210.8
Banks	199.3	236.8	239.4
Insurance	132.0	154.1	154.8
Investment Trusts	89.1	80.9	90.0

Variable dividend industrial securities—Regional

Bombay	175.8	193.0	197.0
Calcutta	155.7	170.1	173.4
Madras	188.8	204.0	206.3
Delhi	222.1	250.7	259.9

*Including "Miscellaneous."
*Including 'Edible and Vegetable oils.'

SHORT-TERM MONEY RATES

(Per cent per annum)

	18-11-60	10-11-61	17-11-61
Call Money—			
From Banks—			
Bombay	4.05	4.50	—
Calcutta	4.50	4.50	4.93
Madras	3.58	4.70	4.62
Deposits at notice of 7 days—			
Bombay	2.00	—	3.00
Calcutta	2.00	—	3.00
Madras	2.00	—	—
Fixed Deposits—			
3 Months—			
Bombay	3.50	—	—
Calcutta	3.49	3.50	3.50
Madras	3.47	—	—
6 Months—			
Bombay	3.43	3.75	3.75
Calcutta	3.49	3.74	3.75
Madras	3.47	3.75	3.75

*No Transaction.

BULLION PRICES

Week Ended	25-11-60	17-11-61	24-11-61
GOLD:—			
Spot—			
Highest	116 00	124 70	123 40
Lowest	115 45	123 30	121 25
Average	115 69	123 88	122 33
1st Settlement—			
Highest	116 15	124 95	124 35
Lowest	115 00	124 05	122 00
Average	115 84	124 47	123 13
SOVEREIGN—			
Average	98 02	98 00	98 25
SILVER—			
Spot—			
Highest	195 70	209 00	210 30
Lowest	194 35	207 15	208 20
Average	195 11	208 65	209 21
1st Settlement—			
Highest	197 00	210 10	211 80
Lowest	195 50	208 05	208 45
Average	196 33	209 24	209 65

GOVERNMENT OF INDIA TREASURY BILLS

Week ended,	18-11-60	10-11-61	17-11-61
Amount offered	2.00	2.00	2.00
Amount tendered	2.24	2.00	2.00
Amount sold by tender	2.00	2.00	2.00
Of which against maturing Treasury Bills	—	—	—
Intermediate Treasury Bills sold	80	18	37
Total sales	2.80	2.18	2.37
Average rate of discount for auction sales	2.565	2.520	2.520
Sold in favour of Reserve Bank of India	16.53	65.48	74
Total amount outstanding	1,139.94	1,020.66	1,016.06

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From To	
France	Fcs. to Rs. 100	103 10 103 00	24-11-61
Norway	Kronor to Rs. 100	109 00 149 50	23-11-61
Sweden	"	108 00 108 50	21-11-61
Hongkong	\$ to Rs. 100	119 50 119 40	23-11-61
Japan	Yen to Rs. 100	76 12 76 24	22-11-61
Canada	Rs to \$ 100	461 75 462 00	20-11-61
"	"	462 00 468 75	21-11-61
"	"	400 75 459 75	22-11-61
"	"	459 75 460 50	23-11-61
"	"	460 50 460 25	24-11-61

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	18-11-60	10-11-61	17-11-61
Forward Contracts—			
Purchases	£ ('000)	575	520
Sales	Rs. ('00,000)	77	69
Deliveries—			
Spot Transactions—			
Purchases	£ ('000)	—	100
Sales	Rs. ('00,000)	350	250
Against forward contracts—			
Purchases	£ ('000)	335	1,085
Sales	Rs. ('00,000)	43	1,45
"	£ ('000)	—	1,39
"	Rs. ('00,000)	—	—

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	25-11-60	17-11-61	24-11-61
4% 1961	99 65	99 90	99 90
4% 1962	99 28	99 75	99 79
4% N.P.B. 1967	98 82	98 85	98 85
3% Dev. 1970-75	89 03	90 33	90 23
4% 1974	99 00	99 55	99 55
3% (Con.) 1986 or later*	74 33	71 58	71 13
*Running yield			

INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS

(Base: 1952-53=100)

Group and Sub-Group	11-11-61	4-11-61	14-10-61	12-11-60
Food Articles	120.5	121.21	121.14	121.6
Cereals	102.9	102.94	103.07	100.6
Pulses	92.7	92.9	90.0	94.3
Fruits & Vegetables	107.0	146.34	143.11	109.4
Milk & Ghee	110.5	117.74	121.2	115.7
Edible oils	150.1	150.5	146.0	152.3
Fish, Eggs & Meat	135.3	134.04	135.61	122.5
Sugar & Gur	118.6	126.1	115.99	139.3
Others	160.0	172.8	182.9	178.5
Liquor and Tobacco	95.7	92.2	99.5	117.8
Tobacco	95.7	92.2	99.5	117.8
Fuel, Power, Light & Lubricants	122.0	122.0	122.04	119.3
Industrial Raw Materials	136.3	136.61	136.3	148.3
Fibres	126.3	127.61	127.7	158.4
Oilseeds	152.0	151.21	150.9	147.9
Minerals	91.8	91.4	94.8	98.3
Others	128.74	128.0	127.7	137.4
Manufactures	126.2	126.9	126.41	124.0
Intermediate Products	140.3	140.0	140.31	125.1
Finished Products	123.9	124.8	121.21	129.6
Textiles	124.0	125.4	125.0	129.6
Cotton	128.24	128.5	128.24	144.0
Jute	115.5	120.3	120.1	110.1
Woollen	123.19	123.1	123.1	102.0
Silk & Rayon	120.4	120.4	118.6	146.8
Metal Products	147.1	147.1	147.1	104.3
Chemicals	111.3	111.6	111.51	141.8
Oil cakes	147.0	144.9	144.0	118.1
Mchy. & Transport Equipment	116.2	116.2	116.21	116.6
Others	133.3	121.3	121.31	116.6
All Commodities	124.3	124.81	124.61	126.4

* = Estimated. † = Revised.

RESERVE BANK OF INDIA

Week Ended	24-11-61	17-11-61	25-11-60
LIABILITIES:			
Notes in Banking Dept.	15,44,27	16,21,63	22,64,78
Notes in Circulation	1902,67,28	1920,41,86	1810,96,96
	1918,11,55	1936,63,49	1833,61,74
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76,03	117,76,03	117,76,03
(b) Outside India	—	—	—
Reserve Securities	116,86,07	116,86,07	123,00,89
Total of A	234,62,10	234,62,10	240,76,92
(B) Rupee Coin	124,65,70	123,17,64	130,79,26
Rupee Securities	1558,83,75	1578,63,75	1462,05,56
	1918,11,55	1936,63,49	1833,61,74
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long-term Operations) Fund	50,00,00	50,00,00	40,00,00
National Agricultural Credit (Stabilisation) Fund	6,00,00	6,00,00	5,00,00
Deposits—			
(a) Central Govt.	49,38,67	62,49,52	67,35,06
(b) Other Govt.	22,34,08	11,13,42	10,32,27
(c) Banks	84,11,93	82,82,79	98,48,22
(d) Others	159,12,99	146,23,74	89,75,43
Bills Payable	22,89,33	22,69,74	24,91,81
Other Liabilities	85,68,75	29,47,64	28,83,94
	504,55,75	495,86,85	449,66,83
ASSETS:			
Notes	15,44,27	16,21,63	22,64,78
Rupee Coin	1,10	3,54	2,20
Subsidiary Coin	2,09	5,98	6,91
Bills Discounted:			
Internal	—	—	—
External	—	—	—
Govt. Treasury Bills	33,99,04	50,28,75	5,99,77
Balances held abroad*	28,98,34	24,58,21	16,95,75
Loans & adv. to Govt.	66,46,07	73,60,24	31,39,44
Other Loans & Adv.	129,57,54	131,85,07	114,50,42
Investments	205,18,50	180,51,69	244,16,03
Other Assets	24,88,80	18,74,74	13,91,53
	504,55,75	495,86,85	449,66,83

(1) The item 'Other Loans and Advances' included Rs. 25,00,000 advanced to scheduled banks against treasury bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

Week Ended	18-11-60	10-11-61	17-11-61
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	19,64,19	16,92,12	20,20,29
(ii) Other demand liabilities	768,46,01	820,04,87	831,77,18
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	17,80,73	18,30,61	19,11,79
(ii) Other time liabilities	1117,15,92	1107,76,65	1126,27,06
Borrowings in India from the State Bank and/or a notified Bank	8,93,43	9,21,97	8,55,71
(i) Demand Liabilities	40,00	10,13,33	9,01,20
(ii) Time Liabilities	17,85,59	26,14,15	4,92,30
R. B. I. ...	46,23,75	55,09,51	50,79,64
Cash in India	98,09,06	71,20,19	76,69,29
Balances with the Reserve Bank of India	15,87,96	15,55,78	15,96,46
Balances with other banks in current account in India	32,84,60	41,42,02	45,60,51
Monies at call and short notice in India	—	—	—
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	680,13,77	610,94,46	607,15,69
Advances in India	952,76,24	1056,36,94	1048,38,75
Unpaid Bills Purchased and Discounted in India	104,81,93	141,83,91	141,83,91
Foreign Bills Purchased and Discounted in India	49,16,30	47,11,46	40,70,58

*Figures are provisional since complete returns have not been received from Banks.
A—Including borrowings from R.B.I. also.

STATE BANK OF INDIA

(In 000's of Rupees).

Week Ended	24-11-61	17-11-61	25-11-60
LIABILITIES:			
Capital Paid-up	5,62,50	5,62,50	5,62,50
Reserve Funds	7,45,00	7,45,00	7,45,00
Deposits and other Accounts	529,02,81	527,61,92	571,76,29
Borrowings from other Banks, Agents, etc.	70 00	21 00	1,36 00
Bills Payable	9,73,88	9,27,12	9,08,51
Bills for Collection as per contra	2,85,87	2,88,02	2,14,83
Acceptances etc. for constituents as per contra	77,90	77,92	1,55,67
Other Liabilities including Inter-office Adjustments	18,96 41	18,67 20	17,

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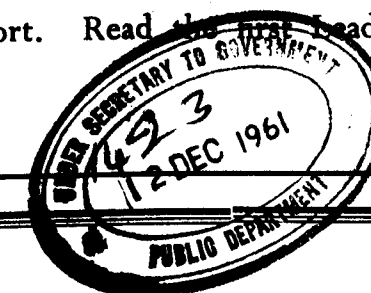
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Three Inadequacies

POWER shortages, transport difficulties and what was it? It escaped Mr Nehru for a moment—foreign exchange predictably were the subjects to which Mr N. Stenhouse, President of the Associated Chambers of Commerce of India, emphatically addressed himself at last week's annual meeting of the ACCI. But while the topics were predictable Mr Stenhouse's approach refreshingly was not. We can no more rely upon the "traditional" export items to earn a larger amount of foreign exchange; it is from the newer industries that we should plan for any material expansion in exports. And here the difficulty lies not in any shortfall in quality, but in costs being too high. Indeed, speaking in support of the resolution on exports Mr A. I. Murison felt that, at least in regard to the traditional exports, there was muddled thinking about the cost of quality and standards. Buyers were no fools; nor for that matter were sellers. And they both continued to be in business when the one was supplied by the other with a commodity of adequate quality and at reasonable prices. So it was that he thought it "dangerous to insist too severely on quality control and pre-shipment inspection." But what are the elements in costs that can be reduced, so as to make the products of new industries more competitive in the world markets?

Firstly, there is the cost of labour, and Mr Stenhouse was gratified that the Labour Ministry now put greater store by an improvement in productivity as the criterion for any increase in wages. Secondly, taxes as a constituent of export prices do render Indian articles uncompetitive, and the ACCI in its resolution has called for such export goods to "be freed of all Central and local levies"—with Mr R. M. King suggesting that "we must persuade the Government to forego taxes which form so large an element in final export prices of our goods". Thirdly, a fuller utilisation of existing capacity with industry is called for, and Mr N. M. Wagle has pointed out that if engineering export industries had the raw materials, the spares and components for enlarging production, a reduction in export prices would result. Lastly, modernisation of every kind, in particular the "modern tools which are used by our competitors overseas" (the words are Mr King's), is suggested as a method by which Indian export goods could be made more competitive.

We certainly agree that rebate of every kind of tax is desirable in the present context; but it needs to be recognised that such concession can only be short-term and to last until other measures to cut costs begin to be effective. There can be no alternative to productive labour and optimum use of machinery for keeping down costs; tax concessions and the like are, let it be admitted, a form of export subsidy that is a confession that the rupee is over-valued. The stumbling block to acquisition of modern tools is foreign exchange; but which is to come first, the modern tools so that exports can increase, or an increase in exports to pay for the modern tools? Obviously, in our view, the former, and to the extent that reserves permit, licences for import of "modernising" equipment should

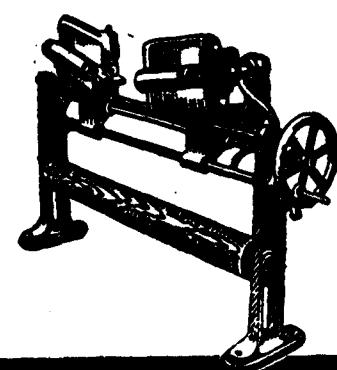
be freely given for industries with an export bias or potential.

The shortage of power and of transport may be dealt with together. Both are basic raw materials for development, as also for that matter are steel and coal. If steady industrial progress is to be achieved, the targets for the basic raw materials must be so set as at any time to exceed anticipated demand at the time; in the alternative we must suffer some element of stagnation. It has been made clear at the ACCI meeting ("The alarming prospect of the situation," said Mr Stenhouse, "is the extent to which new expansion or new industry is now prevented because of the inability to secure power.") that shortage of power may conceivably frustrate the successful completion of the Third Plan. Speaking on the resolution on power, Mr A. R. Foster stated bluntly that "it might well be that lack of power would prove to be the most important single factor preventing the achievement of industrial targets." We emphasise the need to plan for more power, a larger railway capacity and increase in the target of coal production. Prospects are not bleak of our securing foreign assistance for developmental projects, and therefore we should proceed on the basis that the Third Plan had underestimated requirements in respect of coal, power and transport capacity.

The ACCI Chairman need not have exerted himself to convince Mr Nehru. The Prime Minister declared: "I can say with the utmost confidence that the sky is the limit for the power and steel that India needs. It does not matter how much we can consume or whether we consume." In such awareness, surely, an assessment as made at the ACCI meeting should help Government in deciding to revise upwards the relevant targets. If such efforts are taken, we shall have done all in our power to ensure the success of the Third Plan. The threat of war inherent in the nuclear testing gave Mr Nehru pause. We do not want to be annihilated, but, as Mr Nehru said:

"It is a mad world. The fact is that our plans may come to an unexpected end because of happenings over which we have no control."

In yesteryears Chamber meetings usually constituted a forum where spokesmen of private enterprise entered a plaintive plea for reduction of taxes and where the Government personage as vehemently stressed why taxes would continue to be high. Perhaps because we shall not be having a tax Budget, in view of the elections, until next May, or simply because there is now really no particular grouse against taxation, Mr Stenhouse has made little more than passing reference to it. In fact the ACCI is in favour of an increase in indirect taxes, a policy "which must be continued." However, the ACCI President went on to suggest that tax policy can be "a powerful instrument for the encouragement of corporate and individual savings"; and he has asked for a "judicious extension of the present tax reliefs and some lowering of tax levels"—suggestions which have the full support of this journal.



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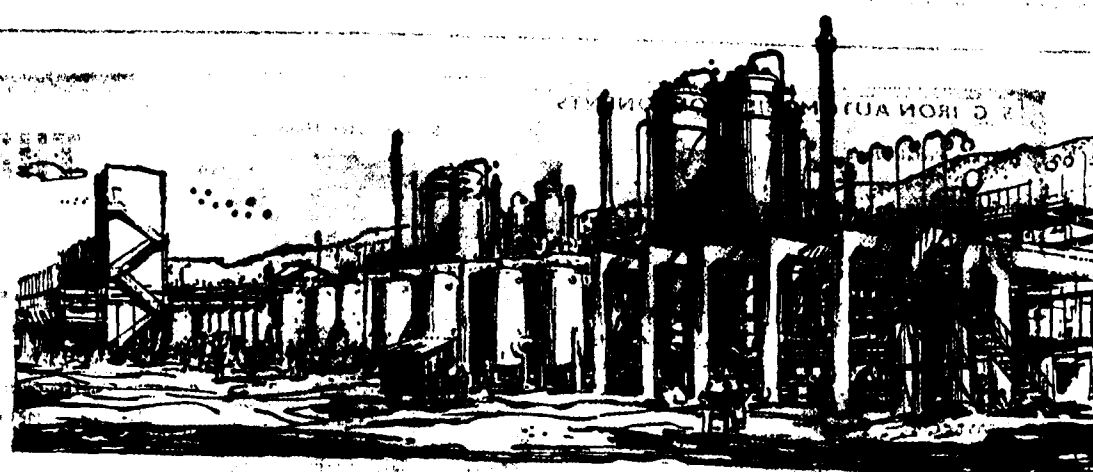
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ITI

Satisfactory Progress

INDIAN Telephone Industries is one of the few Government undertakings which have, in recent years, set up a consistent record of satisfactory progress. The Post and Telegraph department is the major—one may almost say the sole—customer for its products. But the public's concern about its working extends beyond the dutiful citizen's interest in the affairs of Government undertakings. For the level of output at Durvaninagar determines the extent to which the P & T Department is able to satisfy the growing backlog of demand for telephone connexions. The public can, therefore, derive comfort from the story of progress unfolded in the latest annual report of ITI. Increased production, sales and profits are, among the highlights of the report for the year ending March 1961. Moreover the Chairman's speech, reviewing the growth of the factory during the Second Plan, also projects the picture to give an idea of the programme of expansion envisaged during the Third Five Year Plan.

The ITI has overfulfilled its Second Plan targets as will be evident from the figures given below:

	Second Plan Target	Achievement
Telephones	3,20,000	4,07,956
Exchange Lines	2,15,000	2,55,950
	Rs	Rs

Long Distance Transmission Equipments ... 106 lakhs 164.25 lakhs

The Transmission Division has recorded notable increase in output during the year under report—from Rs 46 lakhs in 1959-60 to Rs 75 lakhs in 1960-61. The Division has started production of 8 Channel Carrier Systems and VFT equipment required by Posts and Telegraphs. This Division is expected to reach optimum production by the end of the Third Plan. The ITI has also initiated manufacture of a wide range of testing equipment which will meet the requirement of a number of users other than the P & T Department. Production of these instruments during 1960-61 is valued at Rs 1.25 lakhs.

As export possibilities of Testing Instruments have been mentioned by the Chairman, it will be in order to take a hard look at the costs of manufacture. The experience in regard to the other items, which have been manufactured by ITI for some time, is not discouraging. In respect of a number of items such as Automatic Telephones, Group Selector Switch, Final Selector Switch, Relay Carrier Systems etc. cost of production has shown a downward trend. The cost of testing instruments should also show a similar trend when production reaches targeted levels.

Proposals for expansion involving a total capital outlay of Rs 2.80 crores have been finalised. When the programme of expansion is completed annual production is expected to be stabilised at 1,80,000 Telephones, 1,36,000 Exchange Lines and Rs 260 lakhs worth of Transmission Equipment. This level of output should be sufficient to meet the yearly average of the total requirements of these items estimated for the Third Plan period. The anticipated requirements during the five years are: Telephones 8,75,000, Exchange Lines 6,60,000 and Transmission Equipment Rs 12.88 crores. But if any delay is made for the time required to reach the targeted levels of annual output, it is clear that at this level of output it may not be possible to meet the backlog of demand for telephone connections. In view

of the rapid growth of demand for telecommunication equipment, the maximum output of the factory by the end of the Third Plan will be well below requirements. A second factory, of which there is a hint in the Chairman's speech, may have to be set up to cope with the growing requirements.

While the Third Plan includes provision for the expansion scheme costing Rs 2.8 crores, there is no mention of a second factory. The question is whether the ITI will be able to repeat the achievement of the HMT by presenting the nation with a duplicate factory built out of its own resources. This seems hardly feasible in view of the obvious differences in lines of manufacture undertaken by the two concerns. Though ITI has been making increased profits, (Rs 46.57 lakhs in 1960-61 as compared with Rs 37.13 lakhs in the previous year) the reserves which could be drawn upon to finance development amount to less than half a crore of rupees. The present expansion scheme of the factory, it has been mentioned, is to be financed by loans. The Posts & Telegraphs Department is the biggest customer of the Company and its profit margin can be increased by suitable alteration in the Agreement between the two organisations. The public have cause for concern if any change in the Agreement, on which a decision is expected to be reached in the current year, is followed by increase in the charges levied by the Posts & Telegraphs Department.

It will be advantageous to set up the new factory, even though the ITI cannot be expected to find the necessary funds, if it is possible to fabricate most of the required plant and equipment within the country. The achievements of the Ordnance factories and the atomic energy establishment, which have successfully made a wide range of equipment required by them, give an indication of what could be done by pooling of the productive resources and the technical talent available in the country. The prospects of the new factory will be definitely bright if the hopes of developing an export market for Test Instruments are fulfilled.

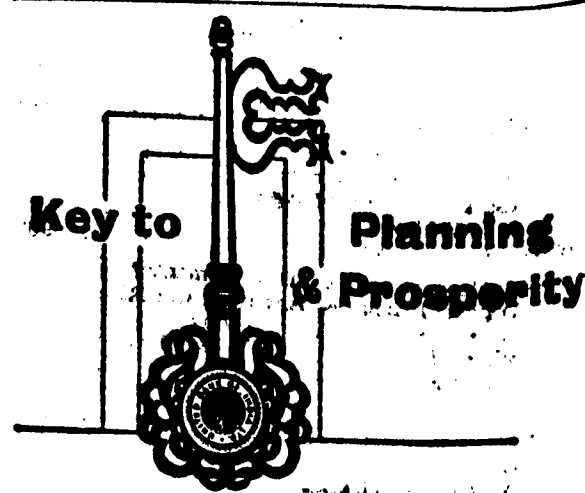
INDUSTRIES FAIR

India's Coming of Age

THE organisation of the Industries Fair on a scale to impress one and all is certainly a feather in the cap of the Federation of Indian Chambers which can now say that British business domiciled in India is co-operating readily and fully and development is an agreed purpose of the two wings of the private sector. That foreign countries except China are represented fully is a well-meant compliment to the industrial potential of India. It is also a sign of active assistance given already to the development plans of India. The new interest shown by Japan in India's confident plans is truly more significant than any assurance of loans to the Government, as Japan now thinks of help in making toys as well as tractors. The Industries Fair is, of course, a good testimonial to the industrial policy pursued over a decade in order to minimise imports. It is also a proof of the market for non-consumer goods growing up steadily. The evidence provided by engineering exports in recent years cannot be ignored in the context of the second industrial revolution. The association of British big business with the new government plants at Durgapur and Bhopal is an apt indication of altered trade connections. Manufacture of

locomotives at Chittaranjan started with technical aid from Beyer Peacock, Vulcan Foundry and other UK manufacturers and the tradition has been maintained effectively. Trust in India's future is also attested by increased investment in this country and the control of prices by increased output is an article of faith for the private sector too at present. The older agency houses have been mostly replaced by joint ventures concerned with manufacture—in new lines too. This is something distinctive though a parallel may be found in Mexico where US firms have gradually embarked on local production for a growing market and accept the conditions imposed by the Government. The Industries Fair will help to make known the sources of India's postwar development, with the increasing emphasis on the limitation of imports after the steady decline in foreign exchange assets.

The evolution of modern capitalism with overseas capital contributing more than financial assistance, playing a truly positive part in developing production and marketing calls for notice. This, of course, is not strange but the political changes had injected doubts. They are now completely dispelled by the forms and volume of investment, by the conversion of private concerns into public companies less concerned with trading than manufacture, proving incidentally that in a mixed economy adaptability is both necessary and possible at present. That is why the Fair as a performance, repeated now for the public benefit, can be described as a combined operation, devoted as much to growing support connections as to the preservation of the home market which can easily dispense with imports of machinery, motor cars as well as woollen goods or yarn. India's coming of age industrially can and should be made known most effectively by a Fair that betokens our faith in the future.



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World of Finance

Review of Indian developments?

International Monetary Fund delegation presently in India charged with the task of examining the Indian economy and developments over the past twelve months. The report that is being made, and the report that sumably will later be submitted, are both more than ordinary importance this year. India "owes" \$250 million to the IMF in respect of its transaction earlier in the year, this figure contrasting with our quota of \$600 million with that international financial institution; hence, there is some room for us in the form of the unutilised portion of the quota, and it may well be that, in order to pay for maintenance (as distinct from developmental) imports, we shall have need later in the course of the Third Plan to have fresh recourse to the facilities of the IMF. While the overall state of the economy is what matters most, the IMF delegation may be expected in particular to study the condition of the World of Finance.

What will be its findings? It is to be hoped that due note will be taken of the success of the price front. For a year, now, prices have been more than stable: they have been pushed down. Such stability has been gained without resort to an increase in bank rate. As has often been stressed, in the final analysis the only solution for a distorting upward tendency in prices lies in additional production. In this regard, though the early part of 1961 there appeared to be some element of stagnation in industrial output, it is now clear that production is moving firmly upward. More goods and a wider range of manufactures are now made in India than ever before. We have correspondingly been able to effect some savings in import bill, though this has not been reflected in the movement of foreign exchange reserves. The difficulty has been that, with industrialisation, the import bill for primary products and industrial raw materials is relentlessly growing.

The pressure upon the money market was enormous, though happily the 1961 slack season witnessed a return of funds. Nevertheless banks were put to considerable strain and the Reserve Bank, which had introduced measures to correct a situation of excessive liquidity last year, was compelled to release money so impounded. The three-tier bank rate is still in operation, and this innovation undoubtedly will find approval with the IMF. But we would like to take this opportunity again to suggest its repeal and moreover to suggest that there may even be a case for reduction in bank rate.

A fundamental mistake that is being made to think that, with bank rate at 4 to 6 per cent (the three tiers), money is much too tight in the country. Finance derived from the organised money market continues to be tight, but in the unorganised money market the

rates are much dearer. Small industry is oftentimes compelled to have recourse to "fringe" institutions, which have no hesitation in charging what really are penal rates. Costs of production are pushed up, and the incentive for enterprise on the part of the entrepreneur is reduced. True, small efforts are under way for extending greater assistance to the little men in industry and in business. Perhaps expansion of the branches network of banks will help monetise a larger part of the country. But it needs to be remembered that dear money in the organised sector makes money prohibitively costly in the unorganised sector. Thus, as an incentive to added production we would favour a lowering of bank rate to, say, 3½ per cent.

The case for the continuance of three-tier bank rate apparently rests on the proposition that thereby some sort of barrier is placed in the way of non-industrial users of bank money, the argument being that banks, reluctant to borrow at 6 per cent or even 5 per cent, will be hostile to propositions emanating from such marginal borrowers. But then during the so called slack season, industrial advances steadily expand even as production mounts higher. By the eve of the next busy season, high ratios of Advances to Deposits are once again in evidence. So, the busy season financing, which is self-liquidating, may conceivably suffer. That surely would not be the intention of the monetary authorities.

The case against a three-tier bank rate is quite strong. It is a fact, and not just coincidence, that Government's borrowings from the market have been poor since the inauguration of the three-tier system. It is obvious that there will be reluctance to invest in gilt-edged offering a return of 3½ per cent to 4 per cent, when there is the certain knowledge that months hence such investor might be compelled to borrow—if a bank at up to 6 per cent, and if an individual or other institution at a still higher rate. If reliance is to be placed on market borrowings as an avenue of resources for Government expenditure on the Plan, the three-tier system has to be done away with—because as it stands it inhibits investment in Government loans.

On the other hand, there is sufficient proof that selective monetary controls, though not wholly effective, are not altogether futile. For Government to possess a greater degree of effectiveness in the trends of prices there are two pre-requisites: on the one hand, by encouraging the establishment of branches by banks, much more of the economy has to be brought within the fold of the organised sector of the money market. Just as the State Bank was able to "subsidise" its branch expansion programme, we would suggest that concessions be given to such banks as open a branch in small centres with stipulated maxima of population. On the other, by reducing interest rates in the organised sector, more entities who for various reasons borrow from the fringe sector will be enabled to seek the assistance of banking finance or, in the alternative, to reduce the rates of interest they are called upon to pay.

BANK RETURNS

Deposit Resources Again on the Rise

Beginning of the month disbursements, rather than busy season pressure, may be said to be responsible for the expansion in currency during the week ended 1 December 1961: spillover into the second week may be anticipated, and the slight hardening of the inter-bank call money rate can be taken to mean that there has also been some busy season demand.

Active Note Circulation has risen by Rs 5.75 crores to Rs 1,908.42 crores, and there has been outflow of Rupee Coin for Rs 0.32 crore. Foreign Securities are unaltered at Rs 116.86 crores, and Rupee Securities show a fractional change at Rs 1,558.84 crores. In consequence cash in the till has been drawn: Rs 6.07 crores to Rs 9.38 crores.

It would appear that the Centre has instituted counter-vailing deficit financing in order to meet the maturing liability in respect of

PROGRESS OF BUSY SEASONS

(In Rs Crores)

	1959-60	1960-61	1961-62
Reserve Bank:			
Active Notes	+24.06	+33.93	+26.17
Rupee Coin	+1.46	+1.32	+2.91
Banks' Deposits	+4.80	+10.78	+8.21
Other Loans and Advances	+5.87	+5.28	+1.50
State Bank:			
Deposits	+7.17	+11.31	+0.96
Borrowings	+1.06	+1.35	+0.79
Cash Balances	+4.62	+1.45	+8.14
Gilt-edged	+7.88	+0.11	+0.91
Advances	+3.10	+2.10	+4.99
—As %age of Deposits	(27.6)	(37.4)	(45.8)
Other Scheduled Banks:			
Net Deposits	+25.78	+3.99	+5.47
Borrowings from RBI	+12.29	+5.50	+4.70
Cash Balances	+15.83	+6.85	+9.71
Gilt-edged	+9.47	+2.68	+2.04
Net Advances	+11.76	+4.74	+4.50
—As %age of Net Deposits	(61.2)	(67.8)	(68.8)

Notes: As at first Friday in December for Reserve Bank and State Bank. As at last Friday in November for Other Scheduled Banks. Figures in brackets are percentages.

Treasury Bills purchased and discounted by the Reserve Bank. For investments are higher by Rs 9.45 crores at Rs 214.63 crores, and the State Bank is known besides to have purchased gilt-edged for Rs 4 crores. Against this, Treasury Bills purchased and discounted by the Reserve Bank have been marked down by a corresponding figure of Rs 14 crores to Rs 19.76 crores. The Centre's balances are better by Rs 4.03 crores at Rs 53.42 crores, but there may have been some payment received from the States, whose Deposits have fallen by Rs 7 crores to Rs 15.34 crores; ways and means borrowings of State Governments are, however, lower by Rs 0.29 crore at Rs 66.17 crores.

Beginning of the month disbursements have apparently caused a little hardship to the banking system. Reserve Balances of member banks are shown lower by a shade under Rs 6 crores at Rs 15.34 crores; and in addition the Reserve Bank's Other Loans and Advances have risen slightly by Rs 1.45 crores to Rs 131.03 crores. But advances against unsecured

bills are lower by Rs 5 lakhs and are now at the nominal figure of Rs. 20 lakhs.

After a trend of improvement in Balances Held Abroad, the latest returns disclose a fall, small though it is. The drain during the week, owing to import surplus not covered by foreign assistance, is a fractional one of Rs. 16 lakhs to Rs. 28.82 crores. It is, however, heartening to record that foreign assets held by the Reserve Bank continue to exceed Rs. 145 crores. Something like four months remain in which there is normally a surplus of exports over imports. It is to be hoped that, by the end of the export "season" foreign assets held by the Reserve Bank will have been raised to not less than Rs. 175 crores.

The State Bank's return for 1 December reveals a further improvement of Rs. 3.03 crores to Rs. 532.05 crores in Deposits. It looks as if the upward trend in Deposits is being re-established, for such is the evidence offered in the latest figures of Scheduled Banks as a whole. If the trend should continue there may be some mitigation of the busy season pressure upon the banking system. But the demand for money, caused by month-to-month disbursements, has involved an increase of Rs. 2.93 crores to Rs. 243.83 crores in the Advances of the State Bank. Nevertheless, the State Bank has opted to increase its gilt-edged portfolio by Rs. 4 crores to Rs. 266.34 crores. In so doing, borrowings are somewhat higher by Rs. 26 lakhs at just under Rs. 1 crore, and cash balances are lower by Rs. 0.71 crore at Rs. 24.80 crores.

The statutory statement of Scheduled Banks for 24 November records an eminently satisfactory increase in Deposit resources. Net Demand Deposits have moved up by Rs. 8.79 crores to Rs. 828.56 crores, while the increase in the case of Net Time Deposits is a smaller one of Rs. 1.34 crores to Rs. 1,127.63 crores. Of the net increase of Rs. 8.13 crores during the week, the amount traceable to the State Bank is Rs. 1.40 crores. Simultaneously, the total of Advances has receded by Rs. 2.94 crores to Rs. 1,233.79 crores, Rs. 1.29 crores being ascribable to the State Bank. The two-fold accretion to resources has enabled Scheduled Banks firstly to reduce indebtedness to the Reserve Bank by Rs. 2.60 crores (the share of Other Scheduled Banks is even more, since the State Bank's utilisation of central banking credit in the relevant week rose by Rs. 0.49 crore) to a nominal level of Rs. 2.32 crores and secondly to increase cash balances from Rs. 188.97 crores to Rs. 196.23 crores; here, too, the share of Other Scheduled Banks is larger, with the State Bank in the week under review reporting a decrease of Rs. 4.05 crores in cash balances. However, borrowings from the State Bank are shown to be little higher at Rs. 17.93 crores against Rs. 17.57 crores. Lastly, the gilt-edged portfolio has gone up by Rs. 11½ crores to Rs.

618.68 crores, but this is wholly on account of the State Bank's purchase of Rs. 12 crores in that week.

BUSY SEASON

Here Yesterday, Gone Today

What has happened to the 1961-62 busy season? It seems to have disappeared into thin air. While the inter-bank call money rate firmed up slightly in the earlier part of the week, a subsequent reduction in the rate would seem to suggest that the pressure that was generated was owing to month-to-month disbursements. With such expenditures out of the way, and in the absence of busy season demand for finance, money markets are entirely comfortable.

It looks as if the fair-sized accretion to Deposit resources in the second half of November has acted to minimise the impact upon the banking system of the strain arising from any element of the busy season's demand. Also, it is true that Advances have not registered any significant expansion. Indeed, as the figures show, while the State Bank's Advances as at 1 December are higher than the level at which they were at the notional start of the busy season, in the case of other scheduled banks there is seen to have occurred over the period some small contraction in credit. The possible explanation may be that there is greater demand for and sale of industrial products so that constituents have been able from such income to liquidate part of debt to banks.

As such, the current busy season seems to be following the pattern of recent years, when the busy season started to exert its pressure only towards the middle or end of December. We, nevertheless, are still convinced that the expansion in bank Advances by the end of April next year should assume record proportions. It would be unfortunate if the present relatively easy conditions in the money market should induce a feeling of complacency. We need to add, however, that there now seems reasonable hope that a larger proportion than we had anticipated of the increase in bank Advances is likely to be covered by new accruals to Deposits.

Treasury Bills

Tenders for Rs. 2,00,00,000 of 91 days Government of India Treasury Bills were opened on Tuesday, 5 November 1961. Total amount offered was Rs. 2,00,00,000. Tenders at Rs. 99.375 per cent were allotted in full. Total amount accepted was Rs. 2,00,00,000, the average rate of accepted tenders being Rs. 2.500 per cent per annum.

When is Money "Hot"?

By Paul Einzig

ALTHOUGH financial writers all over the world added the term "hot money" to their vocabulary a long time ago, during the late 'twenties or early 'thirties, its meaning has never been adequately defined. Yet its definition is of considerable practical importance. Official policies are based on a differentiation between "hot" money and "genuine" foreign balances, without giving due consideration to the question where exactly the borderline lies, or indeed whether there can be any borderline at all. For instance, the Exchange Equalisation Account converted recently \$300 million into gold, and repaid in two instalments of £150 million to the International Monetary Fund, on the basis of the assumption that the foreign balances whose influx had enabled it to do so represent balances of a more sedate nature than the ill-famed hot money. There is beyond doubt justification for differentiating between working balances of banks and funds kept here by holders outside the Sterling Area for legitimate requirements arising from sterling's role as an international currency, and, on the other hand, funds transferred here for speculation or arbitrage.

The question is, does the attitude of holders of the two types of balances differ from each other sufficiently to warrant the adoption of policies based on the assumption of such differences. It has been our experience throughout the post-War period, and also before the War, that whenever sterling comes under a cloud foreign working balances and funds, kept in London for genuine commercial or financial requirements, leave London almost as fast as do speculative and arbitrage funds. It is true, banks have to keep in London certain minimum amounts, especially if they have London branches. But the difference between this hard core of working balances and the amount to which they rise and at which they are maintained in the absence of a sterling scare, accounts for a very substantial proportion of the ups and downs of the gold reserve. To assume that if foreign balances which do not consist of speculative or arbitrage funds can be safely depended upon for staying with us, is utterly devoid of realism.

Nor can a differentiation between hot money and genuine balances be based on the maturity of these balances. Much perfectly genuine foreign money is employed in money at call or at short notice, while much speculative money and especially arbitrage funds, are employed in long time deposits, or in loans to local authorities or other relatively long investments. As far as Treasury Bills are concerned, even if they have distant maturity dates they can always be realised at a moment's notice. In any case maturity dates have the inexorable habit of getting shorter as the days, weeks and months are passing. So even if we were to assume that all money at call and at short notice is red hot, all money up to say three months is hot and all money beyond six months is stone cold. It would be necessary to revise maturity statistics at very frequent intervals in order to form an opinion about the average temperature of foreign funds. But I doubt that the authorities even possess statistics which distinguish between foreign funds according to maturity or, for that matter, according to the object for which they are kept here.

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Notes

SILVER

Best Bet

Silver was suddenly in the news last week. And a rise in Indian prices is due to a feeling that prices abroad will go up if US Treasury sales end. The price support for home-mined silver belongs to the past. One result may be that base metal producers who get more silver from smelters will be able to step up production. Australia and even Burma might gain like Mexico if more silver is sold beyond the USA. But the USA is also stopping silver coinage and the dollar hence ceases to be a silver certificate. The break with bimetalism is complete and final and W. J. Bryan who spoke out for silver against gold will be shocked if he were alive because the Democrats have done the job of stripping silver of its status.

The silver situation as one of growing shortage was plain even in January. Mocatta and Goldsind (one of the Big Four in Bullion) declared that a deficiency of silver would lift prices. However, the US may start selling silver freely to Europe and US mines may be able to raise output, if token coins in silver reappear, especially, if Britain goes in for decimal coinage to get into line with the European Common Market.

With a total ban on silver and the end of trade with Tibet, the Bombay bullion market sees that silver is the best bet and the price must catch up with gold as the gold sovereign has touched Rs. 100. The biggest bullion market need not fear smuggling, but dehoarding may depress prices. Of course, the Government has paid off some years ago its debt in silver to the US Government. And there may be no desire to buy silver for the paper currency reserve. Experts have left old ideas a long way behind and India is on the gold bullion standard with little to show by way of gold. It is only right and proper to add that the French Government has reinstated the silver franc and bought 60 million ounces of silver for coinage purposes. That is part of the process of economic recovery under General de Gaulle. The Chinese Government that sells its silver in Hongkong is bound to benefit because new signs of trouble in Indo-China may create a new urge for switching into silver. Those who have gone in for traditional investment in gold and silver have reason to feel satisfied though high prices may lead to less work for Indian silver-smiths, who depend now largely on tourist custom.

TEA

A Vote of Thanks

Mr Nehru's tribute to the tea trade in Calcutta may have its own effect on the plans for auctions in Assam or in distant Kundla. The replacement of Chinese tea by Indian tea is an achievement. More important is the transformation of agriculture by the scientific methods due to planting. It is the planter that nourishes the brokers and blenders. The UPASI's diamond jubilee souvenir recorded how the agency houses shaped the fortunes of planting. But the tea trade today provides the Indian market with tea, contributes more money to excise revenue than liquor and earns a lot by exports.

The emergence of Calcutta as a major market, a close rival of London, is more than the result of official policy. The Cochin market is in its way a limb of the Calcutta tea trade and the evolution of auctions there is a sign of Calcutta being able to take care of the South Indian crop. The Indianisation of the trade is perhaps less significant than the gradual Indianisation of the planting industry, opening new avenues for many who need not go to

Ceylon or Malaya for jobs. The foreign buyers who come to Calcutta are well served by the system of auctions that give origin and grade due weight in pricing. The tea trade remains essentially a free trade. The Government does not think of floors or ceilings, control forward dealings and apply margins, because there is no speculation in tea and there is no import problem, as in the case of jute or cotton. Voluntary regulation and reliance on tradition mark off the tea trade as a disciplined and efficient body of middlemen who have never created a trade crisis or a tempest in a teapot. That alone deserves a vote of thanks to Mission Row, though most people will think of Indian Iron and Steel if Mission Row is mentioned in print.

Meeting Foreign Competition

Addressing the annual general meeting of the Assam branch of the Indian Tea Association held at Tejpur, Mr A. S. Bam, the Chairman of the Indian Tea Board, referred to the increase registered in both production and export of Indian tea during the first nine months of this year. Figures relating to production of tea in the country, despite the set-back suffered in South India, are placed at 550.6 million pounds in contrast to 487.3 million pounds in the corresponding period in the previous year. Exports also showed signs of bracing for a big leap forward and upto the end of October the quantity of tea exported amounted to 329.98 million pounds as against 304.09 million pounds in the relevant period last year. Earnings from tea exports also looked upto Rs. 92.4 crores from Rs. 85.3 crores. The UK, as usual, figured as the leading purchaser of tea from India with an increased offtake of 15 million pounds more than the previous years total.

The optimism expressed by the Chairman will be widely shared, but there is no room for complacency, for the Indian tea is confronting severe competition in the foreign markets from other tea exporting countries like East Africa, Ceylon and China. Grave apprehension has been expressed that other competing countries are by virtue of the advantages they enjoy in relation to Indian tea, likely to outpace Indian tea even in the traditional markets. In quality Indian tea compares favourably with tea produced in other countries. There is little doubt that the crippling taxation on tea in India at various levels has considerably weakened the competitive ability of our tea and even in the field of propaganda work, other countries have stolen a march ahead of us.

How far the challenge posed in the international market by other exporting countries will be met will depend largely on the efforts

of both the industry and the authorities. The stepping up of production, reduction of cost without impairing the quality, reducing the tax burdens and the setting up of an adequate propaganda machinery in the traditional markets as well as in potential markets assume significance in this connection. Apart from these, a considerate treatment from the authorities in providing the plantations and industry their requirements like fertilisers and other raw materials will be welcomed. The future of the country's major foreign exchange earner cannot be left at stake.

DVC

Mounting Costs

Mr Jaisukhlal Hathi, Deputy Minister of Irrigation and Power, told Lok Sabha last Monday that the estimated cost of DVC, as it stands now, works out to Rs. 186.45 crores. The original estimate of Mr Voorduin, based on the very rough data then available, was Rs. 55 crores. This was scaled up to Rs. 74.98 crores when the first detailed estimates of the 'first phase projects' were made in 1951. Apart from enlargement of the scope of approved schemes and inclusion of additional schemes from time to time, which pushed up cost estimates, the Minister listed the following additional reasons for the increase in the expenditure programme of the Damodar Valley Corporation:

1. Increase in the cost of machinery, materials and labour;
2. Low output of machinery due to comparative inexperience of operating personnel at the earlier stages;

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3. Additional cost of land acquisition;
4. Increased cost of personnel owing to protraction of construction schedule caused by delay in availability of some of the essential equipment;
5. Heavier cost of repairs and inadequate provision for spare parts in case of earth and rock-moving equipment;
6. Construction of diversion roads, provision of terminal facilities in the Naviga-

tional canal etc. and
7. Repairs to excavations and structures damaged by flood.
The figures of expenditure incurred by the Corporation and revenue receipts during 1960-61, given by the Minister in Rajya Sabha last week, are as under:

	Rs
Total gross expenditure	14,17,77,393
Total receipts	7,93,08,392
Net expenditure	6,24,69,001

Mr Hathi also stated that under Section 39 of the Damodar Valley Corporation Act, 1948, for a period not exceeding 15 years

from the establishment of the Corporation, if the Corporation runs in deficit, the interest charges and all other expenditure shall be added to the capital cost. The Corporation has not yet opened revenue account.

MANGANESE INDUSTRY

Alarming Symptoms

A timely warning has been given by Mr A. N. Haksar, Chair-

man of the Shivrajpur Syndicate Ltd, against the adverse situation that has been developing in respect of the manganese trade in the country. For the past one year, the manganese industry has been passing through a crisis and recent reports of working of the mines pointed to a further accentuation of the crisis conditions in the industry. The most alarming symptom of the present crisis is the cessation of operations by manganese mines consequent on the slump in exports, the gravity of which is underlined by the fact that while over the period 1958-60 exports averaged 12.04 lakh tons valued at Rs 19 crores, ie, an average of about Rs 154 per ton, exports in the first half of 1961 were only of the order of 3.18 lakh tons, valued at Rs 3.15 crores ie, less than Rs 100 per ton. Since May last more than 75 per cent of the manganese mines is reported to have stopped working. The reported cut in production of the Shivrajpur Syndicate is a sign of further aggravation of the adverse conditions in the industry.

The decline in exports and setback to internal production are traceable to a variety of factors both internal and external. What is regrettable however is the passivity of the Government even after there has been clear evidence of deteriorating conditions. As early as May 1961 a special ad hoc committee of the Mineral Advisory Board had sounded a warning against governmental complacency in the face of declining trend in manganese exports and had in fact put forward a number of useful recommendations. The Government however displayed little interest for concrete measures. Reluctance to take action to save the industry has been evident not only in respect of implementing the recommendations of this Committee, but also in respect of giving effect to the 50 per cent reduction in freight rates that was announced by the Railway Minister.

The State Trading Corporation is understood to have suggested the canalising of manganese export through one agency. At present the export trade in manganese ore is handled by the STC to the extent of fifty per cent, and the balance of 50 per cent is allocated among the innumerable units in the producing sector. The merit of the proposal advanced by the STC is that it will enable more effective bargaining with the importers who are an organised class. The STC's own record in the field of manganese exports would lend little support to the merit claimed for the proposal. At the same time, the extremely competitive character of the manganese export trade has also to be taken into account. Compared to exports from Brazil and Russia, Indian exports are at a decided disadvantage in the matter of costs. It is also a matter of recognition that the area of com-

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petition is getting further widened with the entry of new producing countries. In this circumstance, it is of urgent importance that the Government should take bold measures to retrieve the industry without allowing conditions to worsen further. Mr Haksar has suggested a number of measures which include revival of the barter transactions, substantial reduction in railway freight on ores, provision of adequate incentives for manganese export, and reduction in the duty on royalty.

SHIPPING Problems

Various aspects of shipping development came for examination at the three-day session of the Shipping and Ship-building conference held at Bombay last week. Special attention was drawn to the need for increasing the shipping tonnage even beyond the target fixed in the Third Plan. It may be recalled that while the National Shipping Board had originally suggested an outlay of Rs 105 crores for shipping in the Third Plan, the Planning Commission fixed the total outlay at Rs 55 crores only. There has been some rethinking in governmental circles since then about the role of shipping in the Third Plan, and spokesmen in the Transport Ministry had indicated that additional funds would be made available for shipping during the Third Plan, when the outlay of Rs 55 crores will have been spent.

The main limiting factor to increasing the shipping tonnage is scarcity of foreign exchange. It has been indicated by Dr Subbaroyan that arrangement for deferred credit by Indian shipping interests with foreign countries should enable more tonnage to be acquired. The credits offered by Yugoslavia and Japan are pointers to such scope for increasing the shipping tonnage. It has also been pointed out that such credits were likely to be available on deferred payment facilities and at fairly reasonable rates of interest from some of the European countries. While in view of the scarcity of foreign exchange, arrangement of deferred payment credit may seem desirable. There are difficulties posed by finding the rupee part of the funds and the rates of interest to be paid. While loans are available from the Shipping Development Fund, the interest payable for them has been considered to be somewhat high and frequent suggestions have been made by the shipping companies for reducing the rate of interest. It is relevant to point out that the sub-committee set up by the National Shipping Board has also supported this plea of the shipping companies and has suggested grant of loans at concessional rates of interest for construction of vessels

and mechanisation of sailing vessels.

Another aspect of shipping development relates to the need for ensuring gainful employment of tonnage for the Indian ships. Mr G. L. Mehta who touched on this question in his speech, referred to the haphazard and short-sighted policy being pursued by the Government in regard to coastal shipping, which had only contributed to needless strains on the inland transport and particularly on the Railways. This had been evident in respect of the coal transport policy. Diversion of more coal by the sea route would give further fillip to coastal shipping, and the anticipated rise in production during the Third Plan would seem to warrant such diversion.

COPPER ORE New Deposits

Large deposits of copper ore estimated at 28.35 million tons in the Khetri-Daribo area in Rajasthan and Rangpo area in Sikkim located after conducting detailed work have significance to the country in the context of acute scarcity of copper and the huge drain on foreign exchange in importing copper to meet internal requirements. The Khetri reserve of 28 million tons has only an average copper content of 0.8 per cent while the Rangpo deposits are richer in grade and the contents are placed higher at 6.24 per cent. The reserves proved in Khetri and those indicated in Daribo are considered adequate to feed a smelter plant with a capacity of 11,500 tons of electrolytic copper per annum. For mining and concentration of the copper ore available in Khetri and Daribo and smelting the concentrates an allocation of Rs 12.5 crores has been provided in the Third Plan. The deposits in the Rangpo area will be exploited by the Sikkim Mining Corporation, a joint venture sponsored by the Government of India and the Sikkim Durbur, at an estimated cost of Rs 2.5 crores. The copper ore mined from this deposit will be concentrated at the mine and will be transported to one of the smelters for smelting.

The production of the copper at the Indian Copper Corporation's only plant in Ghatsila has been more or less stagnant at around 8,000 tons per annum while the consumption of copper during the current Plan has been estimated at 180,000 tons. The speedy exploitation of the copper reserves in these areas therefore assumes special significance. Though the copper from these deposits will be moderate in quantity, the saving of foreign exchange by reducing the import of copper will provide a welcome relief to the already strained foreign exchange reserves of the country.

US

Aid for Development

The new US Agency for International Development (AID) made its first loan last week. It was a \$50 million advance to Brazil to help that country obtain essential imports and stabilize its economy.

Thus the new agency, which came into formal existence less than a month ago, is off to a good operational start as it draws up its programmes and studies the best ways of meeting its objectives. These objectives can be summarized as assisting the less-developed nations advance their economic and social progress, and in the process helping them strengthen their national independence.

This is especially pertinent with regard to the many new states which have been coming into existence in recent years, some of which may not have the economic viability or the trained personnel to support adequately their aspirations or their sovereignty. Thus, they are not always able to make effective use of their most precious resource—their people—and must look to assistance from the more advanced nations.

This would be sufficient motivation for the US programme of international economic cooperation, even if the problems generated by world communism did not exist. But the fact that communism does exist, and lurks in the background as a disruptive force ever ready to feed on weakness and disorder, is another reason for helping the new and developing nations achieve a needed measure of stability.

The stability which AID envisages is by no means static. It is recognized that in many cases lasting stability can be achieved only through dynamic, progressive measures leading to significant changes and improvements in political, economic and social conditions.

On this basis, the AID programme can have little hope of real success unless the recipient nations are prepared to help themselves and to undertake needed internal reforms. This, in fact, has been the understanding of the Kennedy Administration in proposing the new US aid programme, and of the US Congress in approving it. What this involves, in effect, is that to qualify for AID attention, a developing nation must have a national programme for rational development, and must show a clear interest in working to strengthen its independence.

Often, in this connection, the most useful allocation of assistance can only be determined after a searching study of all the resources available to a nation. In many cases, AID may find it advisable to give priority to the development of training facilities and educa-

tional resources. Inevitably, this kind of effort takes some time to bring it to fruition.

Hence, there is growing recognition that worthwhile achievements in the realm of development assistance, geared to self-help efforts on the part of recipient nations, may be the work of long years. President Kennedy himself, for instance, has spoken in terms of a decade of development.

The important task right now seems to be to get the new agency into efficient operation at the level of economic assistance funds already appropriated by the US Congress and made available for fiscal year 1962 which began on 1 July. These funds approximate \$2,400 million, compared with some \$2,100 million in the 1961 fiscal year, and embrace a wide and varied scope that includes development loans, development grants, contributions to international organizations, and many kinds of special activities.

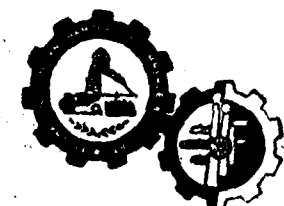
Complicating the task is the fact—that AID combines activities conducted by two predecessor agencies—the International Cooperation Administration (ICA) and the Development Loan Fund (DLF). These two organizations had entered into about 1,000 technical assistance projects abroad and had extended some 200 development loans.

The projects and programmes of the past are undergoing intensive review to ascertain the extent to which existing aid operations meet priority objectives in each developing country. The thought is that those projects and programmes judged to be marginal or peripheral in importance will gradually be terminated, or "phased out." Any significant change in the character of the assistance effort for a country is not likely to be apparent, however, for at least six months because of the "momentum" of the existing projects and programmes and the length of time required for a proper and searching review.

Planning for next year's AID budget—that is, for the 1963 fiscal year beginning 1 July, 1962—already is in progress. It obviously is too soon, however, to tell whether this will lead to a request for any significant changes in congressional appropriations.

Always to be kept in mind, and often too little understood abroad, is the fact that the funds available for US assistance to other nations are necessarily limited by congressional determination. Already more requests for assistance have reached AID than the agency can satisfy.

In general, the demand is running about one-third to one-half higher than the funds available. As a specific example, requests for development grants, largely for technical assistance, now total some \$400 million, while the amount available for this purpose during the current fiscal year is about \$300 million.



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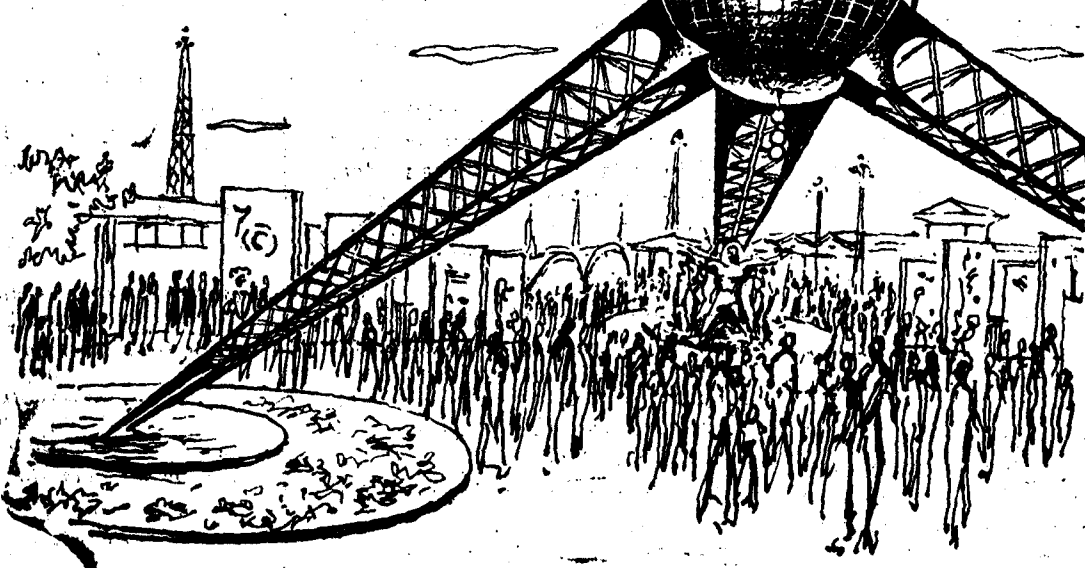
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THE LARGEST INDUSTRY AND TRADE FAIR OF ASIA

These are some of the factors prompting AID officials to take a hard look at their operations. They are doing this with an eye to setting up constructive and realistic systems of priorities consistent with the criteria and objectives of the US effort to help other nations modernize their societies and realize their legitimate economic, social and political aspirations.

ARGENTINA Prospects For Trade

Dr Frondizi's visit to Delhi is more than a token of Latin

America's interest in India. The problems of Latin America are more than political. The end of dictatorship in the new world with the Trujillo packed off to take their pleasures abroad marks the happy beginning of a new era. The USA thinks of development on new lines, the preservation of parliamentary government despite the rise of communism in Cuba. The ABC group (Argentina, Brazil and Chile) is hardly mentioned today, but the idea of neutralism is not discarded. The ties with Europe also are being restored. And Latin America is thinking of economic unity and a low tariff arrangement among the ten republics. The New World is taking a look at Asia also, though

cultural affinity may exist only with the Philippines at present.

Dr. Frondizi's visits to Europe and Washington have helped to rehabilitate the republic in the eyes of foreigners. Few now think of Buenos Aires as the city depicted by Albert Londres in "the Road to Buenos Aires". The picturesque is replaced by the progressive and Argentina thinks of reducing disparities in income, just like Mexico, though Argentina is less radical than conservative. The multiracial harmony of Latin America is in contrast to the situation in many countries in Africa. And Iberian or rather Roman doctrine colours the Latin American view of the colour problem. The secularism of Argentina is

accepted as part of the Republican way of life. But Argentina unlike Peru is a new country and the English influence, even as in Chile, goes back to the days of liberation from Colonial rule. The Anglo-Saxon dominance, raised by the Monroe doctrine to some extent, is sapped by the emergence of new industries and trade. But pan-Americanism is a rule of conduct and the USA has to be the leader without pressing its followers too much to imitate the American way. The UN helps Latin America to get over the limitations of regionalism. It also helps them to see Africa and Asia emerging rapidly into the world of power politics, but not as pawns.

It will be perhaps rash to talk of trade when Argentina has import difficulties and limited exchange reserve. But Indian exporters should like Japan or Germany go in for Spanish catalogues soon to reach out to new markets. There may be a useful trade in textiles or footwear if it is known that India today can sell more than cornsacks or teachests. The treatment of foreign capital (as in India) may be a signpost to the future. The Argentine so long treated as the playboy of the Western world is now eager for work and wealth. That alone may encourage hopes of more trade though Argentina is largely a primary producer that cannot meet the Indian demand for machinery. But shipping services to the River Plate from India by Indian lines may help and a floating exhibition may prove the herald of more trade, better trade.

GLASS & CERAMICS Tremendous Progress

It is expected that manufacture of all items of Glass and Ceramics would be established in the country, by the end of the Third Plan period. The Minister for Industry, who gave this information in Lok Sabha last week, said that the Industry had made tremendous progress in the last decade. Except for very specialised types like vitrified sanitaryware, translucent tableware, electrocast refractories, ophthalmic glass, heat resisting tableware etc. practically all other items are now manufactured in India. With the implementation of the schemes already approved and of those which are under consideration, it is hoped that the country will not only be self-sufficient in most of the items of Glass & Ceramics by the end of the Third Plan period, but will also be in a position to earn substantial amounts of foreign exchange through exports to neighbouring countries. Statewise breakdown of capacity and pro-

Indian Finance

9 December 1961

duction in 1960 for the different items is shown below:

(Million Tons)		
State Capacity Production		
GLASS AND GLASSWARE		
Bombay	35,800	50,652
W. Bengal	1,10,400	81,383
UP	83,000	35,231
Bihar	60,700	33,261
CERAMICS		
Bombay	30,398	20,820
W. Bengal	42,447	29,110
Madras	14,530	11,270
REFRACTORIES		
Bihar	3,22,460	2,32,569
Madhya Pradesh	59,440	59,027

GUJARAT Accent on Industries

The Gujarat Government has been lately concerned with schemes designed to promote the planned growth of industries in specially demarcated areas around the bigger cities like Ahmedabad, Surat, Baroda and Porbandar. For this purpose the Government has decided to establish a statutory body, the Industrial Areas Development Corporation which will be empowered to provide all facilities including the facility of disposal of affluent. This decision is a sequel to the increasing emphasis that is sought to be laid on the industrial progress of the State during the Third Plan period. Already the Government has taken some concrete measures to encourage private enterprise to set up units in the State. One significant concession that has been granted is the waiving of the duty on electricity generated by new industrial concerns. Complete waiving of the water charge has also been suggested by the Standing Committee of the State Advisory Council for Industries in one of its recent sittings.

Among the major schemes included for implementation during the Third Plan period is the Rs 28-crore fertiliser project. Two American, one Japanese and one Indian firm of consultants are understood to have approached the State Government for being given charge of the work relating to the project. Attempts are also being made to locate in the State one of the six textile mills proposed by the Centre for being set up during the Third Plan period whose output will be diverted solely for exports.

The third refinery in the public sector which is proposed to be set up in the Gujarat State is a project which holds great significance to the future growth of industries in the State. The remoteness of the State from the main coal belt is a definite disadvantage in the matter of industrial progress. The discovery of oil in Ankleshwar has ensured the nucleus for the growth of petro-chemical indus-

try of considerable potentialities. The potentialities of the oil industry may provide the answer to the deteriorating situation with regard to coal as a result of which many industries in the State have been handicapped of late.

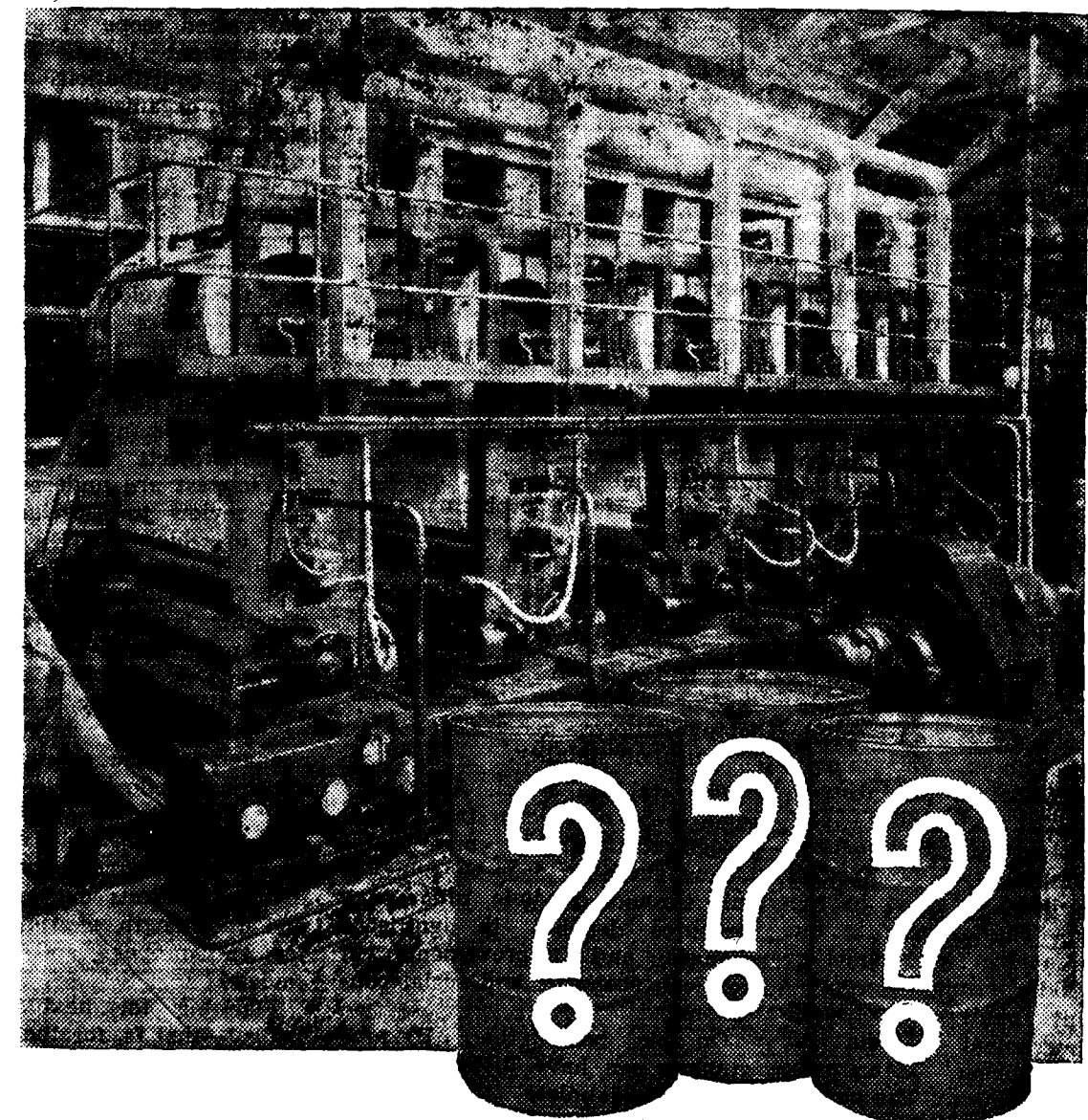
The State Finance Corporation will also be a source of greater strength to future industrial growth in the State. Reinforcement of its capital structure and more State aid to the Corporation are steps that are being now considered to enable it to play a more effective role in bringing new enterprises into being.

SUGAR Problems of Marketing

The annual accounts of the Deccan Sugar & Abkhari Company Limited, which was presented by Mr C. R. Srinivasan, reflect clearly the effects of the situation that has developed in respect of sugar production and trade during the last year. The features that call for notice are the drop in turn-

over of about Rs 86 lakhs, the reduction of profits by Rs 8.50 lakhs and the scaling down of the dividend from 18½ per cent paid for the last year to 13½ per cent. It is significant that both the units at Samalkot and Pugalur had shown record cane crushing as also production of sugar, but the financial results remained unsatisfactory in view of the difficulties of sale because of the controlled release of sugar by the Government. Excess stocks and reduced turnover should be the lot of many another unit in the sugar industry and draws attention to the problem of marketing facing the sugar industry as a result of overproduction of sugar during the last season. The proposed move of the Government to restrict production in the factories to 90 per cent of their highest production has purely temporary significance, and overlooks the problem of providing the outlet for the sugarcane that is produced in the country. Exports as an outlet for surplus production have also very little significance in view of the high cost that characterises sugar production. On an estimate of the quotas likely to be available for India from the

USA, and under the International Sugar agreement, Mr Srinivasan, has pointed out that India is unlikely to reach 500,000 tons and also that such exports will involve loss of nearly Rs 300 per ton after full rebate of excise duty cane cess etc. Mr Srinivasan sees a solution to the problems of marketing only in stimulation of the internal consumption of sugar in the country, the scope for which is admittedly great considering the present low per capita consumption. It is worthy of note that the annual average consumption per capita of the population is only 5.5 kg compared with 47 kg in the USA and 55 kg in the UK. It is also a significant fact that during the entire Second Plan period, consumption of sugar in the country has shown very little improvement and this is largely owing to the unsatisfactory level of prices for sugar which precluded its consumption on a large scale by the poorer classes. Between 1957 and 1960, the offtake of sugar in the country has remained static at a level of a little over 20.0 million tons. Taking into account the increase in population registered during this period, there can be seen to

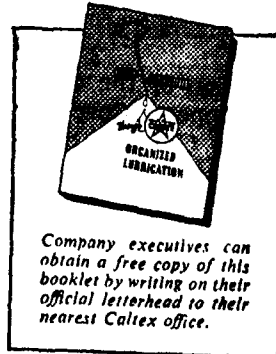


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have occurred an actual decline in the per capita consumption of sugar. That the decline should have occurred in the wake of the doubling of the excise duty on sugar by the Finance Minister in 1957 is not purely accidental and proves the restrictive effects on consumption brought about by the doubling of the excise duty.

★

LEATHER INDUSTRY Export Potentials

The leather industry's role as an important foreign exchange earner was highlighted by Mr Manubhai Shah, when he inaugurated in Madras, the Leather Boards Manufacturing Unit of the Nagappa Industrial Trading Corporation. At present exports consist of both the manufactured products and raw hides and skins, though it is the latter that predominates in total exports. The most important item of leather manufacture from the point of view of exports is footwear and this side of the industry holds great potentialities for the future. The Third Plan has fixed a target of production for footwear manufacture at about 140 million pairs which compares with the target at 102 million pairs in the Second Plan. Compared with the potentials of growth, the target for additional production which calls for an increase of nearly 40 per cent over production at the end of the Second Plan can be considered modest. There can be no question of raw material shortage in view of the abundance of the country's cattle wealth.

The predominance of the primary material in the export of leather industry points to the need for enlarging the internal basis for manufacture. The limited foreign exchange earning capacity of the primary materials is also a point which emphasises the importance of concentrating on the manufacturing side. The growing demand that has been noticeable in foreign countries for leather boards which are used for making soles, stiffeners, and heel-lifts and a variety of other purposes is also a pointer to further possibilities in exports.

Mr Manubhai Shah has also drawn attention for increasing the foreign exchange earnings by utilising leather scraps and trimmings that at present find no use and go as waste. Though the scope for such utilisation of waste leather may be limited, the importance of it cannot be overlooked in view of the prospects for additional foreign exchange earnings held out by exports of products made out of such leather waste. In this light, the new unit of the Leather Board that has been started in Madras has considerable significance. The new industry has been appropriately described

as one which "produces wealth from waste and that too in foreign exchange." Being the first one of its kind in the country, the new unit should point to the way in similar units could be set up to make full use of the waste leather.

★

IFC More Foreign Credits

The Industrial Finance Corporation has been exploring the possibility of obtaining credits in foreign currencies other than dollars. As regards dollar credits, formal agreement for a DLF loan of \$10 million was executed in December 1960 and was almost entirely disbursed in sub-loans during the succeeding six months. At the end of June 1961, the IFC had pending with it applications for dollar loans equivalent to \$5.82 crores. At the last annual meeting, the Chairman stated that a further tranche of dollar loan, which is under negotiation, would soon be available.

The Finance Minister told Lok Sabha last week that Government of India had agreed to the Kreditanstalt (German Bank of Reconstruction) extending a credit of DM. 15 million (Rs 1.8 crores) to the IFC. The agreement for this credit is yet to be finalised.

★

MINING MACHINERY British Mission

The British Mining Machinery Mission, now on a tour of India for the purpose of assessing India's requirements of mining machinery, arrived in Calcutta this week. The Mission consists of three members and is led by Mr James Anderson, who is associated with the mining industry in Great Britain in various capacities, i.e., as President of the A.M.E.M.E., Vice-Chairman of the Federation of Associations of Colliery Equipment Manufacturers, President of the Scottish Engineering Employers' Association etc. The two other members of the Mission are Mr J. D. Morton, Managing Director of Siemens-Schuckert (Great Britain) Ltd, and Mr Leonard Wood, Deputy Chairman of Hugh Wood and Co Ltd. At a press conference held in Calcutta, the members of the Mission reviewed India's private sector mining position especially in the context of the coal industry's development during the Third Plan. The Mission evinced keen interest in the development of India's coal industry. It was explained that in view of the competitive prices quoted by Britain for mining machinery, the Indian firms could get their requirements from Britain.

NEWS IN BRIEF

THE State Warehousing Corporation opened nine warehouses in Gujarat in November. They are located in Bavla, Dhandhuka, Talod, Patna, Cambaya Gondal Deesa, Savarkundla and Badharpur.

West Germany has entered into an agreement with Nepal for setting up a technical institute in Kathmandu at a cost of Rs 25 lakhs. West Germany will provide the necessary machinery and training equipment for the institute.

Production of saleable steel by the Indian Iron and Steel Company at their Burnpur and Kulti Works in November totalled about 62,119 metric tons. Production of pig iron in the same month amounted to 103,064 metric tons and that of steel ingots aggregated 81,209 metric tons.

The Government of Punjab has made an allocation of Rs 8.94 lakhs for the introduction of a crop insurance scheme in the State during the current financial year. Wheat, gram, sugarcane and cotton will be covered by the scheme.

Total output of electricity by the public utility power stations in the country in August amounted to 1,623.1 million KWH as compared with 1,383.7 million KWH in the corresponding period in 1960.

According to figures released by the TISCO office, the production of pig iron in November amounted only to 125,500 metric tons against 131,100 metric tons in October. The output of steel ingots also slipped down to 128,800 metric tons from 137,600 metric tons. Semi-finished steel production showed a decrease of 5,900 metric tons at 27,860 and finished steel production was marked down by 5,000 metric tons to 73,000 metric tons.

The Central Warehousing Corporation has decided to set up a warehouse building in Cochin with a storage capacity of 3,000 tons at an estimated cost of Rs 6 lakhs.

The Government of India has introduced a scheme of enrolling exporters with a view to developing confidence among foreign importers and abiding relationship between foreign importers and Indian exporters. Enrolment would be done by the various export promotion councils, the commodity boards and Director Ge-

neral of Commercial Intelligence and Statistics. The enrolled exporters are required to accept a minimum recognised standard for conduct of business. They would enjoy certain facilities that their names would be made available to the Indian Trade Commissioners abroad and visiting overseas purchasers. They would also get import licences for raw materials and machines under export promotion scheme and priority treatment in rail and shipping space allocation, over and above drawback and rebates of import and export duties.

Overseas shipments of the electronic products scaled a new peak in the first nine months of the current year. Exports were valued at \$437.4 million, a 33 per cent advance over exports in the same period a year ago.

A comprehensive socio-economic survey, with particular reference to industries, will shortly be undertaken under the aegis of the UNESCO in Hyderabad, Calcutta, Baroda and one place in Punjab which is yet to be selected. The UNESCO has entrusted the survey in Hyderabad to the Indian Institute of Economics.

The Government of Jammu and Kashmir has decided to install three more electric generators with a total capacity of 40,000 kilowatts, in order to meet the power requirements of the industries situated in Jammu city and Kathua.

The Air India International made an opening profit of Rs 117.41 lakhs during 1960-61 as against Rs 18.26 lakhs during the previous year.

PERSONAL

Mr William H. Weathersby, at present Director of Personnel in the US Information Agency, Washington, will succeed Mr John V. Lund as the Director of US Information Services in India.

Mr Radhabinod Pal of India was elected as member of the UN International Law Commission last week by the General Assembly.

The Government of Maharashtra has appointed Mr Frank Moraes, Editor-in-Chief of the Indian Express, as Sheriff of Bombay.

Mr R. K. Ramadhyani, former Secretary, Ministry of Information and Broadcasting, has been appointed Secretary to the President of Indian Union.

Clive Street Gossip

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

TUNNEL under the English Channel, or bridge over it? Another bridge across the Hooghly, or a tunnel under it? I remember reading somewhere that the idea of a tunnel connecting France and England originated in the nineteenth century. At the moment, with Britain certain to enlarge trade with the European Economic Community, a link of this nature is being quite seriously considered. There are many supporters of a bridge, instead of a tunnel; and the steel involved in a bridge may provoke backing from, shall we say, a vested interest. But a tunnel is "all-weather", and though I don't claim to the art of reading the future, tunnel it surely will be, if ever there is such linking of France and England. Even so, here in Calcutta. I see that the World Bank has promised \$80,000 for a detailed study of whether or no we could have a tunnel under the Hooghly; and no doubt the Ford Foundation team, which has already been given a grant for the drawing up of a master plan for the city, will consider and advise another connecting link between the two sides of the river. A novel idea that was mooted, in a conversation I had on the subject, was for such tunnel or bridge to be built by a company owned by American or other foreign capital; its income would be found by levying a toll. The trouble is, we do have a toll bridge upriver, at Bally, and it is sparsely used. Its location should of course be south; otherwise there will be no relief of traffic congestion through the main city roads.

How urgent Calcutta's problems are was made evident in Parliament during the week. The Minister of State for Transport, Mr Raj Bahadur, confessed that there has been further silting up of the Hooghly; and Balari Bar is the trouble spot. In consequence drafts of ships have been affected—they can come with less cargo than ever before. Dredging is a drudge, but that alone can keep the river free; and for their part the Port Commissioners are doing a valiant job. Two more dredgers are prospectively to be with us during the Third Plan, for use in order that Haldia, Calcutta's satellite port, can be approachable by larger ships. It is sad but true that Haldia exists only in name; and we have to wait for advice of various kinds before construction work can

appreciably progress. When will Haldia take some of the load off Calcutta? Your guess is as good as mine.

Also on the floor of Parliament it looked almost as if the propriety of Dr B. C. Roy's talks in America, with World Bank officials and with President Kennedy, was being questioned. Mr Morarji Desai, answering the volley of questions, fielded them in adroit manner. Mr A. D. Mani wanted the Finance Minister to deny that help for the master plan for Calcutta had formed a subject of Dr Roy's discussions with the American President and World Bank officials; Mr Desai's reply: "I cannot say what Dr Roy said to Mr Kennedy. I was not present." But the Finance Minister did make it clear that neither State Governments nor their Ministers could "negotiate" with foreign Governments. But I nothing doubt that in fact Dr Roy broached the subject of Calcutta; and it was very proper for him to have done so. Negotiations he would not have conducted, but it was surely up to him to prepare the ground. The Ford Foundation is helping, the Third Plan does have an allocation for the development of Calcutta. So, if Dr Roy educated World Bank officials as to Calcutta's problems, and did succeed in securing sympathy for them, why, more power to him. A master plan for Calcutta will take years in its preparation, and I wonder whether I shouldn't suggest, as a means of reducing congestion in Calcutta, that State Government offices could usefully be shifted in the first instance. In this context, a friend has also suggested that two or three storeys could easily be added to many of the strong buildings in the business areas; the LIC has money to spare, that it could make available for so important and necessary a purpose. So, why not create new office floor area, by the simple expedient of building another storey or two?

As usual Mr Nehru's programme in Calcutta was crowded, if that's a word that will suffice, and certainly there can be no doubt that the function he most enjoyed was the centenary of the Calcutta tea auctions. When Mr B. P. Bajoria, a-flush with happiness in Davenport's 75th birthday, bid Rs 35,000 for the first lot to be offered at the special auctions (with, of course, J. Thomas and Company Limited having the honour of

knocking it down), Mr Nehru would have been amused to know that something like Rs 130 per kilo was the selling price. And so with the 6 other lots that followed. Mr G. A. Whittaker, Chairman of the Calcutta Tea Traders Association, contented himself in his speech with making it known that it was the intention of the trade to raise Rs 3 lakhs to be donated to the Prime Minister's National Relief Fund. Something less than half of this was got from the special or "Centenary" Catalogue. More is to be raised at a Charity Auction later in the month, when as Mr Whittaker put it, "Sellers, Buyers and Brokers are being invited to donate... at the rate of one rupee per chest of tea sold." In mellow mood Mr Nehru suggested that the history of tea needed to be written; and the range of his own knowledge quite took the breath of his audience away, when he advanced the view that the English word, "tea", is probably a corruption of the word "Chai" by which name tea is known in the whole of Asia and in Russia. Such history would be more fascinating, the Prime Minister said, than accounts of kings (schoolboys will heartily concur). And the whole function came to an end as pleasantly as one could wish, with Mr K. Ghosh, Vice-Chairman of CTTA, drawing an analogy, in his vote of thanks, between the Prime Minister's efforts to "release forces of human understanding" and tea's "attribute of lessening tension and creating a climate of understanding between peoples."

As I reported last week, Davenport and Company Limited celebrated its 75th birthday a few days ago. I now learn that the firm Davenport and Company had already been in existence for 20 years when, one hundred years ago, the first Calcutta tea auctions were held. In 1886, the public limited company was appointed Managing Agents and Secretaries, in succession to Lloyd and Company Limited, of 17 tea companies and the Behar Tramways Company Limited. A scarce few of the original remain, and the largest group of tea gardens managed by Davenports, Hasimara Industries Limited, was a later "acquisition." Hasimara's crop is now in the region of 6 million lbs, and extension programmes now in hand are expected to raise the output, by the end of the Third Plan or so, to 7.8 million lbs. Of the total of 4,200 acres under tea at Hasimara, 870 acres represent young plants, that is, acreage brought in during the last decade. It is thus not a small contribution to Indian tea production that Hasimara and Davenport can boast of.

In a thoughtful talk at last week's Rotary Club meeting, Mr K. U. Mathew recorded his gentle disagreement with the Planning Commission's estimate of 14 million tons of petroleum products a likely demand at the end of the Third Plan; and Mr Mathew should know, for he is intimately connected with the oil industry. His estimate rather is that we should need something like 16.2 million tons. The fact is, that shortfall in coal production inevitably poses a greater pressure upon and a higher demand for oil. If coal production is short of demand by 3 million tons, two million additional tons of oil are necessary to make good the gap in the demand for fuel. It seems to me quite evident that underestimation of oil needs is likely to lead to all sorts of trouble; hurried purchases of refined products, for which we have to pay more, and at a time when our foreign exchange reserves may be scanty—or in the alternative resignedly to allow industrial production to slump. I do not at the moment wish to go into the details of the oil controversy that Mr Malaviya sparked off a week or so ago. But I gather that Burmah-Shell (for example) are working their refinery under capacity. They would be able to raise their throughput by 700,000 tons, or twenty-five per cent without expansion of plant or equipment. Certainly, imported crude is cheaper than refined products. For a start, therefore, the refineries in the private sector should be encouraged to raise throughput where possible by permitting import of crude on a larger scale. In the long-term, of course, we have to see whether we do have sizable reserves of oil. Oil exploration is something with which we have not persevered—it's a costly business. But I fancy that foreign cooperation would be ready, willing and eager to take up exploration if the terms are attractive enough. In such circumstances the foreign partner would bear the costs (infructuous and awesomely high as many a search may prove to be) if they had the confidence that they could be an equal partner with Government in the sharing of profits in cases where oil is discovered. But if India does have the oil, it is imperative that we are more energetic in searching for it: the import bill for crude is rising year by year, and at quite a fast lick. Doctrinaire considerations should not enter here, if only for the simple reason that Government has neither the rupee resources nor the foreign exchange to embark upon large-scale oil exploration. Brow-beating of the oil companies can merely earn us small, reluctant concessions. There is I sense, I am sorry to say, not much rapport between Government and the oil companies—and as a result it is the country which is paying through the nose in terms of foreign exchange.

EAVESDROPPER.

Olympus

TC Most Valuable Instrument of Govt. Policy

THE presentation of the annual report of the State Trading Corporation has been followed by a comprehensive statement by the Minister of Commerce in Lok Sabha in which he has bestowed generous praise on the achievements of this organisation which, in the course of the five years of its existence, has received more rickbats than bouquets. Mr Kanungo gave full credit to the STC for the growth of trade with East European countries and the increased exports of iron ore. He also highlighted the useful work done by the STC in developing markets for new commodities, in undertaking import and distribution of items in short supply and in the equitable distribution of cement. The range and volume of the business handled by the Corporation, he said, had been steadily increasing. The total turnover of the Corporation in the commodities directly handled increased from about Rs 10 crores in 1956-57 to Rs 65 crores in 1960-61. The direct exports of the Corporation also increased from Rs 5.79 crores to Rs 36.69 crores over a period of five years. Major items which recorded an increase in exports are Iron Ore, Shoes, Mica, Pulses, Salt, Shellac and Coffee. Besides the direct business transacted by STC, it has also assisted private industry and trade, in importing essential capital goods and raw materials as well as to export finished goods, and the volume of such business has increased from Rs 19 crores in 1957-58 to Rs 46 crores during 1960-61. Mr Kanungo also referred to the Trade Development Fund created by STC out of its profits and said that the Corporation has under consideration, among others, schemes for assisting improvement of mining, transport and port facilities with a view to augmenting exports of ores, and certain other projects designed to promote exports generally.

Concluding his panegyric of the STC, Mr Kanungo said that the Corporation has now become "a most valuable instrument of Government's commercial policy. It has not only supplemented the activities of the private sector and has rendered help to private trade in spheres in which the

help was needed, but it has enabled Government to deal effectively with the complex variety of trading problems which arise in the present world conditions."

Mr Kanungo's unreserved praise of its achievements should put some heart into the organisation which has been wilting under a shower of unkind criticism from spokesmen of Trade and Industry. Lack of definition of its functions has made the STC specially vulnerable to such hostile criticism. The Estimates Committee which examined the working of the Corporation last year had suggested that the Government of India should make a clear demarcation of its functions and activities in the light of experience gained hitherto. Mr Kanungo announced at the end of his speech that the main Objects Clause of the Memorandum of Association of the State Trading Corporation was being suitably amended to incorporate the functions that Government consider should be assigned to the Corporation. These functions—which are broad enough to include all the present activities of the STC and many more to which it has not yet applied its hand—are:

- to undertake trading generally with State Trading Countries as well as other countries in commodities entrusted to it;
- to explore new markets for traditional items of export and to develop exports of new items with a view to diversifying and expanding the export trade;
- to undertake at the instance of the Government import and/or internal distribution of any commodities in short supply with a view to stabilising prices and rationalising distribution; and
- generally to implement such special arrangements for import, export or internal distribution of particular commodities as Government may adopt in the public interest.

More Scheduled Air Services

The Air Corporations (Amendment) Bill, introduced in Rajya Sabha on 28 November includes provision for supplementing the Scheduled Services of IAC and the AII by private operators on routes which are not at present

served by either of the Corporations. Under Section 18 of the Air Corporations Act, 1953, the two Corporations have the monopoly of operating scheduled air transport services. As neither is in a position to provide scheduled services on certain routes, it has become necessary to permit private operators to operate scheduled services on such routes for a limited period under terms and conditions prescribed by Government. Section 18 is therefore being amended to enable the Central Government to grant permission for such services, by private operators.

The Air Transport Council, constituted under Section 30 of the Act, has no work at present. Section 30 is being amended to enable the Council to be dissolved, while at the same time empowering the Central Government to constitute an Air Transport Council as and when it becomes necessary. After the Bill is enacted Air India International will be renamed Air India, the name by which it is better known abroad.

Railway Earnings

Railway earnings during the six months from April to September 1961 have registered an increase of Rs 28.82 crores as compared with the figures for the corresponding six months of last year. The Minister for Railways, who gave this information in Lok Sabha during question hour, attributed the increase mainly to three factors:

- increase mainly in passenger traffic;
- merger of tax on Railway passenger fares in passenger fares from 1-4-1961. Railways will have to pay general revenues, for transfer to the States, a lump sum in lieu of tax on fares merged in passenger fares.
- enhancement of
 - surcharge on freight on small consignments from 10 per cent to 20 per cent from 1-4-1961.
 - coal freight rates beyond 335 kilometers from 1-7-1961.

The fact that the Minister was not able to attribute any part of the increased earning to larger volume of goods traffic is disturbing, for it suggests that, either industrial activity has remained stationary, or that the Railways have not been able to improve on their performance in the last year of the Second Plan.

National Income Committee Reconstituted

The National Income Committee, which was set up on the suggestion of the Prime Minister in

October last year, it seems, has not yet been able to get down to its work. Apart from reviewing changes in levels of living during a decade of planning and recent trends in the distribution of income and wealth, the Committee was particularly asked by its terms of reference to "ascertain the extent to which the operation of the economic system has resulted in concentration of wealth and means of production." The expectation that the findings of the Committee could be drawn upon in finalising the programmes of the Third Plan has not been realised. In the meantime it was found necessary to reconstitute the Committee, as most of the original members had dropped out.

The composition of the reconstituted Committee was indicated by the Prime Minister in Lok Sabha last week. Mr P. C. Mathew, Director, Central Statistical Organisation, who was member-secretary of the old Committee, becomes Chairman of the reconstituted Committee, and is the only link between the two committees. Apart from officials of the Planning Commission and Government of India, the Committee also includes representatives of the Reserve Bank and institutions engaged in economic research, while the chiefs of these institutions were members of the old committee. Their deputies have been appointed to the new one. Professor M. Mukherjee of the Indian Statistical Institute takes the place of Prof Mahalanobis on the Committee; Dr K. N. Raj takes the place of Dr B. N. Ganguli, Director, Delhi School of Economics; Mr P. N. Dhar, the place of Dr V. K. R. V. Rao, Director, Institute of Economic Growth; Mr M. V. Divatia, the place of Dr P. S. Lokanathan, Director of NCAER; Dr N. S. R. Sastry, the place of Dr R. K. Madan, Executive Director of the Reserve Bank of India. The Gokhale Institute of Politics and Economics, Poona, which was not represented on the old Committee will be represented in the reconstituted Committee by Prof V. M. Dandekar. The first meeting of the reconstituted Committee is expected to be held on 19 December.

POWER DEVELOPMENT ECAFE Seminar

It has been announced that at the two ECAFE Seminars currently in session in Bangkok, namely UN Regional Seminar on Energy Resources and Electric Power Development and Inter-regional Seminar on Field Methods and Equipment used in Hydrology and Hydrometeorology, respectively, India will be represented by Mr T. N. Idnani, Member, Central Water and Power Commission and Mr K. K. Framji, Chief Engineer, and Ex-officio Joint Secretary, Union Ministry of Irrigation and Power.

Markets

JUTE Steady Trend

The undertone of the raw jute market has been steadier during the past week. Raw jute prices basis Assam Bottoms improved to Rs 31 per maund before closing Thursday at Rs 30.50. The recovery is partly due to the measures initiated by the Indian Jute Mills Association toward giving support to the market. In accordance with the decision announced earlier, the IJMA commenced the issue of jute purchase quotas to member mills with effect from 1 December, on the basis of stocks with and consumption of individual mills. The total quantity for which purchase quotas have been issued is placed at 690,800 maunds. While it is incumbent on those mills to whom quotas have been issued to purchase the specified quantity, there is no restriction on purchases above the minimum quota or purchases by mills to whom quotas have not been issued as a consequence of their having stocks equivalent to over 18 weeks' consumption of raw jute. It would appear that mills have been advised to purchase their quotas without waiting for any price advantage. But it is unlikely that mills which have not been issued any quota or mills which have received comparatively smaller quotas will be interested in increasing their stocks more than

necessary in view of the continuing absence of sizable foreign inquiries.

The improvement in sentiment noticeable after mid-week appears to have stemmed mainly from the fact that raw jute arrivals have considerably slowed down during the past few days. With the knowledge that purchase quotas to the tune of about 700,000 bales have been issued to IJMA mills, there was reason to expect that sellers would not be keen to conclude business in a hurry. When the raw jute market opened the week last Friday the undertone was steady with mills showing interest in all grades. However, prices remained generally unchanged with Assam Bottoms quoting Rs 30 per maund. Although there was still no change in price levels on Saturday, sellers did not offer freely and indications were offerings would further diminish as there were reports of falling imports in the up-country markets. There was a distinct improvement in sentiment when the market opened on Monday and rates were marked up all along the list by 50 nP. Most sellers had withdrawn from the market. But mill buying too continued to be small. The uptrend continued the next day also with rates marked up by another 50 nP. Assam Bottoms was done upto Rs 31 per maund. Mills, however, continued to show only moderate interest presumably in the hope of that levels would decline with improvement in arrivals. Such expectations were partially fulfilled though for entirely different reasons. In line with the other markets in the country, the jute markets were

PRICE TRENDS

	As on 30 Nov. Rs	As on 4 Dec. Rs	As on 6 Dec. Rs
Hessian:			
45" x 11 ozs.	58.50	59.50	58.00
40" x 10 ozs.	52.00	54.50	51.75
Ready	46.00	48.00	48.00
January-March	42.00	43.25	41.75
40" x 8 ozs.	39.00	39.50	39.00
40" x 7 1/2 ozs.			
Sackings:			
B Twills—			
Ready	140.00	139.00	130.00
January-March	123.00	126.00	124.75
Heavy Ceas (Green)	131.00	132.00	130.00
Corn sacks	135.00	136.50	134.00
Cubans	173.00	173.00	172.00
A Twills	161.50	163.00	161.00
L Twills	155.00	155.50	149.00
D. W. Flours	164.50	165.50	159.00
Sugar Twills	158.00	155.00	150.00
Ready Raw Jute:			
Assam Bottoms	30.00	30.50	30.50
Northern Bottoms	29.50	30.00	30.00
Daises	32.00	32.50	32.50
Futures:			
Hessian—February	45.76	46.98	47.20
Sacking—February	121.10	123.35	122.10
Raw Jute—December	30.96	30.96	30.90
Raw Jute—March	...	32.96	32.86

also adversely affected by the news as regards Goa and the country's northern border. With panicky conditions prevailing in most markets, holders in the raw jute market were found to be anxious to discount rates but buyers were scarce. Assam Bottoms reacted to Rs 30.50 on Wednesday and the rate remained unchanged on Thursday also.

Interest in the jute goods market was mainly confined to ready delivery goods. Although some business was reported done with UK and USA toward close, foreign buyers continued to remain on the sidelines taking only their immediate requirements. Any large scale buying is improbable for at least some weeks to come as the general tendency would be to keep commitments to the minimum in view of the coming Christmas holidays. Even in the case of ready delivery position activity tended to slacken in later dealings. The outlook for heavy goods is not considered to be encouraging in view of the growing competition from Pakistan which is able to offer buyers better prices on account of its comparatively low cost of production. Although hessian seems to be faring better than sacking, it cannot be assumed that the demand for this category of goods will continue to be good. The US, the principal market for Indian hessian, has not been taking as much as it used to. The decline in burlap consumption in US this year is due to the high prices prevailing earlier in the year. Even so US buying is slow in reviving although prices have fallen considerably in the past one or two months. It would appear that Argentina, another important customer is not likely to evince much interest in buying Indian hessian in view of its own foreign exchange problems.

The jute goods market opened the week steady with interest centred on ready delivery goods. B Twills December closed last Friday at Rs 130.50 with January-March at Rs 124.75. Hessian 40" x 10 oz December was done at Rs 49.50 with the January-March delivery at Rs 46.75. In sympathy with the firmness of the raw jute market and helped by the activities of the forward market, sentiment continued to improve in the next two or three days. By close on Monday B Twills was quoted at Rs 132.50 for December delivery and Rs 126.25 for January-March position. Hessian 40" x 10 oz December also improved to Rs 51 with the January-March position quoted at Rs 48. Prices declined steadily during the next few days as sentiment had been adversely affected by political news. Closing prices on Thursday were: B Twills—December Rs 130.75, January-March—Rs 125.00; Hessian 40" x 10 oz—December Rs 52.50; January March—Rs 48.

TEA

Improvement in Demand

IN the Export Sale held in Calcutta this week, offerings were 71,957 packages. There was a better general demand than in recent weeks for all

but the plainest and more fibrous orthodox descriptions. Plain Brokenes were irregular and generally declined by 10 nP to 20 nP per kilo; but similar Fannings were fully firm to dealer on last rates.

Orthodox Assam brokenes were irregular and generally easier except for the best which were sold above last rates. Similar fannings met with useful competition and were generally dearer. Best liquoring CTCs were fully firm, while those in the medium category were generally dearer with more competition for fannings than brokenes. Off-grade CTCs were irregular and those with useful liquors were generally dearer. The remainder were fully firm or sometimes a little easier.

Legg-cut Dooraos improved in prices by up to 10 nP and sometimes more. Darjeelings met with good support at irregular rates with the best generally dearer. Despite more demand, whole Leaf grades were again easier with more interest for the cheaper varieties. Tippy sorts were sold readily. Following rates were quoted: Clean Plain Pekoe Rs 3.65 to Rs 3.75; Plain BP Rs 3.40 to Rs 3.50; Plain Fannings Rs 3.45 to Rs 3.65; Medium Assam CTC BP Rs 4.30 to Rs 4.60; Medium Assam CTC Fannings Rs 4.40 to Rs 4.70; Best Assam CTC BP Rs 5.00 to Rs 5.40 and Best Assam CTC Fannings Rs 5.00 to Rs 5.50.

In the Internal Sale, offerings were 25,651 packages of Dusts and 363 packages of Leaf grades. There was a good and general demand for Dusts. CTC teas with a clean leaf appearance opened fully firm to dealer; but eased towards the close. Fibrous types were, however, irregular.

Orthodox descriptions declined by 5 nP and sometimes 10 nP except for the brighter lines which were keenly competed for legg-cut varieties which were sold, but at irregular rates. The better liquoring lines were a little dearer. Following rates were quoted: Plain Orthodox Dust Rs 3.70 to Rs 4.00; Medium Assam Dust Rs 3.95 to Rs 4.15; Legg-cut Dust Rs 4.30 to Rs 4.70; Medium Assam CTC Dust Rs 5.60 to Rs 6.00 and Good Assam Dust Rs 6.30 to Rs 6.70. Leaf grades met with a fair demand.

Meanwhile, Indian tea exports to Italy has been showing a declining trend. According to reports reaching Calcutta from the Indian Embassy in Rome, the share of India in the total exports of tea to Italy is only 7 per cent, a fall of 3 per cent from the usual share of 10 per cent. This fall is attributed to the entry of Indonesia and West Germany in the Italian tea market. While the Indonesian tea is selling here at the rock bottom prices, the emergence of West Germany is explained by the role which Hamburg tea auctions are playing in releasing supplies within the EEC.

Italian market is traditionally dominated by the Ceylonese tea. The competition from Indonesia and West Germany has led to a decrease in the share of Ceylonese tea too. From 56.20 per cent, the share of Ceylon in the total Italian imports of tea has come down to 52.72 per cent. In the Cochin market, offerings

were 586,000 kilogrammes of Leaf tea. Demand was smaller than last week. Highgrown best liquoring teas were irregular following quality. Mediums and Good Mediums were 20 nP to 30 nP a kilo easier. Plain and Low Medium Fannings were 30 nP to 40 nP a kilo lower, while similar BOPs were neglected. Unorthodox types were steady. Against heavy withdrawals a large quantity of tea was sold below cost price.

There was again a discriminating demand at the auction held in Mincing Lane last week. Offerings were 79,502 packages. For North Indian descriptions, the market was irregular and lower, especially for thin plain liquoring invoices which were a weak feature. For any bright colour tea, a fair demand was forthcoming and prices for these tended to show resistance to the general trend.

The British African growths offered were sold on similar lines with withdrawals frequent among the plainer kinds. The better liquoring high

and medium growth Ceylon teas, however, met with strong competition at full rates, while colour sorts showed little change; but only a limited response was experienced for plain and thin kinds and prices were irregularly easier. South Indian teas were also irregular and lower, apart from those with useful leaf where fairly steady prices were obtained.

The price range for seasonal peak quality widened from 67 to 92 pence per pound against 70 to 92 pence in the previous week. Quality, medium and plain teas mostly recorded losses of fully 2 pence per pound.

Imports of tea into the UK from all sources over the January to October period of this year totalled some 449.1 million pounds against 404.9 million pounds over the corresponding period of last year. UK exports during January to October this year were just over 26 million pounds as compared with about 25 million pounds in the same 1960 period.

COTTON Steady Trend

Trading in the Bombay cotton futures market last week was restricted to four days on account of the "hartal" observed by the brokers and jobbers on Friday and Saturday as a mark of protest at the intervention of the authorities. Despite the meagre transactions that followed the imposition of special margins by the Forward Markets Commission, the sentiment in the market tended to rule generally steady. The market depicted fairly active trading conditions in the initial stages of the past week. The Jarilla March contract after opening at Rs 653 advanced further to Rs 657.25 and finished at Rs 656.25. The contract, however, forged ahead and on Tuesday last was quoted at Rs 664.50. Business transacted during the week under review was on the whole of a squaring-up nature and the

turnover amounted approximately to 30,000 bales.

Following the requisition drive initiated by the authorities the arrival of new cotton crop has undergone a distinct change. Recently mills have developed a preference for 197/3 cotton but scarcity of that growth is indicated in the crop movement at the terminal markets. The movement of kapas was restricted in terms of quantity and diverted in terms of quality. Growers have shown a general apathy to bring to the market that type of kapas which was eagerly sought after by the mills. Cotton merchants also were cautious in purchasing such types of cotton that are likely to be requisitioned by the authorities.

The spot market at Sewri depicted fairly active conditions. Needy mills were found anxious to make purchases of all the available lots of new crop at the prevailing prices. Spinner interest was particularly pronounced in Vijay/Digvijay, 197/3, L147, Kalyan, Moglai, CO 2 and Surti. Prices during the past week were marked higher by about 15 points per candy.

Fairly active business was conducted in East African and Sudan growths in the import section. American cotton also attracted the attention of the mills. Prices of these varieties remained steady.

The ceiling fixed for the registration of sales of Bengal Deshi was reached on the opening day of the past week. How far the balance of 25,000 bales will be utilised remains to be seen. According to the consensus the scope for further export of Bengal Deshi in view of the downward revision of this crop in Punjab and Rajasthan and the increasing tendency to mix it with long staple cotton appears to be remote.

The overall production of cotton textiles by the Indian mills in October last has been provisionally placed at 72 million kg (160 million pounds) of cotton yarn and 390 million metres (417 million yards) of cotton cloth.

At the end of the same month the composite mills of the cotton textile industry held an estimated stock of 1.75 metric lakh bales of cotton cloth as unsold and 1.69 lakh metric bales of cotton cloth as sold but not lifted.

The total production in the first ten months of the current year amounted to 711 million kg (1,569 million pounds) of cotton yarn and 3,923 million metres (4,290 million yards) of cotton cloth.

Exports of mill made cloth from Bombay in October 1961 shipped down to 35.51 million yards worth Rs 2.77 crores from 36.48 million yards valued at Rs 2.83 crores in the preceding month. While the exports of grey and coloured piecegoods declined slightly to 17.82 million yards and 10.76 million yards from 17.89

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million yards and 11.68 million yards respectively in the month under review, that of white piecegoods looked up nominally to 6.94 million yards from 6.91 million yards.

The earnings from exports of apparel and other textiles were also marked slightly lower at Rs 48.8 lakhs compared with Rs 51.1 lakhs.

In the first ten months of the current year, the exports of mill made cotton textiles from India aggregated 439.07 million yards valued at Rs 34.04 crores as against 498.37 million yards worth Rs 38.41 crores in the relevant period last year.

The cotton board has announced that the Spanish cotton industry has undertaken to restrict its exports of cotton yarn and piecegoods to the United Kingdom at the level of thirty per cent below the 1960 level. The present arrangement which came into force from the commencement of October 1961 will continue for one year. The exports of cotton from Spain to the United Kingdom have registered a marked improvement since 1959 and exports in 1960 aggregated 64 million square yards.

Piecegoods

Trading in the Bombay piecegoods market turned out to be a dull and drab affair. Demand in both the export and domestic sections was few and far between with the result that the total off-take was meagre and the stocks piled up with merchants and mills. Demand from the upcountry centres failed to flow on an encouraging level despite the stray inquiries from Rajasthan, UP, and Bihar. The reluctance of up-country dealers to enter into bulk purchases was largely ascribed to the stringency prevailing in the money market.

Prices in respect of mill made varieties, however displayed mild variations. A few popular varieties of standard quality were reported to have quoted at 5 to 10 per cent higher than the ex-mill rates, while some sorts were offered at 2 to 5 per cent below the ex-mill prices. On the other hand, prices of power loom goods ruled firm. The turnover of power loom saris and dhoties was fairly maintained.

On the export front, enquiries from almost all the overseas countries were reported during the past week, though the actual business transacted was far from encouraging. Stray bookings in grey sheetings were made for the United Kingdom. Italy, Burma and Singapore also evinced some interest in grey goods. Continental countries directed their attention on grey canvas and long cloth. Enquiries from South Africa were meagre presumably due to the competitive prices quoted by other exporting countries like Japan and Pakistan.

Fall in Coffee Output Expected

ACCORDING to a report issued from Coimbatore, the Coffee crop for the current year is expected to be about 28 per cent less than that of last year. The crop for 1961-62 will be about 49,000 tonnes as against 68,000 tonnes in the previous year. It may be added that the crop for last year was an all-time record.

About 20,000 tonnes of the current year's crop—about 40 per cent of the total production—will be earmarked for export. The bulk of the exportable coffee will be of the Plantation variety. About 12,000 tonnes of this variety will be reserved for consumption in the country.

The Robusta coffee yield is not expected to be more than 17,000 tonnes, forming about 60 per cent of the previous year's yield. Part of last year's exportable robusta coffee is expected to be diverted for internal consumption this year, making up about 19,000 tonnes for the country's market for the current year.

The industry has a problem of disposing of large stocks of Robusta grades, as plantation varieties have been exported in large quantities and the balance available has been easily absorbed by the internal market. But, sales to export markets were not attractive due to a glut of world supplies.

The shortage of Plantation grades has latterly been reflected in higher prices in the internal market. But, with rising costs of production and a loss incurred in most cases on Robusta sales, it is expected that the average price for the 1960-61 crop will not be more than Rs 1.90 per pound. It is stated that there are not many producers who have got a cost of production very much lower than this figure.

PEPPER

The new Pepper season has started on a discouraging note. Despite sizable exports and fair indigenous consumption during the season ended 31 October 1961, Malabar black Pepper now receives virtually no buying support from abroad. The present behaviour of the market discloses the buyers' confidence in supply. In the Cochin market, the rate is quoted around Rs 320 per quintal for the ready position and Rs 318 for the December delivery.

Various factors have contributed to the present dull state of the market. First, the US buyers are holding back and are watching developments in markets of origin. Secondly the situation in Singapore is rather intriguing. Although a greater part of the stock is in strong hands and production of Lampung is over, the Singapore market is slowly giving way. Finally, the Chinese dealers, who were having monopoly in pepper trade are annoyed over the entrance of the Government-sponsored Indonesian pepper-dealing firm into their field of activity and are trying to wreck it.

According to certain reports, the Indonesian trading agency is now

trying to win over Communist countries of Eastern Europe by offering the commodity at cheap rates. If the negotiations between them materialise, there will be stiff competition between Indonesia and India in the coming months in selling pepper to the Communist countries.

Market circles in Cochin have stated that forward sales in Malabar black pepper are really inadequate to cushion off the impact of the new arrivals which have started. The present position is thus none too encouraging. At the same time, it is too early to jump to any conclusion about the long-term prospects.

GINGER

The marketing of Ginger has gathered momentum in the primary markets, halting the uptrend in prices witnessed since Diwali. Though the prices have not registered any fall, the sentiment in the market has become cautious in anticipation of a downturn.

Cochin, the main terminal centre, is reported to be receiving about 500 bags a day on an average and within a short time arrivals there are likely to grow larger. The inflow into the Bombay market is also picking up, the receipt at present being about 400 bags a day.

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The impact of the increasing arrivals of ginger on the market; because the demand from the local trade is brisk and absorbs the entire receipt, leaving nothing to add to the floating stock. However, seems that the bull phase, seen during the last few days has come to an end. Local support will be reserved in the next few weeks, as traders like to wait till the prices come to a more reasonable level and reflect the pressure of the crop, which is stated to be the same magnitude as in the last season. This apart, activity on the export front is negligible and the commodity may not be much in demand so far as shippers are concerned.

RUBBER

The shortage of Rubber continues to be keenly felt. With a rising output of tyres and tubes and various rubber components, it is expected that there will be a further increase in consumption. Even in 1960, was found necessary to permit imports for about Rs 11 crores and is stated that the gap between the output of natural rubber and consumption is as much as 30,000 tons. By 1965-66, total consumption is expected to be 100,000 tons with a possibility of a significant increase in the output of the rubber estate.

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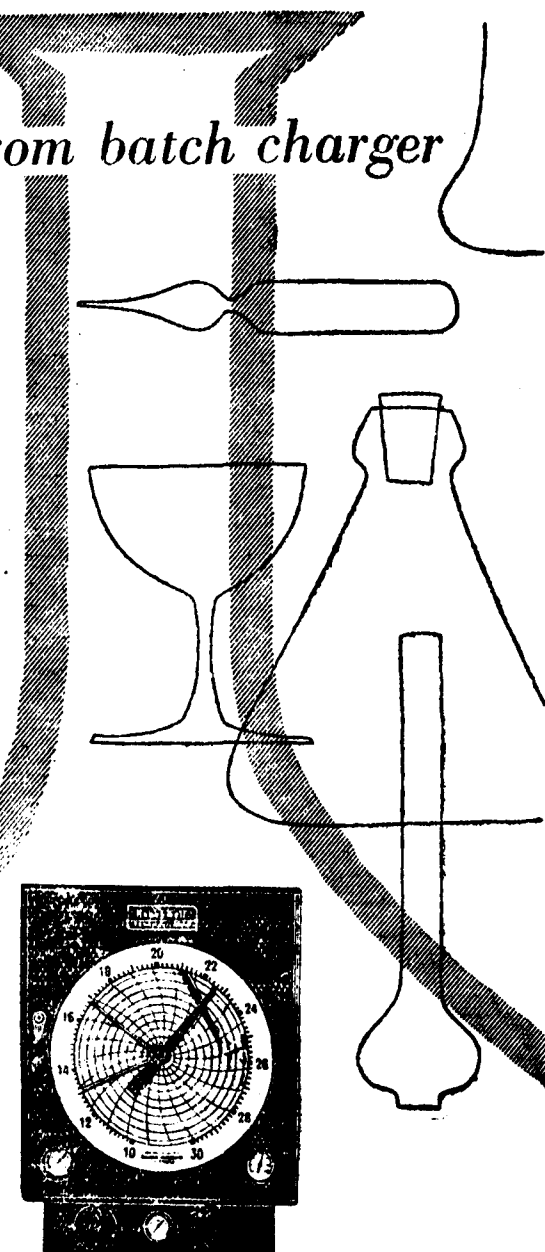
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M. J. Mukherjee
General Manager

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Their replantation programme has only recently got into stride and it may be several years before India can expect to bring about a sharp rise in indigenous production of natural rubber.

SUGAR

According to the figures released by the Indian Sugar Mills Association, total production for the season 1960-61 up to 31 October 1961 amounted to 2,978,000 tons as against 2,420,000 tons in the previous season. This excludes 55,000 tons produced by the factories for 1961-62 season prior to November 1961 as against 54,000 tons produced by the same date last season.

The offtake of sugar from the factories during October was 285,000 tons as against 173,000 tons in October last year. Total despatches including exports up to 31 October were 2,385,000 tons as against 2,021,000 tons. The closing stock (including new season's production) of sugar as on 31 October was 1,185,000 tons as against only 595,000 tons on the corresponding date of last year.

In the wake of the prospects of a reduction of excise duty on the sweet commodity, a further quota of sugar for sale by the factories in the open market, has been released by the Government. This has robbed the market of a measure of stability which it was beginning to show in the preceding week. The market was expecting that, in view of the declining trend in sugar prices, the release of sugar quota will be delayed for some time. But,

contrary to this expectation, the quota has now been released. This has unnerved the traders as it has become difficult for them to make any commitments. The general feeling among the traders is that it will not be wise to keep a big stock and that it will be advisable to buy only for the immediate requirements.

Thus, the immediate outlook for the industry is obscure and there is great concern on the part of even the efficient producers over the decline in prices that has been taking place in recent weeks. With heavy interest charges incurred on accumulated stocks and the payment of high prices for cane, it is pointed out that mills have been affected by restricted sales and huge losses on exports. It is felt that there cannot be any significant reduction in stocks so long as the output remains at a high level and internal consumption is not much more than 2,100,000 tons annually.

The restriction of the cut of 50,000 ton in the US quota has been welcomed. But, it is argued that exports in 1962 cannot be raised appreciably if the present conditions in the internal markets continue to be in evidence. A larger US quota will certainly be helpful; but the prospects for the industry will improve only if the Government decide on a sizable reduction in the excise duty at an early date.

The ISMA has also urged that Central Government to reduce the Third Plan sugar target to 3,000,000 tons in view of the problems of surplus stocks, lower internal consumption

and limited scope. The internal consumption of 20.66 lakh tons was lagging behind the Second Plan target of 2,250,000 tons. The Association feels that it will be a sound policy to let consumption increase before expanding production capacity. The stock it holds at present can afford a safe cushion for any sudden spurt in consumption.

NON-FERROUS METALS

Price in the Bombay Non-Ferrous Metal market showed a mixed trend. Tin prices presented a steadier appearance, being influenced by the local speculative support, better spot advices, encouraging reports from the upcountry centres and higher price trends in London and Singapore.

In the Copper section, price movements were mostly confined to narrow limits in the absence of outside incentive. Bulls were inclined to unload partially, even though the ready reports were by no means discouraging.

Increased offerings and slackened buying caused a sharp fall in the Zinc section. The burden of large stocks seemed to have had an adverse effect on sentiment. Advices from foreign countries were also depressing. Lead prices have not shown much change over last levels.

On the London Metal Exchange, the recent persistent talk about the current shortage of Tin has taken on a more moderate tone of late. Supplies are obviously still short, or else prices would not be as high as they are. But some people have begun to wonder whether the scarcity is quite as bad as was earlier supposed. The US tin consumption showed a 10 per cent drop in September and, even taking the first nine months of this year as a whole, the use of tin in the USA is down on last year's level.

The consumption in the UK has also declined, while the demand from the Continent has been slack of late. Nevertheless, a report issued by a leading metal dealer shows that the tin situation is still as serious as ever. World tin production has fallen over the past ten years, while consumption has gone up. In its view, the US stockpile sales will still be needed to relieve the position.

In the case of Lead, international traders see signs of some improvement in the short-term prospects for the metal following the recent steady drop in world stocks and improvement in the prices on the London Metal Exchange from their 15-year low earlier this month. The demand from manufacturers has tended to become firmer and this has been reinforced on the British market by some shortage of Commonwealth metal—Britain's main source of supply.

Copper prices have maintained a steady undertone. Although supplies are plentiful, sellers are reluctant to operate in view of the Katanga situation and the possibility of a New Year strike in Chile.

GOLD & SILVER

After ruling initially firm, prices on the Bombay Bullion Exchange displayed a slightly easier tendency towards the close.

Silver prices spurted following reports that President Kennedy had decided to stop the Federal sale of silver from its stockpile. Operators from Calcutta, Delhi and Rajasthan were the main buyers, while the bears were virtually squeezed out to cover their outstandings. Better ready off-takes also aided the sentiment. Arrivals amounted to 22 bars as against an off-take of 12 bars. Ready (below .996) changed hands at Rs 212.10 to Rs 212.45.

The Gold section, however, ruled easy, mainly on account of the rising floating stocks and lack of sufficient off-take in the ready section. Arrivals of contraband gold remained heavy, which steadily brought down prices. Moreover, some short selling was also effected. Arrivals totalled 8,000 tolas against an off-take of 5,000 tolas. Ready changed hands at Rs 120.60 to Rs 120.85, while Sovereign ruled steady at Rs 98.50.

OILS & OILSEEDS

The stringent restrictions enforced by the Forward Markets Commission about a month ago in order to arrest the rise in groundnut and groundnut oil prices have apparently failed. On Saturday last, the rate crossed the official ceiling and was placed at Rs 217 in groundnut and Rs 17.85 in groundnut oil in private dealings.

The present rise in futures prices has been mainly influenced by the strength in the spot market rather than any speculative manoeuvring. The January contract mustered strength and steadily advanced to the limit set for it. The contract was obviously inspired by the firm advices from expeller industry and the ready section. The strength in ready prices, despite the bumper crop estimate in the new season, has been mainly caused by the abnormal change in the process of the marketing of the new crop. Farmers, too, preferred to withhold their stocks, apparently hoping that the scarcity, created by their action, will help them to obtain higher prices. Again, vanaspathi manufacturers, in order to meet the rising demand, have also buying groundnut at rising prices. Above all, the exporters, who have substantial commitments abroad in groundnut HPS groundnut expeller and extraction, are frantically buying in order to fulfill their contractual obligations. There is thus a scramble to cover raw groundnut or expeller in the ready market, while supplies are limited owing to the slow marketing tactics of the farmers. Ready Groundnut Bold is quoted at Rs 46.50 and Groundnut Oil at Rs 19.10.

Castorseed, though marched forward in keeping with the general trend in the market, lacked the basic strength of groundnut. The lull on the export front and the bright crop prospects were the main restraining factors. Castorseed ready was quoted at Rs 32.82 and Castor Oil, commercial quality, at Rs 13.75.

Although Linseed looked up in sympathy with the rise in the prices of groundnut and castorseed, it could not attract the attention of the speculators. Linseed ready was quoted at Rs 44 and Linseed Oil at Rs 18.38.

Company Reports

Gillanders Arbuthnot Pays More

DESPITE the fact that there has been no relaxation in the Government's policy of restricting imports, the sales organisation of Gillanders Arbuthnot & Company Limited has improved its turnover, although there has not been a corresponding increase in the net profit for the year ended 31 March, 1961. Sales are shown at Rs 1.82 crores against Rs 1.76 crores, while the net profit, after providing for Depreciation and Taxation, is slightly lower at Rs 14.58 lakhs against Rs 15.17 lakhs for the preceding year.

In respect of allocations, General Reserve is maintained at Rs 3 lakhs, while the provision for Development Rebate Reserve is higher at Rs 4,553 against Rs 4,200. The Depreciation amount is reduced to Rs 2.11 lakhs from Rs 2.23 lakhs and Taxation to Rs 10.37 lakhs from Rs 11.54 lakhs for the preceding year.

In respect of allocations, General Reserve is maintained at Rs 3 lakhs, while the provision for Development Rebate Reserve is higher at Rs 4,553 against Rs 4,200. The Depreciation amount is reduced to Rs 2.11 lakhs from Rs 2.23 lakhs and Taxation to Rs 10.37 lakhs from Rs 11.54 lakhs. No allocation is made for Contingency Reserve against Rs 1.00 lakh.

A sum of Rs 5.83 lakhs, realised as profit on the sale of investments and the Rangoon House Property, is transferred to Capital Reserve. The dividend on the Ordinary shares is increased by 1 per cent to 11 per cent, subject to tax.

In connection with the recent formation of some new companies, the directors state that the Adequate Weighters (India) Limited will start production early in 1962 as the necessary licences have now been obtained. The factory of the Indian Tack and Nail Company Limited, which was started in collaboration with a British firm, is almost complete at Konnagar and production is expected to start early next year.

The directors are in consultation with several foreign manufacturers and a new joint company, to produce a wide range of specialised chemicals, will be floated within the next few months.

Against a paid-up capital of Rs 90 lakhs, General Reserve is shown at Rs 28 lakhs; Capital Reserve at Rs 5.83 lakhs; Contingency Reserve at Rs 6 lakhs; Investment Depreciation Reserve at Rs 7 lakhs and Development Rebate Reserve at Rs 28,753. The gross block at Rs 31.82 lakhs is depreciated by Rs 17.29 lakhs, leaving a net block of Rs 14.53 lakhs.

Board of Directors.			
Year ended March.	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	16,223,572	17,645,964	18,758,086
Agency Commn. & Allowances	4,098,328	3,715,485	3,250,219
Interest, Div. and Misc. Incomes	2,097,708	2,152,543	1,808,256
Stocks	3,113,310	3,113,310	3,376,795
Net profit	3,290,049	2,849,000	2,555,250
Taxation	1,037,551	1,153,841	1,191,318
Wealth Tax	...	...	10,050
Depreciation	211,347	223,191	248,226
Reserve Fund Development Rebate Reserve	300,000	300,000	200,000
Other Funds	582,840	100,000	100,000
Div. A'mt. Ord.	1,021,429	928,572	650,000
Div. A'mt. Pref.	111,000	125,000	125,000
Carry Forward	192,551	171,222	157,026
Div. % Ord.	11T	10T	10
Div. % Pref.	5T	5T	5T

(Annual General Meeting on 21-12-61 at 12.45 p.m.)

Synopsis of balance sheet as on the last day of

March.	1961	1960	1959
	Rs.	Rs.	Rs.
Liabilities:			
Capital P'up:			
Ordinary	2,500,000	2,500,000	2,500,000
Capital Reserve	582,840	6,500,000	6,500,000
Reserve Fund	2,600,000	2,300,000	2,000,000
Other Funds	1,323,753	1,324,200	1,920,000
Loans Secured	5,829,442	4,566,506	123,267
Loans Unsecured	5,301,471	9,976,159	12,234,123
Taxation Provn.	3,416,906	4,317,573	3,496,446
Debts	9,482,799	8,191,606	7,585,158
Carry Forward	192,551	171,222	157,026
Total	37,714,762	39,847,260	36,566,020

Assets:	1961	1960	1959
	Rs.	Rs.	Rs.
G. Block	3,181,679	3,057,755	2,997,548
Depreciation	1,728,900	1,591,667	1,424,655
Block (net)	1,452,779	1,466,088	1,572,893
Goodwill	1,800,000	1,800,000	1,800,000
Stores	184,362	212,554	242,850
Stocks	3,558,700	3,113,310	3,376,795
Outstandings	300,856	8,233,041	7,628,493
Do More than 6 months	7,594,499	...	...
Mis. Deposits and Advances	9,263,583	10,756,460	9,051,942
Investments	12,270,268	11,559,127	11,482,204
Cash	1,329,735	2,706,680	1,410,843
Total	37,714,762	39,847,260	36,566,020

Great Eastern Shipping Pays Less

The steady loss in coastal operation is reflected in the working results of the Great Eastern Shipping Company Limited for the year ended 30 June, 1961. The dead-weight tonnage under operation decreased from 1,32,265 tons in 1959-60 to 1,15,294 tons in the year under report. The gross freight and charter hire earnings were only Rs 2.84 crores against Rs 3.30 crores.

The gross profit, before providing for Fleet Depreciation, Development Rebate Reserve, adjustment of loss on the sale of a vessel and managing agents' minimum remuneration, stands at Rs 69.48 lakhs as against Rs 83.58 lakhs. After providing fleet depreciation of Rs 58.26 lakhs (Rs 61.76 lakhs), the loss of Rs 13.91 lakhs on scrapping of s.s. "Jag Janani" and the managing agents' minimum remuneration of Rs 50,000 (Rs 1.95 lakhs) and after taking into account of Rs 5.35 lakhs being estimated refund of Burma Income-tax, there is a surplus of Rs 2.16 lakhs.

The directors have, however, thought it prudent to debit Rs 9 lakhs (Rs 32.85 lakhs) to the Profit and Loss Account as Development Rebate Reserve towards unabsorbed development rebate. This provision and the exclusion of the Burma Income-tax Refund, which relates to previous years, bring about a deficit for the year under report, amounting to Rs 12.19 lakhs as compared with the deficit of Rs 12.99 lakhs in respect of the previous year.

The directors have proposed the transfer of Rs 7.85 lakhs from the General Reserve No. 2 to the Profit and Loss Account to cover the deficit for the year under report. After adjusting the deficit of Rs 6.84 lakhs and adding the amount of Rs 85,549 carried forward from the previous year's account, there will be a surplus of Rs 1.86 lakhs, which the directors propose to carry forward.

The directors have again transferred Rs 5.22 lakhs from the Reserve of Exempted Profits and Rs 3,58,750—from the Dividend Equalisation Reserve to pay the dividends of Rs 5.50 per share on the Preference shares and 78 p per share on the Ordinary shares (against Re 1.00 paid previously).

Mg. Agents:—A. H. Bhiwandiwala & Co. (Bombay), Private Ltd.

Year ended June	1961	1960	1959
	Rs.	Rs.	Rs.
Operation Earnings	28,586,845	33,652,496	29,800,24
Agency Earnings	362,927	383,801	386,38
Interest	754,608	657,180	1,095,61
Net profit	7,757,461*	10,335,216*	9,817,269
Taxation	...	...	9,01
Depreciation	5,876,510	6,215,193	5,131,76
Development Rebate Reserve	900,000	3,285,000	2,950,00
Other Funds	...	5,214	...
Div. A'mt. Ord.	702,000	900,000	1,350,00
Div. A'mt. Pref.	179,750	178,750	196,43
Carry Forward	185,750	85,549	334,49
Div. % Ord.	7.8T	10	1
Div. % Pref.	7.15T	7.15T	5

(Annual General Meeting on 21-12-61 at 5 p.m.)
*After transferring Rs 784,586 from General Reserve No. 2; Rs 522,000 from Reserve of Exempted Profits; and Rs 358,750 from Dividend Equalisation Reserve.

*After transferring Rs 1,100,000 from Deferrex Taxation Reserve and Rs 1,037,500 from Reserve of Exempted Profits under Section 15C.
*After transferring Rs 1,500,000 from General Reserve.

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

Liabilities:	1961	1960	1959
	Rs.	Rs.	Rs.
Capital P'up:			
Ordinary	2,500,000	2,500,000	2,500,000
Ord. % Rs 10	6,000,000	6,000,000	6,000,000
Ord. % Rs 5	3,000,000	3,000,000	3,000,000
Capital Reserve	42,014	42,014	42,014
Reserve F'd. No. 1	1,120,748	6,494,786	7,500,000
Reserve F'd. No. 2	5,800,000	...	...
Other funds	13,839,683	15,085,768	12,933,053
Loans Secured	34,746,109	44,000,728	44,000,728
Taxation Provn.	1,050,000	1,050,000	1,050,000
Debts	12,085,540	9,261,852	11,000,000
Carry Forward	185,751	132,013	334,490
Total	77,929,845	87,567,161	90,277,430

Assets:	1961	1960	1959
	Rs.	Rs.	Rs.
G. Block	83,355,977	85,180,150	87,620,428
Depreciation	25,576,629	21,553,554	14,400,000
Block (net)	57,780,348	63,626,596	70,183,881
Stores	200,155	55,543	116,005
Outstandings	3,087,359	2,427,556	1,768,947
Do More than 6 months	815,195	...	...
Mis. Deposits and Advances	1,604,274	2,618,202	2,418,737
Investments	79,750	79,750	273,750
Deposits in Banks	12,150,000	13,478,691	14,545,000
Cash	2,242,764	280,823	963,410
Total	77,929,845	87,567,161	90,277,430

Lower Profits for India Jute

Despite a rise in sales from Rs 2.20 crores to Rs 3.30 crores, the India Jute Company Limited has reported a marked decline in the net profit from Rs 36.45 lakhs to Rs 28.21 lakhs for the year ended 31 March, 1961.

In respect of allocations, a sum of Rs 8.81 lakhs (Rs 6.99 lakhs) is provided for Depreciation; Rs 8.25 lakhs (Rs 11.48 lakhs) for Taxation and Rs 1.25 lakhs (Rs 1.44 lakhs) for Development Rebate Reserve. A sum of Rs 3.50 lakhs is set apart for Contingency Reserve. The dividend on the Ordinary shares is, however, raised from 12 to 14 per cent, subject to tax.

The directors state that the prospects for the current year are somewhat more encouraging in view of the possibility of simultaneous business being done at a profit. The modernisation of the Preparing and Spinning departments of the jute mill section progressed satisfactorily during the period under review.

It has been decided to sale No. 3 mill's land, building and electrical installation to the Madras Mills Company Limited for a consideration of Rs 10 lakhs.

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The National Industrial Development Corporation Limited has now released the property and the legal formalities for the former transfer of the property are now in the closing stages and consequently this transaction will be given effect to in the next year's accounts.

The company has commenced production of yarn in the cotton mill. There are now 15,100 spindles operating in this mill on treble shift basis and the working of this unit is progressing satisfactorily. The modernisation of this mill is under implementation and satisfactory progress has been made in the Spinning and Preparing departments. The proposed loan from NIDC has not yet been finally sanctioned; but negotiations have reached the stage where this is expected to be done shortly.

Board of Directors.			
Year ended March.	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	32,964,840	21,997,931	21,598,765
Interest, Div. and Sale of Loom Hours	1,437,126	1,769,481	1,499,491
Stocks	2,634,526	671,749	587,853
Net profit	2,820,877	3,644,571	2,680,808
Taxation	825,000	1,148,000	1,039,859
Wealth Tax			74,115
Depreciation	881,148	698,674	541,855
Development Rebate Reserve	135,000	143,500	181,500
Other Funds	350,000		
Div. A'mt. Ord.	1,047,600	1,222,200	866,016
Carry Forward	76,164	494,235	62,038
Div. % Ord.	12T	14T	9.92

(Annual General Meeting held on 30-11-61).
*After transferring Rs 150,000 from Contingency Reserve.

Synopsis of balance sheet as on the last day of March

Liabilities			
	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid-up	8,730,000	8,730,000	8,730,000
Capital Reserve	21,493	21,493	21,493
Other Funds	2,842,473	2,157,472	2,013,972
Loans Secured	6,048,127	3,883,734	3,952,256
Taxation Provn.	1,069,878	1,224,011	1,543,202
Debits	5,738,267	3,180,662	1,464,536
Carry Forward	76,164	494,235	62,038
Total	24,326,401	19,191,607	17,787,497
Assets.			
	1961	1960	1959
	Rs.	Rs.	Rs.
G. Block	18,683,015	17,480,629	15,285,168
Depreciation	10,904,190	10,024,542	9,325,868
Block (net)	7,778,825	7,456,087	5,959,300
Stores	918,088	879,421	589,117
Stocks in Progress	671,854	283,831	251,975
Raw Materials	2,575,050	2,385,899	3,907,038
Stocks	2,634,526	671,749	587,853
Outstandings	4,946,559	2,291,686	2,385,657
Do More than 6 months	42,430		
Mis. Deposits and Advances	1,193,989	1,767,804	517,683
Investments	3,322,884	3,332,893	3,337,934
Cash	242,186	142,237	250,940
Total	24,326,401	19,191,607	17,787,497

Loom Project Expansion of Megna Jute

The modernisation of the Preparing and Spinning departments of the Megna Mills Company Limited has progressed satisfactorily and the first phase of the Broad Loom Project consisting of 50 Broad Looms and ancillary machinery was completed during the year ended 31 March 1961. Installation of a further 50 Broad Looms and ancillary machinery for the manufacture of Tufted Carpet Backing has now been taken in hand and 3 looms have already been installed and gone into production. The NIDC have agreed to grant a loan of Rs 10 lakhs to meet part of the cost of the Broad Loom Project expansion and the necessary formalities are now in the course of finalisation.

In connection with the establishment of a Paper and Pulp Mill in Assam, the directors state that the negotiations with the Government of Assam in regard to the selection of a site and the lease of the necessary bamboo forests have reached a closing stage.

Meanwhile, sales for the year ended 31 March 1961 have shown a rise to Rs 4.87 crores from Rs 3.52 crores, while the net profit, before providing for Depreciation and Taxation, is higher at Rs 28.84 lakhs as against Rs 27.74 lakhs for the preceding year.

In respect of allocations, the Depreciation amount is raised to Rs 11.04 lakhs from Rs 9.90 lakhs and Taxation to Rs 17 lakhs from Rs 3.79 lakhs. The provision for Development Rebate Reserve is lowered to Rs 3.31 lakhs from Rs 6.51 lakhs, while a sum of Rs 7.00 lakhs is set apart for Contingency Reserve. The dividend is raised by $\frac{1}{4}$ per cent to 12 $\frac{1}{2}$ per cent, less tax.

Board of Directors.			
Year ended March	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	48,743,172	35,152,963	37,725,085
Interest, Mis. Incomes & Sale of Loom Hours	742,967	1,150,078	2,098,341
Stocks	5,050,107	2,509,598	2,918,834
Net profit	4,883,771	2,774,131	2,941,934
Taxation	1,700,000	378,725	1,159,888
Wealth Tax			64,377
Depreciation	1,104,209	990,000	735,592
Development Rebate Reserve	331,106	650,640	284,000
Other Funds	70,000		
Div. A'mt. Ord.	1,020,650	979,824	816,526
Carry Forward	84,805	56,999	282,057
Div. % Ord.	12 $\frac{1}{2}$ T	12T	10

(Annual General Meeting held on 30-11-61).
Synopsis of balance sheet as on the last day of March.

Liabilities.			
	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid-up	8,165,200	8,165,200	8,165,200
Capital Reserve	176,441	176,441	176,441
Other Funds	4,318,586	3,287,490	2,636,850
Loans Secured	13,749,167	11,526,082	9,296,489
Loans Unsecured			300,000
Taxation Provn.	1,778,715	509,287	1,694,634
Debits	4,738,423	4,045,328	3,729,708
Carry Forward	84,805	56,999	282,057
Total	33,011,342	27,766,807	26,281,359
Assets.			
	1961	1960	1959
	Rs.	Rs.	Rs.
G. Block	28,824,106	27,091,429	23,462,530
Depreciation	16,872,214	15,568,005	14,589,024
Block (net)	12,151,892	11,523,424	8,873,506
Stores	831,053	991,141	973,906
Stock in Progress	983,467	385,989	524,067
Raw Materials	6,590,781	6,636,385	7,247,721
Stocks	5,050,107	2,509,598	2,918,834
Outstandings	5,718,501	3,771,181	3,947,747
Do More than 6 months	166,629		
Mis. Deposits and Advances	1,174,242	1,416,528	1,111,388
Investments	25,518	25,518	25,518
Deposits in Banks	129,400	129,400	129,400
Cash	239,752	377,633	529,868
Total	33,011,342	27,766,807	26,281,359

Beharil Mill Skips Dividend Again

There was a general improvement in the working of the Beharil Ramcharan Cotton Mills Limited during the year ended 31 March 1961, and this is reflected in the rise in sales from Rs 1.73 crores to Rs 1.90 crores and in the net profit from only Rs 1.43 lakhs to as much as Rs 10.44 lakhs.

After providing Rs 4.95 lakhs for arrears of Depreciation up to 31 March 1960 and Rs 3.38 lakhs for Depreciation for the year ended 31 March 1961 and Rs 11,860 for Development Rebate, the directors have carried forward the balance of Rs 3.00 lakhs to next year without paying any dividend.

The directors state that the working during the current year also has so far been encouraging and satisfactory. The feel that the company has now turned the corner and may look forward to better results in future.

Board of Directors.			
Year ended March.	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	18,965,591	17,187,484	14,646,779
Stocks	4,425,124	2,662,722	2,996,223
Net profit	1,044,373	142,728	—693,216
Depreciation	832,276		
Development Rebate Reserve	11,860	43,300	
Carry Forward	299,686	99,428	1,300,519
Div. % Ord.	Nil	Nil	Nil
Div. % Pref.	Nil	Nil	Nil

(Annual General Meeting on 11-12-61 at 4 p.m.)
*Includes Rs 494,540 being arrears of depreciation from 1-4-1967 to 31-3-1960.
*This debit balance has been set off against General Reserve.

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

Liabilities.			
	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid-up	1,000,000	1,000,000	1,000,000
6% C. Pref.	4,000,000	4,000,000	4,000,000
Ordinary			
Share Application Money	800,000	800,000	800,000
Reserve Fund	299,481	299,481	1,600,000
Other Funds	855,160	843,300	800,000
Loans Secured	4,480,709	3,376,503	995,406
Taxation Provn.	167,630	153,230	
Debits	2,290,387	2,137,418	3,235,518
Carry Forward	299,686	99,428	
Total	14,173,012	12,709,360	12,430,924
Assets.			
	1961	1960	1959
	Rs.	Rs.	Rs.
G. Block	12,107,426	12,038,485	11,820,968
Depreciation	8,520,253	7,705,954	7,724,952
Block (net)	3,587,173	4,332,531	4,096,016
Stores	752,570	637,843	674,846
Stock in Progress	381,227	393,506	392,129
Raw Materials	2,872,078	2,091,040	42,180
Stocks	4,539,167	2,678,284	3,113,761
Outstandings	365,058	467,909	614,969
Do More than 6 months	21,633		
Mis. Deposits and Advances	1,169,582	1,631,766	1,722,752
Investments	455,742	455,742	455,742
Cash	38,802	20,759	18,068
Debit Balance			1,800,519
Total	14,173,012	12,709,360	12,430,924

General Tyres Limited

General Tyres Limited has presented its report and accounts for the period from 14 June 1960, being the date of incorporation, to 30 June 1961. The working of the company for this period has resulted in a loss of Rs 1,05,205 after providing Rs 1,337 or Depreciation and Rs 8,000 for Taxation.

Against a loan of Rs 60 lakhs sanctioned by the Industrial Finance Corporation of India, a sum of Rs 25 lakhs was drawn up to the end of the period under review. The said Corporation has also furnished a Deferred Payment Guarantee for 39.62 lakhs in respect of plant and machinery to be imported from Czechoslovakia.

Since 30 June 1961, further progress has been achieved in respect of civil engineering work relating to construction of buildings, roads, drains, etc.; further consignments of plant and machinery have been shipped; sanction has been received from the Government of West Bengal for the supply of electric power and two senior technical personnel have been deputed for technical training in Czechoslovakia.

For the Investor

INVESTMENT GOSSIP Market Rudely Shaken

It is not surprising that the stock market had been rudely shaken by the recent developments with regard to Goa and Sino-Indian relations. Perhaps the reactionary trend had been taken too far but there was nothing to stop the bears from doing what they liked with the market in the first two days of the week as bulls were quite unnerved by the developments. On both the issues facing it, the Government of India has taken firm action. When the market came to know that preparations were afoot by India to meet any possible emergency in Goa, sentiment appeared to recover after the initial shock but when it became known that China had threatened to send its troops across the border into India if India continued what China termed "the military activities in the Himalayan region" there was panic in the market. A similar trend prevailed in the commodity markets also. Bulls were taken completely by surprise by the news as was evident from the heavy unleashing. It was a field day for bears who hammered down the prices to new low levels before steps could be taken to stop them from unduly depressing price levels. The reactionary trend would have continued unchecked but for the measures taken by the stock exchange authorities. In Lyons Range, the Calcutta Stock Exchange imposed margins on sales of all shares in the Forward list. The announcement that the scheme of automatic margins would come into effect from Friday soon followed. The Bombay Stock Exchange announced on Wednesday that the system of automatic margin would come into effect on Dalal Street from next Monday.

Sentiment toward the close of the week shows some improvement with the more speculative issues regaining part of their heavy losses. Now that the scheme of automatic margins has been brought into force, very wide fluctuations may not be witnessed. The improvement noticeable in the past two days may prove shortlived if there is any further disturbing political news. The trend in the next few days will depend on the news about Goa and our northern border. In the absence of any disquieting development, sentiment may be expected to improve gradually as the recovery movement will be helped by the continued encouraging corporate news.

NEW ISSUE NOTES

Jeewanlal (1929) Limited

Jeewanlal (1929) Limited has been given sanction by the Controller of Capital Issues to issue 3,80,000 equity shares of Rs 10 each for cash, at par, payable in two instalments of Rs 5 per share; and 18,000—3 per cent Cumulative Redeemable Preference shares of Rs 100 each for cash, at par, payable in three instalments of Rs 30, Rs 25 and Rs 25 per share respectively.

Both the equity and preference shares will be offered initially to the existing equity shareholders or their nominees. In the event of all or any of the shares not being taken up by the existing shareholders or their nominees, it is proposed to offer the same to the public as the company intends to have its shareholdings as broad based as possible.

The amount required by the company in connection with the establishment of the new Rolling Mill is estimated to be over Rs 2 crores. Part of the above requirements will be financed by the proposed issue of Rs 54 lakhs and the balance to be met with by loan. It will, therefore, be necessary to import machinery and plants from the UK and Germany for manufacturing rolled aluminium to the extent of Rs 90 lakhs. Application for import licences, in this connection, has also been made; and the Central Government has agreed to grant licences to import 2,000 tonnes of aluminium ingot each year. The Aluminium Laboratories Ltd., Canada, one of the Aluminium Ltd. group of companies have agreed to collaborate with Jeewanlal for all the technical know-how etc. and to set up a plant in a most up-to-date fashion to ensure economic working and production.

In view of the rapid increase in the consumption of aluminium products, both for domestic and industrial purposes, Jeewanlal's new venture is welcome.

India Carbon

The subscription list of India Carbon Limited was opened on Monday this week. The response to the issue on the first day itself was overwhelming. There are reports that the issue may be over-subscribed by nearly 40 times. Unofficially, the rate is quoted at Rs 7 premium.

Hicks Thermometer

Allotment details with regard to the recent issue of Hicks Thermometer (India) Limited are now released. Those applicants who applied for 50 to 100 shares will get 20

shares—200 to 300 shares—25; 400 shares—300 to 500 shares—50; 500 to 800 shares—75; 800 to 1,100 shares—100; 1,100 to 1,400 shares—125; 1,400 to 1,700 shares—150; 1,700 to 2,000 shares—175; 2,000 to 2,300 shares—200; 2,300 to 2,600 shares—225; 2,600 to 2,900 shares—250; 2,900 to 3,200 shares—275; 3,200 to 3,500 shares—300; 3,500 to 3,800 shares—325; 3,800 to 4,100 shares—350; 4,100 to 4,400 shares—375; 4,400 to 4,700 shares—400; 4,700 to 5,000 shares—425; 5,000 to 5,300 shares—450; 5,300 to 5,600 shares—475; 5,600 to 5,900 shares—500; 5,900 to 6,200 shares—525; 6,200 to 6,500 shares—550; 6,500 to 6,800 shares—575; 6,800 to 7,100 shares—600; 7,100 to 7,400 shares—625; 7,400 to 7,700 shares—650; 7,700 to 8,000 shares—675; 8,000 to 8,300 shares—700; 8,300 to 8,600 shares—725; 8,600 to 8,900 shares—750; 8,900 to 9,200 shares—775; 9,200 to 9,500 shares—800; 9,500 to 9,800 shares—825; 9,800 to 10,100 shares—850; 10,100 to 10,400 shares—875; 10,400 to 10,700 shares—900; 10,700 to 11,000 shares—925; 11,000 to 11,300 shares—950; 11,300 to 11,600 shares—975; 11,600 to 11,900 shares—1,000; 11,900 to 12,200 shares—1,025; 12,200 to 12,500 shares—1,050; 12,500 to 12,800 shares—1,075; 12,800 to 13,100 shares—1,100; 13,100 to 13,400 shares—1,125; 13,400 to 13,700 shares—1,150; 13,700 to 14,000 shares—1,175; 14,000 to 14,300 shares—1,200; 14,300 to 14,600 shares—1,225; 14,600 to 14,900 shares—1,250; 14,900 to 15,200 shares—1,275; 15,200 to 15,500 shares—1,300; 15,500 to 15,800 shares—1,325; 15,800 to 16,100 shares—1,350; 16,100 to 16,400 shares—1,375; 16,400 to 16,700 shares—1,400; 16,700 to 17,000 shares—1,425; 17,000 to 17,300 shares—1,450; 17,300 to 17,600 shares—1,475; 17,600 to 17,900 shares—1,500; 17,900 to 18,200 shares—1,525; 18,200 to 18,500 shares—1,550; 18,500 to 18,800 shares—1,575; 18,800 to 19,100 shares—1,600; 19,100 to 19,400 shares—1,625; 19,400 to 19,700 shares—1,650; 19,700 to 20,000 shares—1,675; 20,000 to 20,300 shares—1,700; 20,300 to 20,600 shares—1,725; 20,600 to 20,900 shares—1,750; 20,900 to 21,200 shares—1,775; 21,200 to 21,500 shares—1,800; 21,500 to 21,800 shares—1,825; 21,800 to 22,100 shares—1,850; 22,100 to 22,400 shares—1,875; 22,400 to 22,700 shares—1,900; 22,700 to 23,000 shares—1,925; 23,000 to 23,300 shares—1,950; 23,300 to 23,600 shares—1,975; 23,600 to 23,900 shares—2,000; 23,900 to 24,200 shares—2,025; 24,200 to 24,500 shares—2,050; 24,500 to 24,800 shares—2,075; 24,800 to 25,100 shares—2,100; 25,100 to 25,400 shares—2,125; 25,400 to 25,700 shares—2,150; 25,700 to 26,000 shares—2,175; 26,000 to 26,300 shares—2,200; 26,300 to 26,600 shares—2,225; 26,600 to 26,900 shares—2,250; 26,900 to 27,200 shares—2,275; 27,200 to 27,500 shares—2,300; 27,500 to 27,800 shares—2,325; 27,800 to 28,100 shares—2,350; 28,100 to 28,400 shares—2,375; 28,400 to 28,700 shares—2,400; 28,700 to 29,000 shares—2,425; 29,000 to 29,300 shares—2,450; 29,300 to 29,600 shares—2,475; 29,600 to 29,900 shares—2,500; 29,900 to 30,200 shares—2,525; 30,200 to 30,500 shares—2,550; 30,500 to 30,800 shares—2,575; 30,800 to 31,100 shares—2,600; 31,100 to 31,400 shares—2,625; 31,400 to 31,700 shares—2,650; 31,700 to 32,000 shares—2,675; 32,000 to 32,300 shares—2,700; 32,300 to 32,600 shares—2,725; 32,600 to 32,900 shares—2,750; 32,900 to 33,200 shares—2,775; 33,200 to 33,500 shares—2,800; 33,500 to 33,800 shares—2,825; 33,800 to 34,100 shares—2,850; 34,100 to 34,400 shares—2,875; 34,400 to 34,700 shares—2,900; 34,700 to 35,000 shares—2,925; 35,000 to 35,300 shares—2,950; 35,300 to 35,600 shares—2,975; 35

Orissa Mineral Development Company Limited. The existing paid-up capital is Rs 70 lakhs.

Marikar Motors

Marikar (Motors), Limited has proposed to issue 12,000 equity shares of Rs. 50 each, at a premium of Rs 10 per share, to the equity shareholders at one share for every equity share held. A sum of Rs 12.50 per share plus premium of Rs 10 is payable along with application; Rs 12.50 on allotment and the balance of Rs 25 in two calls.

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INVESTMENT NOTES

ISCO

According to the figures released by the Indian Iron & Steel Company for last month, the output of Pig Iron has shown a decline to 103,064 metric tons from 105,823 metric tons in October and Steel Ingots to 81,209 metric tons from 81,969 metric tons. The output of saleable Steel is slightly higher at 62,199 metric tons against 61,921 metric tons. Despatches of saleable steel are substantially lower at 60,837 metric tons against 66,257 metric tons. In this connection, it is stated that 5,000 metric tons of finished material could not be despatched due to wagon shortage.

TISCO

The production figures released by the Tata Iron & Steel Company show a sharp fall in November as compared to the previous month. The output of Pig Iron is 125,500 metric tons against 130,100 metric tons; Steel Ingots 128,800 metric tons against 137,600 metric tons. The output of semi-finished Steel has recorded a decrease of 5,900 metric tons at 27,800 metric tons, while that of finished steel has fallen by 5,000 tons to 74,000 metric tons.

Jav Engineering

It is learnt that the Jay Engineering Works Limited is negotiating with several concerns in Iraq, Egypt and Yugoslavia to help them set up assembly plants by providing technical know-how, equipment, personnel and component parts. Already, the company has signed agreements with South Viet Nam and Ceylon under which it will provide technical know-how for setting up sewing machine assembly plants. A group of engineers of the firm will shortly leave for those countries to give shape to these projects. The company has also obtained a licence to put a unit in Ceylon and will shortly register a company under the name of Usha Industries Limited. In the proposed company, Jay Engineering will hold 51 per cent of the shares and the Ceylonese 49 per cent. The firm also proposes to arrive at similar arrangements in other countries like Burma, Pakistan and Thailand.

Tata Johnson

Tata Johnson (Private), Limited—a new company to be set up by TELCO to undertake the manufacture of two paper-making plants of 50 tons a day capacity—is understood to have sought a licence from

the Government of India to import a Maag Gear cutting machine. The import will be made by the STC from Switzerland. The scheme, when completed, will result in an annual turnover of Rs 186 lakhs.

Synthetics & Chemicals

Synthetics & Chemicals Limited has decided to step up production capacity from 20,000 to 30,000 tons per annum and the expanded plant is expected to reach commercial production early in 1963. Substantial progress has been made with regard to the original plant, which is expected to be commissioned in August 1962. The proposed expansion is expected to cost Rs 5 crores and the foreign exchange involved will be of the order of Rs 1.5 crores. Ultimately, the total cost of the project will be Rs 20 crores. Negotiations are well under way with the Government of India and the foreign participants for the necessary foreign exchange. As soon as the Government's approval is obtained, the directors may consider the ways and means of raising additional rupee finance to meet the expansion programme.

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STOCK EXCHANGES Debacle and a Late Rally

Watch-Dog Writes:

STOCK markets received a fresh hard knock during the week under report when prices crumbled under the impact of large offerings. Two main contributory factors were the fresh threat from China and the mounting tension over the Goa situation. Buyers were, therefore, conspicuous by their absence, while the bears were aggressive in their raids. Towards the close of the week, however, there were attempts at rally.

Political news again adversely affected sentiment on the Calcutta Stock Exchange where further landslide in values was noticeable. There were, however, signs of returning confidence towards the close, thanks to the introduction of automatic margin system with effect from Thursday.

Values on the Bombay Stock Exchange moved rather erratically in the wake of political news before staging a smart recovery towards the close.

Lack of animation characterised trading on the Madras Stock Exchange. Sellers predominated in a number of shares, resulting in a sharp decline in prices around.

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CALCUTTA

Calcutta, Friday Evening.

THE Calcutta Stock Exchange took a dramatic plunge when trading was resumed this week. This fresh setback occurred when the market was yet to recover from the previous week's fall in values. Leaving aside the technical heaviness experienced in Bombay which had its normal reaction in Calcutta, the disturbing reports about the Goa situation and

the Chinese threat brought forth a fresh wave of selling pressure.

While the fall in prices on Monday was pronounced the sensational fall on Tuesday caught the bull operators completely unawares due to aggressive bear raids. In order to restrain such activity, the Committee of the local Stock Exchange imposed the following margins on fresh blank sales of the clearing shares:—Rs 3 per share in respect of Indian Iron, Indian Aluminium, Indian Cable, Orient Paper and Dunlop Rubber; Rs 2 per share in respect of TEXMACO, Hindustan Motor, Burrakur Coal, Howrah Jute, Rohtas and Shree Gopal Paper; and 50 nP in respect of Indian Copper.

Despite the imposition of margins on blank sales, there were no signs of marked stability. This was mainly due to an anxiety to await further developments, as the situation was rather confusing though it was generally accepted that the decline in prices was overdone. As a matter of fact, some quarters even expressed uneasiness over the settlement, due on Wednesday.

Thanks to the bears being compelled to cover their sales due to settlement considerations and the general feeling that the worst was over, prices displayed a slight recovery at the close on Wednesday. The improvement in prices was carried a stage further during the remaining days of the week following the introduction of the automatic margin system of 10 per cent on rise or fall of prices in any of the clearing shares with effect from Thursday onward. There were also reports of the LIC having made selective purchases at the recent low levels. Thus, the market witnessed signs of confidence and, with the clearing counters encountering good support, a steadier tendency developed towards the close of the week. Turnover remained, however, restricted due to a cautious attitude adopted by the operators.

The Glitced section continued to rule quiet with turnover restricted. Prices of all dated loans declined fractionally. There was virtually no interest in State Government loans and holders were even ready to discount current prices if they would get firm buying indications. 3 per cent 1966 Conversion Loan moved narrowly between Rs 70.90 and Rs 71.10.

Except for some enquiry in Punjab National at Rs 20.50, Bank shares remained generally dull.

Despite firmer advices from the gunny market, Jute shares displayed an easier tendency due to liquidation by the weak holders. Howrah were on offer at one time as low as Rs 19.75 against Rs 21; Ganges at Rs 11.69 against Rs 12.50; Birias at Rs 27 against Rs 28.19 and New Central at Rs 16.12 against Rs 17.37, to close finally better at Rs 20.00; Rs 12.12; Rs 27.06 and Rs 16.37 respectively. Fort Williams were however, nearly maintained at Rs 27.75 and so also Champdany at Rs 128.

Coal shares lacked support in the absence of any improvement in the wagon supply position. Scattered interest was, however, shown in Bengal up to Rs 350; East Indian

up to Rs 33 and New Beerbb up to Rs 22.75. Western Be were rather quiet at Rs 9.37 against Rs 9.62. Burrakur, after ruling tially firm at Rs 18.31 following news of the dividend being retained, turned quiet at the close, Rs 18 in sympathy with the general trend of the market.

Tea shares also reacted in sympathy with the general trend. Sterer support was, however, for coming for the shares of 8 gardens due to an improvement in the prices obtained at this week's auction. Bhaskara changed hands at Rs 18.87 to Rs 19.12; Bishna at Rs 22.87 to Rs 23; Gelpur at 12.94 to Rs 13.06 and Jayshee Rs 18.75 to Rs 19.75.

Sugar shares were offered freely while buyers were found to be cautious in making commitments at the lower levels. This was mainly due to the obscure outlook for the industry. The news of dividend being passed over again caused Carew to slip down to 13.10 from the previous week's rate of Rs 13.09. Darbhanga was on offer at Rs 10.75 and Raza-B at Rs 10.50.

Textile shares declined on a broad front. Kesoram eased off further to Rs 30 from Rs 30.75; J. K. Ray to Rs 18.62 from Rs 18.62; Eagles Rs 21.19 from Rs 22.13 and Dumb to Rs 32.81 from Rs 33.13.

In the week's dealings, speculative issues were the worst affected and the lead of Indian Irons. Again the previous week-end closing of 25.52, Indian Irons opened lower, Rs 24.96 and receded further to 23.62 before finishing the week better at Rs 24.00. In sympathy TEXMACO were marked down, one time to Rs 19.90 from Rs 21.8 Jessop to Rs 18.09 from Rs 20.02 at J. K. Steel to Rs 31.12 from 22.06, to close finally at Rs 21.55 at Rs 21.50 respectively. Kumardhu moved narrowly between Rs 6.1 and Rs 6.67; Braithwaite between 19.87 and Rs 40.37 and Guest, Keo Williams between Rs 38.12 and 38.37.

A considerable decline in price was noticed in the Miscellaneous section, although some of the issues emerged with minor losses on balance. The following table shows the price trends of a few select shares:

	AS on Week's Ago	2 Dec.	Low	High
	Rs nP	Rs nP	Rs nP	Rs nP
Orient Paper	40.85	37.90	36.3	
Shree Gopal	27.37	25.94	26.21	
Sirpur	17.44	16.25	16.44	
Asso. Battery	36.00	35.56	36.1	
Goodyear	41.25	39.75	41.12	
J. K. Synthetics	14.16	13.50	13.6	
Phillips Carbon	25.00	23.37	23.9	
Rohtas	17.44	16.67	16.54	
Dunlop	40.31	37.87	39.04	
H. Motor	20.87	19.94	20.0	
H. Aluminium	15.50	14.44	14.71	
Phillips India	36.37	34.87	35.1	
Alkali Chemical	43.26	41.12	42.3	
I. Oxygen	40.00	39.00	39.04	
I. Cable	36.12	34.50	35.21	
I. Aluminium	38.19	36.12	37.35	
I. Steamship	7.68	7.37	7.44	
I. Copper	4.88	4.64	4.71	
BIC	9.78	9.31	10.51	

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

	Week Ended		
	1-12-61	24-11-61	2-12-60
LIABILITIES:			
Notes in Banking Dept.	9,37.58	15,44.27	23,99.73
Notes in Circulation...	1908,41.84	1902,67.28	1828,18.07
	1917,79.42	1918,11.55	1852,10.82
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India...	...	...	nil
Sterling Securities	116,86.07	116,86.07	123,00.89
Total of A	234,62.10	234,62.10	240,76.92
(B) Rupee Coin	124,35.74	124,65.70	129,18.33
Rupee Securities	1558,83.58	1558,83.75	1482,05.57
	1917,79.42	1918,11.55	1852,10.82

BANKING DEPARTMENT:

LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	50,00.00	50,00.00	40,00.00
National Agricultural Credit (Stabilisation) Fund	6,00.00	6,00.00	5,00.00
Deposits—			
(a) Central Govt.	53,41.80	49,38.67	60,71.28
(b) Other Govt's	15,34.10	22,84.08	11,71.26
(c) Banks	78,16.45	84,11.93	89,78.46
(d) Others	147,02.68	149,12.99	91,16.32
Bills Payable	23,08.31	22,89.33	26,88.62
Other Liabilities	27,13.68	35,68.75	29,53.49
	495,17.02	504,55.75	439,79.38
ASSETS:			
Notes	9,37.58	15,44.27	23,99.75
Rupee Coin	4.64	1.10	3.87
Subsidiary Coin	2.29	2.09	7.15
State Discounted:			
Internal	...	...	nil
External	...	...	nil
Govt. Treasury Bills	19,76.13	33,99.04	10,32.21
Balances held abroad*	28,82.01	28,98.34	28,75.83
Loans & adv. to Govt.	66,47.14	66,46.07	35,57.73
Other Loans & Adv.	131,02.83	129,67.54	121,14.99
Investments	214,63.88	205,18.50	203,98.50
Other Assets	25,31.94	24,88.80	16,00.95
	495,17.02	504,55.75	439,79.38

(1) The items 'Other Loans and Advances' included Rs. 20,00,000 advanced to scheduled banks against unsecured bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees).

	Week Ended		
	25-11-60	17-11-61*	24-11-61*
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	26,81.70	30,30.29	23,58.76
(ii) other demand liabilities	761,71.77	821,77.13	828,56.29
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	17,71.83	19,11.79	20,69.67
(ii) Other time liabilities...	11,24,04.89	11,26,28.06	11,27,62.55
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	6,32.36	8,55.71	7,86.55
(ii) Time Liabilities	2,61.64	9,01.20	10,06.34
Borrowings in India from the R. B. I.			
Cash in India	12,29.40	4,92.30	2,32.35
Cash in India	45,45.55	50,70.64	48,86.79
Balances with the Reserve Bank of India	90,94.51	76,69.29	79,81.47
Balances with other banks in current account in India	16,33.67	15,96.46	16,41.38
Money at call and short notice in India	38,94.18	45,60.51	51,13.35
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	684,81.89	607,15.69	618,67.75
Advances in India	956,40.49	1048,38.75	1042,19.30
Interest on Bills Purchased and Discounted in India	102,98.34	141,63.62	142,85.54
Foreign Bills Purchased and Discounted in India	47,58.79	46,70.56	48,74.15

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

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

STATE BANK OF INDIA

(In 000's of Rupees)

	Week Ended		
	1-12-61	24-11-61	2-12-60
LIABILITIES:			
Capital Paid-up	5,62.50	5,62.50	5,62.50
Reserve Funds	7,45.00	7,45.00	7,20.00
Deposits and other Accounts	53,05.01	52,02.21	57,15.89
Borrowings from other Banks, Agents, etc.	96.00	70.00	1,74.00
Bills Payable	9,14.27	9,73.88	8,01.42
Bills for Collection as per contra	2,87.31	2,85.87	2,10.81
Acceptances etc. for constituents as per contra	77.90	77.90	1,55.73
Other Liabilities including Inter-office Adjustments	10,51.91	18,96.41	18,48.41
Total	578,39.90	575,13.77	616,58.76
ASSETS:			
Cash in hand and with R. B. I.	19,47.89	21,01.76	20,06.91
Balances with other Banks	3,85.30	2,55.55	3,76.62
Money at call and short Notice	1,46.67	1,93.33	80.00
Government and other Trustee Securities	266,34.07	261,13.65	335,49.15
Other Authorized Investments	9,33.88	9,23.94	10,14.75
Loans Advances cash credits & Over Drafts	227,64.65	225,10.27	198,35.53
Bills Discounted and Purchased	16,18.27	15,79.26	15,60.62
Bills for collection as per contra	2,87.31	2,85.87	2,10.81
Constituents' Liabilities, etc., as per contra	77.90	77.90	1,55.73
Dead Stock	3,14.13	3,34.76	2,41.47
Other Assets	27,29.83	30,37.48	26,28.27
Total	578,39.90	575,13.77	616,58.76

CLEARING HOUSE RETURNS

Week ended 1 December, 1961

Clearing House	No.	Amount
		Rs. nP.
Madras	102811	14,01,32,419 00
Dalhi	57498	18,24,82,931 22
Kanpur	25119	4,97,38,852 00
Bombay	431114	98,76,00,000 00

BANK OF ENGLAND

(In Million £)

	Week ended.		
	29.11.61	22.11.61	30.11.60
Notes in Circulation	2,343.7	2,323.6	2,257.6
Notes in Banking Department	31.7	51.7	42.7
Govt. debt and securities	2,374.0	2,374.0	2,298.0
Other securities	0.8	0.7	0.7
Gold Coin and Bullion	0.4	0.4	0.4

BANKING DEPARTMENT:

Deposits—			
Public Accounts	11.0	12.6	12.3
Treasury Special Account	232.7	232.7	150.3
Bankers	228.6	242.0	349.8
Other	70.5	68.0	68.8
Total	542.9	555.9	481.2
SECURITIES—			
Government	443.3	429.3	391.4
Discount and Advances	65.7	72.8	45.2
Other	19.3	19.1	19.0
Total	528.3	521.2	455.6
Banking Department reserves	32.5	52.6	43.6
"Proportion" %	5.9	9.4	9.0

Government debt is £11,015,100, Capital £14,553,000
Fiduciary issue increased by £50 million to £2,375 million on 8th November, 1961.

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT: (In 000's of Rupees)

	Week Ended		
	24-11-61	17-11-61	35-11-60
LIABILITIES:			
Notes in Banking Dept.	8,51.42	8,45.16	8,36.81
Notes in circulation	360,86.05	360,87.64	364,67.01
	369,37.47	369,32.80	373,03.82
ASSETS:			
(A) Gold Coin & Bullion	24,93.90	24,93.90	24,66.79
Approved Foreign Exchange	67,69.02	67,69.02	73,93.80
India Notes receivable from Reserve Bank	43,01.64	43,01.64	43,01.61
(B) Rupee Coin	3,17.13	3,12.46	4,10.61
Govt. of Pak. Securities held with Reserve Bank of India pending transfer	224,65.72	224,65.72	221,40.95
Gold coin & Bullion	19.02	19.02	19.02
Sterling Securities	4,40.63	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90	1,00.90
Rupee coin	29.51	29.51	29.51
Total	369,37.47	369,32.80	373,03.82

BANKING DEPARTMENT:

LIABILITIES:			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	4,65.00	4,65.00	5,15.00
Rural Credit Fund	2,00.00	2,00.00	...
Deposits—			
(a) Central Govt.	16,36.42	21,94.75	9,22.81
(b) Provincial Govts.	4,68.53	3,67.07	3,90.13
(c) Banks	18,32.22	18,53.38	18,05.95
(d) Others	102,89.44	100,98.19	108,24.45
Bills payable	11.52	12.55	15.71
Other Liabilities	11,79.17	12,45.39	11,44.92
	163,82.80	167,36.33	159,18.97
ASSETS:			
Notes	8,51.42	8,45.16	8,36.81
Rupee Coin	15	11	48
Subsidiary Coin	29	25	62
Bills purchased & discoutd.	...	...	...
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. Treasury Bills	...	...	...
Balances held outside Pt. Loans & Adv. to Govts, Provincial Governments	17,00.83	17,29.74	21,26.32
Debtor Balances	...	2,93.00	8,44.00
Other Loans & Advances	49,38.64	50,24.93	26,56.73
Investments	78,81.61	78,51.73	75,33.90
Other Assets	10,17.16	10,11.41	9,21.11
Total	163,82.80	167,36.33	159,18.97

Ratio of Gold Coin and Bullion, Silver Bullion, Sterling securities and approved Foreign Exchange in Banks' notes issued, 32.24 per cent.

SCHEDULED BANKS IN PAKISTAN

(In 000's of Rupees).

	Week Ended		
	17-11-61	10-11-61	11-11-60
DEMAND LIABILITIES:			
(a) General	203,06.20	201,30.83	203,96.71
(b) (i) Deposits from Banks	6,48.72	6,47.04	4,20.33
(ii) Borrowings from Banks	15,11.97	14,89.83	12,28.92
TIME LIABILITIES:			
(a) General	130,47.60	130,65.86	102,97.85
(b) (i) Deposits from Banks	3,58.15	3,52.35	2,87.81
(ii) Borrowings from Banks	13,29.49	12,74.00	17,35.62
Borrowings from the State Bank			
(a) Against Usance Bills promissory notes	38,90.80	36,59.05	11,85.70
(b) Other Borrowing	5,89.18	7,43.33	7,52.55
CASH IN PAKISTAN:			
(a) Pakistan Notes	6,78.06	6,99.83	6,12.33
(b) Pakistan Rupee Coins	32.94	31.33	30.83
(c) Pak. Subsidiary Coins	11.98	11.40	8.68
BALANCE WITH THE STATE BANK:			
(a) Principal Office	9,54.52	9,42.66	9,03.51
(b) Other Offices and Branches	6,97.35	7,01.90	6,34.99
Balances with other banks in Current Account in Paktn.	5,06.49	5,22.73	4,60.20
Money at call & short notice in Pakistan	28,00.00	27,63.75	22,61.85
INVESTMENT (AT BOOK VALUE):			
(a) In Central Govt. Securities including Treasury Bills	108,90.33	108,90.41	111,59.64
(b) In Provincial Govt. Securities including Treasury Bills	18,17.06	18,07.06	19,19.79
(c) In Other Govt. Securities	2,60.42	2,60.80	3,21.71
ADVANCES IN PAKISTAN:	217,57.86	216,55.25	164,64.78
BILLS DISCOUNTED IN PAK.	6,24.84	6,21.88	5,54.68
FOREIGN BILLS DISC. PK.	25,30.89	25,49.89	25,30.81

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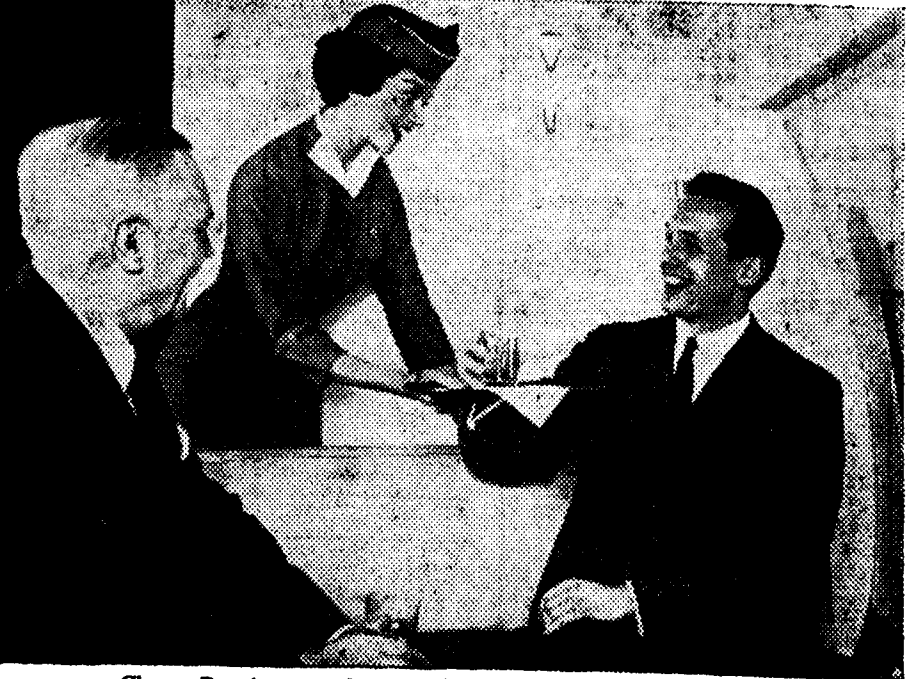
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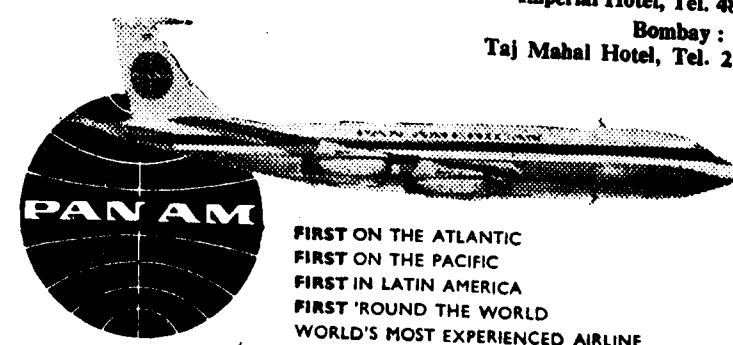
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Indian Finance INVESTOR'S SUPPLEMENT

Earlier Firmness not Maintained in November

THERE was increased activity on the stock market most of the time during November: toward the close, however, sentiment was rather quiet. Equities scaled new heights helped by sustained bullish fervour. The opening was dull but later prices developed an uptrend responding to buying interest. Initial hesitancy seemed to have been caused by continued anxiety over the shortages of coal, transport and power and imported raw materials but it yielded place to an optimistic note following the announcement of an increase in the selling price of cement. It is true that the announcement was not received with much enthusiasm but second thoughts appeared to have been somewhat favourable, probably mainly because by granting an increase in the selling price Government has shown itself sympathetic toward the industry's difficulties. Bullish operators had perhaps been impressed by some of the favourable developments against the background of continued good corporate news. In Lyons Range, the optimistic appraisal of the prospects of the jute industry gave additional fillip to the general buoyant mood. In earlier dealings, jute shares were in good request presumably due to the general belief that the jute goods industry had left its worst period behind. Despite the fact that overseas interest in jute goods continued to be halting, the expectation was that before long there would be a marked revival of foreign support. With raw jute prices comparatively cheap, mills were able to do simultaneous business at a profit. There was also a broadening of interest in cotton mill shares as offtake of cloth both on domestic and export demand was on a satisfactory level. Yet another factor that was considered to be of bullish import was the indication of increased private American investment in India as a result of the discussions in New Delhi between prominent US businessmen and the representatives of the Government of India. The removal of restrictions on clean advances by banks and the oversold position were other important influences acting on the market in the first week of the month.

Something much more important than these was in store for the market in the second week: that was the announcement that Government did not propose to make any change in the investment policy of the LIC. The stock market was badly shaken by the recommendations of the Estimates Committee with regard to the investment of the funds of the LIC. The proposals were to take away the available investible funds from the LIC for purposes

of subscribing to government loans. That was contrary to the assurance given by Government on more than one occasion that a part of the funds of the LIC would be always available for investment in the share market. With the nationalisation of life insurance,

the market soon after the Estimates Committee's recommendations were published. Till the announcement making it clear that Government was not to implement the recommendations, there was a lingering apprehension among market men. The

PRICE TRENDS DURING NOVEMBER, 1961.

FORWARD LIST:	Opening	Highest	Lowest	Closing
Rs.	Rs.	Rs.	Rs.	Rs.
Indian Iron	24.54	26.34	24.54	25.48
TEXMACO	18.70	22.40	18.50	21.85
Orient Paper	36.50	42.00	36.50	40.75
Shree Gopal	26.12	28.37	26.12	27.50
Rohtas	16.19	18.37	16.19	17.44
Dunlop Rubber*	55.00	60.12	40.12	40.12
Hindustan Motor	20.03	21.94	19.87	20.94
Indian Cable	36.06	37.62	35.81	36.19
Indian Aluminium	35.56	39.12	35.50	38.00
Indian Copper	4.81	5.12	4.79	4.90
Howrah Jute	21.12	22.75	21.00	21.25
Burrakur Coal	18.37	19.50	18.12	18.37
GILTEDGED:				
3% 1986 Conversion	72.55	72.55	70.85	70.90
BANKS:				
Punjab National	19.87	20.62	19.69	20.37
United Commercial	94.50	94.50	92.00	92.00
TEXTILES:				
Cawnpore	9.19	10.00	9.19	9.44
Elgins	22.12	24.87	22.12	22.81
J. K. Rayon	19.69	21.50	19.62	20.00
JUTES:				
Anglo-India	193.50	201.00	192.00	200.00
Birlas	28.75	30.25	28.12	28.19
New Central	17.19	19.00	16.87	17.31
COALS:				
Bengal	353.50	367.00	352.50	357.50
TEAS:				
Brooke Bond	15.62	17.69	15.56	17.37
Hasimara	30.81	32.12	30.56	32.00
Hantapara	118.00	125.00	117.00	122.00
Tezapore	17.19	17.62	17.00	17.06
SUGARS:				
Carew	13.44	14.06	13.44	13.69
Cawnpore	12.81	13.00	12.56	13.00
Champarun	16.62	16.87	16.62	16.87
Dyer Meakins	36.50	45.00	36.50	42.37
ENGINEERINGS:				
Binani Metal	12.25	12.94	12.12	12.87
Jay Engineering	27.94	28.12	27.56	27.87
Jessop	20.84	21.37	20.75	21.06
J. K. Steel	22.69	23.62	21.89	22.25
G. K. Williams	40.12	41.75	40.12	40.37
MISCELLANEOUS:				
Alkali Chemical	39.00	44.25	38.87	42.62
Associated Battery	36.06	40.25	36.06	36.87
British Paints	27.50	29.12	27.25	28.50
Goodyear	39.00	45.75	38.75	42.00
India Steamship	7.62	8.00	7.56	7.69
Indian Oxygen	39.12	42.50	39.12	39.37
Isaac Holden	19.44	20.00	18.87	19.31
Jay Shree Tea	18.62	20.75	18.62	19.75
J. K. Synthetics	13.62	14.87	13.62	14.28
Kesoram	31.75	32.75	30.75	31.37
NICCO	38.50	38.81	37.12	37.12
Phillips Carbon	19.87	26.50	19.75	24.75
Sirpur Paper	16.53	17.87	16.50	17.12
Titagur Paper	34.87	37.00	34.87	35.87
Union Carbide	50.75	55.37	50.62	53.00

*Turned ex-Bonus on 23 November, 1961.

the LIC has become the largest single investor in equities. If all the funds of the LIC were diverted to Government loans an important source of funds for the private sector would be eliminated. It was this fear that had been responsible for the depression in

Government decision to maintain the status quo came as a relief and revived confidence in the market.

With the reassurance that part of the LIC funds would continue to be available for the stock market, bulls were able to strengthen

their position. The belief gained ground that the LIC which was practically out of the market for several weeks probably awaiting government decision would enter the market in right earnest as it had been given the green signal once again. Bulls were also able further to tighten their hold by pointing to the report that government was contemplating granting of tax concessions for increased exports. The bullish trend was accentuated often by the scarcity of scrip. Even when the trend tended to be somewhat quiet, the recession was generally restricted to the forward scrip. The cash list remained remarkably steady as holders were not keen to liquidate even when prices were ruling high.

Toward the close of the month, however, there were signs of uneasiness. Roughly the last ten days witnessed an irregular trend although most of the time the undertone was steady. The main reason for the emergence of caution was the general feeling among operators that the uptrend had been taken too far and that a correction was due. And a corrective did take place. But it did not take much time for bulls to regain control. Sentiment turned quiet toward the end of the month following disturbing political news. Operators were very much worried about the early implementation of the scheme of automatic margins. The general belief seemed to be that the scheme would be finalised at the meeting of the Committee of Presidents of Stock Exchanges scheduled to be held in the first week of December. Sectionwise, jute shares were in good demand in the first half of the month but were subdued in later dealings. Investors who evinced great interest in the section appeared to have revised their opinion as the month progressed. Besides the general reactionary trend in the market as a whole, renewed fears about the profitability of the industry seemed to have caused unloading. There was also lack of fresh interest.

A similar trend was noticed in the textile section also though the buying interest in the section was more sustained than in the case of jutes. During the second half of the month, higher levels attracted profit-taking and by close the trend became rather quiet in tune with the rest of the market.

After a fairly active fortnight coal shares became sluggish in the absence of support. Sugar shares were a generally dull market in sympathy with the conditions in the sugar market. With fears of further decline in auction prices tea shares ruled quiet.

Indian Finance JUTE

NAME	Managing Agents, Agents/Secretaries	Loans		Purchases Rs. 000	Sales Rs. 000	Stock Rs.	Managing Agents Commission and allowances Rs. 000	Year ended Rs. 000	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	DIVIDEND %		
		Hessian	Sacking								Latest	First previous	Score previous
Agarpara ...	B. N. Elias & Co. ... 7% C. P. ... 54% Deb. ...	554	325	17,896	28,801	3,557	67	3-61	1,640	2,371	24T 9-1T	10T 7T	5 7
Alexandra ...	McLeod & Co. Ltd. ... 7% C. P. ... 54% Deb. ...	296	150	12,584	18,857	4,748	135	12-60	1,604	864	44T 9-1T	15T 9-1T	10 7
Alliance ...	McLeod & Co. Ltd. ... 6% C. P. ...	797	467	13,454	22,998	2,397	77	5-61	1,245	(a) 1,134	6T 6T	nil 6	nil 6
Anglo India ...	Duncan Bros. & Co. ... 7% C. P. ...	1,589	972	37,046	72,584	16,420	124	3-61	(a) 2,800	5,644	74T 9-1T	20T 9-1T	124 7
Auckland ...	Bird & Co. Private Ltd. ... 54% C. P. ... 44% R. C. P. ... 4% Deb. ...	450	360	16,141	28,579	6,502	250	3-61	3,051	3,629	12T 7-15T 5-85T	27T 7-15T 5-85T	20 54 41
Bally ...	Birla Bros Private Ltd. ... 7% C. P. ...	659	300	19,203	25,834	1,227	104	3-61	2,206	2,550	25T 10T	25T 10T	10 7
Barnagore & ...	Jardine Henderson ... 5% C. P. ...	1,200	690	...	...	...	...	3-60	309	341	30T 30T	10T 10T	7 10
Belvedere ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	601	219	9,268	14,275	768	50	12-60	527	1,418	5T 5T	5 134T	5 74
Bengal Jute ...	Sreenivall Nagarmall ... 54% R. C. P. ... 54% Debentures ... 44% Debentures ...	350	250	14,463	25,843	1,985	62	6-60	872	691	9-1T 5T 54T	5-1T 5T 54T	7 5 54
Bharat ...	Das Group Private ... Birla Brothers Private ... 74% C. P. T. ... 54% R. C. P. ...	982	391	2,972 42,276	5,007 80,359	188 7,911	30 710	3-59 3-61	328 13,297	-2,744 10,550	nil 15T	nil 15T	nil 10
Budge Budge ...	Andrew Yule & Co. Ltd. ... 7% C. P. ...	552	439	12,015	18,413	1,770	92	10-60	1,603	1,528	7-86T 10T	7-86T 15T	54 5
Caledonian ...	Directors ... 7% C. P. ...	371	245	7,656	10,986	1,189	17	11-60	1,083	875	12T 9-1T	12T 9-1T	15 7
Champdany ...	James Finlay & Co. Ltd. ... Andrew Yule & Co. Ltd. ... 7% C. P. ...	761	639	20,752	32,005	5,170	50	3-61	1,316	1,907	5T 5T	10T 10T	7 5
Chitavalaab ...	McLeod & Co. Ltd. ... 7% C. P. ... 5% Deb. ...	124	376	8,359	15,088	4,765	45	7-60	(i) 955	(k) 1,807	9-1T 5T 9-1T	9-1T 15T 9-1T	7 124 7
Clive ...	Directors ... 6% C. P. ... 7% C. P. ...	546	423	7,665	12,022	3,825	...	3-60	802	247	nil 6T 7	nil 6 7	nil 6 7
Dalhousie ...	Bird & Co. Private Ltd. ... 7% C. P. ... 54% Debentures ...	496	270	12,091	19,541	3,170	7	3-61	923	(f) 1,713	1T 9-10T	1 9-10T	nil 9-10T
Delta ...	Andrew Yule & Co. Ltd. ... 5% C. P. ...	458	321	9,143	13,568	1,225	35	11-60	832	1,142	74T 6-5T	14T 7-15T	6 5
Empire ...	McLeod & Co. Ltd. ... 7% C. P. ... 5% Deb. ...	295	205	6,496	12,309	2,578	108	7-60	1,250	1,148	124T 9-1T	124T 9-1T	10 7
Fort Gloster ...	Kettlewell Bullen & Co. ... 7% C. P. ... 5% 2nd C. P. ... 54% Debentures ...	1,098	786	41,946	61,660	16,899	182	3-61	(w) 3,927	(g) 4,047	10T 9-1T 6-5T	25T 9-1T 6-5T	20 5 5
Fort William ...	Bangor Brothers Ltd. ... 7% C. P. ...	633	381	19,645	29,679	6,202	162	3-61	2,242	2,091	224T 9-1T	224T 9-1T	15 7
Ganges ...	Directors ... 8% C. P. ...	1,001	708	18,654	32,800	1,391	...	3-60	2,878	894	10T 8T	nil 8	nil 20
General Indust. Society ...	Directors ...	409	198	19,176	25,574	4,180	...	12-60	1,311	1,463	40T 40T	40T 40T	20 20
Gouropore ...	Macneill & Barry ... 6% C. P. ...	962	432	31,636	52,079	11,356	305	3-61	4,110	(c) 4,052	25T 7-8T	30T 7-8T	25 6
Hastings ...	Bangor Bros. Ltd. ... 6% C. P. ...	661	417	22,271	35,708	6,862	205	3-61	(q) 3,020	(r) 3,098	6T 7-8T	6T 7-8T	6 6
Hooghly ...	Directors ... 10% Pref. (t) ...	466	254	14,904	20,136	3,323	...	3-60	1,150	1,127	10T 10T	6 6	6 5
Howrah ...	Jardine Henderson Ltd. ... 7% C. P. ... 7% 'A' C. P. ... 54% Debenture ...	1,234	706	35,860	46,007	11,163	179	3-61	2,730	2,562	10T 9-1T 9-1T	124T 9-1T 9-1T	10 7 7
Hukumchand ...	Ramdudd Ramkissandas ... 7% C. P. ...	1,519	753	41,957	58,069	16,287	388	3-61	5,109	5,627	284T 9-1T	284T 9-1T	20 7
India ...	Directors ...	522	554	13,566	23,720	672	...	3-60	3,645	2,681	14T	9-9T	124
Kamarhatti ...	Jardine Henderson Ltd. ... B. Ord. ... 6% C. P. ... 54% Debentures ...	1,250	547	29,211	40,973	7,253	50	12-60	(l) 1,119	3,710	5T 5T 7-8T	20T 20T 7-8T	5 5 ...

16 December 1961

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COMPANIES

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up Rs. 000	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Rs. 000	Gross Block Rs. 000	Deprecia- tion Rs. 000	LIQUID ASSETS				
	November 1961 Rs. np.	November 1960 Rs. np.			General Rs. 000	Others Rs. 000	Carry forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Balances Rs. 000	Others Rs. 000
Agarpara ...	11 37	12 12	10	6,000	4,922	1,594	21	10,274	15,213	5,666	289	10,94	3,877	109	247
7% Cum. preference ...	82 00	89 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	...	...	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
Alexandra ...	251 00	155 00	100	600	700	940	222	7,099	7,747	4,941	293	5,535	2,255	172	...
7% Cum. preference ...	79 00	83 00	100	900	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	...	...	500	600	...	...	...	...	...	...	...	...	...	...	...
Alliance ...	99 00	95 00	100	3,000	...	544	117	7,787	14,102	10,160	210	7,417	923	456	...
6% Cum. preference ...	63 00	63 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Anglo India ...	200 00	186 00xd	100	4,921	5,000	3,571	374	22,421	28,086	18,494	5,807	17,205	7,253	433	...
7% Cum. preference ...	92 00	73 06xd	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Auckland ...	170 00	161 00	100	4,000	1,396	1,419	46	7,558	14,686	8,352	365	7,612	4,070	19	19
54% Cum. preference ...	69 00	66 08	100	1,000	...	...	...	...	...	...	...	...	...	...	...
44% R. Cum. preference ...	53 08	69 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	...	...	1000	1,500	...	...	...	...	...	...	...	...	...	...	...
Bally ...	225 00	193 50	100	2,000	2,000	1,484	101	9,019	14,700	8,510	551	7,303	2,187	326	46
7% Cum. preference ...	93 50	84 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Barnagore & ...	135 50	122 00	25	275	365	433	92	265	1,614	1,065	17	544	276	249	...
5% Cum. preference ...	88 00	84 00	25	200	...	...	...	...	...	...	...	...	...	...	...
Belvedere ...	141 00	144 00	100	2,800	1,399	1,448	78	2,720	10,053	5,848	114	3,772	1,092	12	...
7% Cum. preference ...	90 50	88 00	100	700	...	...	...	...	...	...	...	...	...	...	...
Bengal ...	11 00	11 05	10	4,500	1,375	1,317	133	14,630	7,048	4,086	6	4,845	16,268	688	7
54% R. C. P. ...	53 00	61 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
44% Debentures ...	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Bharat Jute ...	6 12 N	6 12	25	1,500	255	14	-3,624	4,185	1,323	303	...	573	596	112	17
Birla ...	28 06	28 87	10	9,126	6,500	24,328	184	27,962	81,534	29,012	8,058	12,367	6,226	787	593
74% C. P. T. ...	84 50	88 00	100	2,364	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P. ...	83 14	90 50	100	10,000	1,521	1,251	34	4,841	13,696	7,034	136	4,765	534	51	...
Budge Budge ...	142 00	121 00	100	3,600	...	...	...	...	...	...	...	...	...	...	...
7% Cum. Preference ...	86 50	90 00	100	900	...	...	...	...	...	...	...	...	...	...	...
Caledonian ...	146 00	136 00	100	1,800	2,475	430	23	2,169	9,272	5,106	46	3,370	267	47	...
7% Cum. preference ...	80 00	80 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Champdany ...	132 00	100 50	100	5,916	...	8,218	137	5,575	21,454	12,166	205	6,108	3,624	57	575
Cheviot ...	15 56	14 15	10	3,856	1,451	3,629	7	2,384	12,229	6,216	233	5,261	739	11	73
7% Cum. preference ...	91 50	97 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Chitavalsah ...	12 00	12 56	10	3,015	3,200	754	39	7,930	12,098	6,667	795	5,805	4,031	213	231
7% Cum. preference ...	89 00	87 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% Debenture ...	...	...	500	1,069	...	...	...	...	...	...	...	...	...	...	...
Clive ...	9 85	11 31	10	2,400	...	900	-309	3,296	8,212	6,831	8	4,401	2,058	38	...
6% Cum. preference ...	61 50	71 00	100	800	...	...	...	...	...	...	...	...	...	...	...
7% Cum. preference ...	70 00	84 00	100	800	...	...	...	...	...	...	...	...	...	...	...
Dalhousie ...	115 50	124 00	100	3,149	806	663	10	3,808	11,014	6,967	488	4,338	1,902	11	923
7% Cum. preference ...	86 00	82 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	...	...	1,000	1,773	...	...	...	...	...	...	...	...	...	...	...
Delta ...	182 00	140 00	100	2,800	1,638	2,547	16	1,700	9,799	5,128	90	4,088	344	9	...
5% Cum. preference ...	69 25	64 35	100	500	...	...	...	...	...	...	...	...	...	...	...
Empire ...	18 62	15 28	10	1,500	2,550	1,312	70	3,375	11,403	7,473	937	3,486	2,208	129	...
7% Cum. preference ...	74 30	76 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	500	886	...	...	...	...	...	...	...	...	...	...	...
Fort Gloster ...	378 00xd	311 00xd	100	6,284	5,605	2,564	72	25,388	35,282	19,083	236	19,255	6,737	632	40
7% Cum. preference ...	89 00	104 00xd	100	1,400	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference ...	54 00	64 00xd	100	700	...	...	...	...	...	...	...	...	...	...	...
54% Debenture ...	...	...	100	1,082	2,000	113	248	9,554	13,543	8,235	116	6,991	2,418	166	17
Fort William ...	28 25	23 44	10	2,100	...	...	...	...	...	...	...	...	...	...	...
7% Cum. preference ...	80 80	105 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Ganges ...	12 31	10 69	10	8,432	500	17	56	12,294	22,467	14,800	23	11,202	2,659	348	...
8% Cum. preference ...	99 60	110 00	100	600	...	...	...	...	...	...	...	...	...	...	...
General Indusl Society ..	35 00	38 00	10	1,080	2,550	886	14	7,434	9,804	5,306	78	5,158	2,186	38	...
Gouanore ...	395 00	360 00	100	2,400	5,000	2,186	82	17,012	27,415	18,106	4,412	12,590	2,814	206	...
6% Cum. preference ...	81 50	78 00	100	2,650	...	...	...	...	...	...	...	...	...	...	...
Hastings ...	113 00	113 00	100	4,000	3,905	5,010	376	8,244	14,507	8,277	4,629	8,019	4,898	239	...
6% Cum. preference ...	81 00	82 50	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Hooghly ...	16 00	10 50xd	10	1,680	650	1,876	38	3,756	8,349	5,508	1,201	3,928	1,140	65	...
10% Preference (t) ...	10 44	9 19xd	10	1,176	...	...	...	...	...	...	...	...	...	...	...
Haverah ...	21 50	19 75	10	6,562	3,900	363	98	10,979	22,518	14,523	466	13,610	3,748	393	1,255
7% Cum. preference ...	90 00	97 00	100	875	...	...	...	...	...	...	...	...	...	...	...
1% 'A' C. P. ...	90 00	92 00	100	1,750	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	...	...	...	2,940	...	...	...	...	...	...	...	...	...	...	...
Kukumchand ...	23 94	19 37	74	5,250	2,800	1,073	162	23,061	32,124	18,899	1,234	17,052	3,704	1,132	...
7% Cum. preference ...	82 40xd	84 50	100	4,000	...	...	...	...	...	...	...	...	...	...	...
India ...	17 81	15 50	124	8,730	...	2,179	494	7,783	17,480	10,024	3,333	4,201	4,039	142	...
Kamarhaty ...	155 00	138 00	100	2,400	1,530	1,170	40	11,306	20,049	14,058	353	9,363	2,584	644	2,345
2. Ordinary ...	153 00	136 00	100	1,920	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference ...	68 00	76 00	100	1,600	...	...	...	...	...	...	...	...	...	...	...
54% Debentures ...	...	...	...	1,304	...	...	...	...	...	...	...	...	...	...	...

JUTE

NAME	Managing Agents, Agents/Secretaries	Looms		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents' Commission Rs. 000	Year ended	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	Dividend %		
		Hessian	Sacking								Latest	First previous	Second previous
Kanknarra ...	Jardine Henderson Ltd. ... P. Ord. ... 6% C. P. ... 5 1/2% Debentures ...	1,239	288	24,305	36,658	5,486	50	12-60	614	2,601	Nil	nil	nil
Kelvin ...	McLeod & Co. Ltd. ... 7% C. P. ...	394	309	8,773	18,063	3,772	164	6-60	1,800	1,683	15	14	12 1/2
Khardah ...	Director ... 6% C. P. ...	914	616	19,675	34,305	9,839	265	3-60	3,041	(p)2,495	20 1/2	20	8
Kinnison ...	F.W. Heilgers & Co. Pri. ... 7% C. P. ... 5% Debentures ...	672	578	26,205	40,737	10,636	219	3-61	2,955	3,470	6 1/2	6	6
Lanodowne ...	Bird & Co. Private ... 7% C. P. ...	579	352	15,147	22,449	5,355	17	3-61	401	1,161	nil	nil	nil
Laurance ...	Bird & Co. Private ... 7% C. P. ... 5 1/2% 'B' C. P. ...	484	356	3,080	5,341	...	63	3-61	1,251	1,174	15 1/2	15 1/2	2
Mahabir Megna ...	Agrawal Brothers & Co. Directors ...	28	123	2,873	5,166	1,384	30	9-59	252	118	6 1/2	10	nil
Naihati ...	Directors ... 7% C. P. ... 4 1/2% R. C. P. ... 5 1/2% Debentures ...	493	322	7,332	15,204	3,789	...	3-60	1,130	(i) 732	Nil	nil	nil
Naskarpara ...	Howrah Trading Co. Private ... 5 1/2% Debentures ...	333	92	4,475	8,654	276	43	10-59	516	272	3 1/2	2 1/2	2 1/2
National ...	Directors ... 7% C. P. ...	573	279	9,683	17,497	2,157	...	10-60	2,440	1,759	7 1/2	10 1/2	7 1/2
Nellimarla ...	McLeod & Co. Ltd. ... 6% C. P. ... 4 1/2% Deb. ...	100	216	7,619	12,144	4,218	...	7-60	(v) 722	(m) 1,342	9 1/2	14 1/2	10
New Central ...	Sahu Jain Ltd. ... 7% C. P. ...	10,39	7,26	58,903	120,833	11,838	...	3-61	9,907	(h)10,399	15 1/2	15 1/2	15
Northbrook ...	Bird & Co. Private Ltd. ... 5 1/2% C. P. ... 4% Deb. ...	214	353	15,143	26,219	6,459	377	3-61	4,201	(n)3,418	30 1/2	30 1/2	12 1/2
Nuddes ...	Macneill & Barry ...	644	448	22,285	34,706	7,173	85	3-61	1,937	2,412	6 1/2	8 1/2	6
Pranchand Presidency ...	R. J. Roy Bros. Private Ltd. ... McLeod & Co. Ltd. ...	364	240	285	1,782	...	25	4-59	—(u)339	—604	Nil	Nil	Nil
Rameshwara ...	Hindustan Invest Corp. ... 6% C. P. ...	...	305	9,278	12,607	514	36	3-61	—752	627	Nil	Nil	Nil
Rahmoo ...	Jardine Henderson ... 7% C. P. ... 5% Deb. ...	924	352	...	1,352	...	50	3-61	475	846	Nil	Nil	Nil
Shree Ambica ...	Bageria More ... 7 1/2% C.P. ...	703	208	14,681	22,032	5,543	109	3-60	1,267	1,110	9 1/2	6 1/2	6
Sorrah ...	Hind Inv. Corp. ... 7% C. P. ...	201	200	7,194	11,101	575	105	12-60	1,161	1,265	10 7 1/2	7 1/2	7 1/2
Union ...	Bird & Co. Private Ltd. ... 7% C. P. ... 4 1/2% Deb. ...	758	568	14,350	21,102	4,467	68	3-61	1,098	2,586	6 1/2	25 1/2	20
Waverley ...	McLeod & Co. Ltd. ... 5% C. P. P. ...	306	159	...	1,206	...	10	5-61	499	607	30 1/2	30 1/2	25

(a) After transferring Rs 275,000 from General Reserve.

(c) After transferring Rs 72,950 from Development Rebate Reserve.

(d) After transferring Rs 200,000 from Stores and Spare Parts Reserve and Rs 100,000 from Debenture Redemption Reserve.

(e) After transferring Rs 6,300 from Contingency Reserve and Rs 2,08,700 from Dividend Equalisation Reserve.

(f) After transferring Rs 45,000 from General Reserve and writing back Rs 104,280 being excess provision for depreciation.

(g) After transferring Rs 550,000 from General Reserve.

(h) After transferring Rs 2,865,300 from General Reserve No. 1.

(i) After transferring Rs 100,000 from General Reserve and writing back Rs 90,000 being liability in respect of Inter-state Sales Tax.

(j) Included Rs 30,000 transferred from contingency Reserve.

(k) After writing back Rs 163,400 from Development Rebate Reserve.

(l) After transferring Rs 100,000 from General Reserve and Rs 100,000 from Debenture Redemption Reserve.

(m) After writing back Rs 85,000 from Development Rebate Reserve; and after transferring Rs 9,75,000 from Machinery Renewal Reserve.

(n) After transferring Rs 500,000 from Taxation Contingencies Reserve.

(o) After transferring Rs 120,000 from Contingency Reserve.

(p) After transferring Rs 5,33,375 from General Reserve.

(q) After writing back Rs 100,000 being excess provision for taxation.

(r) After writing back Rs 900,000 from provision for depreciation and including Rs 108,227 being dividends forfeited.

(s) After transferring Rs 7,00,000 from Reserve No. 1.

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

(u) After writing back Rs 1,00,000 from provision against jute stocks as jute contracted for.

(v) After transferring Rs 1,00,000 from General Reserve and writing back Rs 30,000 being over provision for inter-state Sales Tax.

COMPANIES—Contd.

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Depreciation	LIQUID ASSETS				
	November 1961 Rs. np.	November 1960 Rs. op.			General	Others	Carry forward				Investments	Stocks and Stores	Outstandings	Cash Balance	Others
Kanknarra ...	76 50	71 50	100	3,000	600	344	—1,478	8,360	17,803	11,938	203	7,154	1,174	281	1,209
B. Ordinary ...	85 50	68 25	100	2,400	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Cum. preference ...	80 00	89 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	...	...	100	423	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	...	...	100	1,269	...	...	...	...	...	...	...	...	...	...	...
Kelvin ...	165 00	136 00	100	2,800	4,700	566	121	3,806	15,165	10,330	849	4,676	1,914	617	...
7% Cum. preference ...	92 60	91 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Khardah ...	17 25	19 25	100	5,400	1,900	476	74	14,754	21,695	13,239	493	11,438	2,960	156	...
5% C. P. ...	76 00	70 00	100	900	...	...	...	...	...	...	...	...	...	...	...
Kinnison ...	161 00	152 50	100	5,946	2,866	1,874	62	12,805	20,721	13,378	2,363	12,495	5,267	121	...
7% Cum. preference ...	85 45	83 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Lanodowne ...	125 00	99 50	100	2,448	959	272	—354	7,607	10,823	7,108	362	6,585	1,711	14	45
7% C. Preference ...	89 00	89 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Lawrence ...	176 00	126 00xd	100	2,800	612	801	55	9'2	6,577	4,223	414	461	593	2,938	...
7% Cum. preference ...	67 45	67 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% 'B' cum. preference ...	66 97	68 08	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Mahabir Megna ...	85 00 N	85 00	100	1,078	...	5	99	2,188	2,105	1,589	...	2,070	243	542	...
Megna ...	13 37	11 06	10	8,165	...	3,464	57	16,080	27,091	15,568	26	10,523	5,188	507	...
Naihati ...	86 00	61 50	100	2,999	1,199	2,237	—390	3,171	16,480	9,860	151	4,731	1,666	137	161
7% cum. preference ...	98 00	98 00	100	750	...	...	...	...	...	...	...	...	...	...	...
4 1/2% R. C. P. ...	84 00	68 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	...	...	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
Naskarpara ...	9 75	12 18	10	2,000	1,151	20	9	4,548	3,649	2,669	5	1,566	1,164	4,512	...
5 1/2% Debentures ...	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
National ...	20 50	23 00	10	3,500	2,968	2,299	41	5,285	10,802	2,502	...	4,681	1,392	217	...
7% C. P. ...	81 80xd	93 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Nellimarla ...	10 94	12 00	10	2,625	2,575	661	43	5,899	6,866	3,212	635	5,270	2,538	472	233
5% Cum. preference ...	76 00	76 00	100	500	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures ...	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
New Central ...	17 51	21 31	10	25,365	6,222	19,850	...	67,410	96,678	17,174	1,704	29,281	6,298	5,358	...
7% Cum. preference ...	88 00	91 50	100	3,300	...	...	...	...	...	...	...	...	...	...	...
Northbrook ...	30 00	20 00	10	1,680	3,186	2,007	32	8,446	13,021	7,730	468	8,136	4,912	11	34
5 1/2% Cum. pref. ...	69 50	70 50	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
Nuddes ...	62 50	45 25	50	6,680	3,350	778	108	11,645	22,360	11,932	442	8,144	3,311	235	...
Pranchand Presidency ...	5 19	5 12	100	3,996	...	...	—4,142	1,915	6,201	4,620	76	44	20	48	...
Pranchand Presidency ...	...	...	5	2,500	750	391	23	4,351	10,608	7,593	334	3,116	1,465	85	...
Rameshwara ...	7 37	9 25	10	2,000	...	74	—971	3,216	3,655	1,410	72	2,459	173	13	...
6% Cum. preference ...	8 75	9 62	10	700	...	...	...	...	...	...	...	...	...	...	...
Reliance ...	8 12	6 40	10	4,950	...	200	—2,832	1,951	12,488	6,733	195	1,003	493	1,322	...
7% C. P. ...	83 00	80 00	100	2,030	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
Shree Ambica ...	22 69	24 50	10	3,000	1,125	152	14	11,213	12,556	9,447	1,328	6,771	5,231	47	...
7 1/2% Cum. preference ...	92 00	92 00	100	1,170	...	...	...	...	...	...	...	...	...	...	...
Sorrah ...	21 25	22 19	10	1,400	1,300	85	22	4,143	7,514	5,432	1,352	3,484	965	76	...
7% Cum. pref. ...	95 50	98 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Union ...	174 00	154 00	100	3,599	2,406	1,388	9	3,639	9,319	5,510	1,237	5,238	2,457	92	8
7% C. P. ...	90 00	84 00	100	600	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures ...	...	...	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
Waverley ...	4 19	3 56	1	250	385	335	97	934	5,460	4,597	120	185	321	1,245	...
5% Cum. P. P. ...	40 50	39 50	50	750	...	...	...	...	...	...	...	...	...	...	...

(al) After transferring Rs 100,000 from Machinery Renewal Reserve; Rs 98,344 from Development Rebate Reserve 1957 and Rs 48,656 from Debenture Redemption Fund.

(w) After transferring Rs 450,000 from General Reserve.

(s33) Includes Rs 678,542 being profit on sale of Assets; Rs 127,834 being profit on sale of stores; Rs 494,165 being Scrap sales and Rs 4,800 being profit on Redemption of debentures.

MISCELLANEOUS

NAME	Managing Agents/ Agents/Secretaries	Salaried and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Pre- vious	Second Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA												
Alembic Chemical	Bhailal Amin & Sons Private Ltd. 6 1/2% 1st Cum. Pref. 5% 2nd. R. C. P. 6% 3rd. Cum. Pref.	3,987	14,656	24,853	5,050	324	12-59	3,814	3,085	16T	12	12
Amar Dye-Chem	Amritlal & Co. Private 6% R. C. P.	1,723	9,378	17,615	7,574	561	12-60	7,478	5,951	12T	12	6
Anil Starch products	Kasturbhai Lalbhai & Co. 5% C. P.	1,577	13,516	26,770	2,406	355	12-60	4,055	3,110	30 T	28 T	20
Associated Cement Cos.	Cement Agencies Private Ltd.	49,687		275,277	11,769	3,896	7-60	(a15)65,073	(a21)59,602	12 T	11	8 1/2
Associated Stone Industries.	Rajaputana Mining Agen. Pri. Ltd. 6% C. P.			4,697	6,986	82	9-60	661	485	21T	20	35
Atul Products	Lalbhai Sons & Co. Technical Services	1,957	22,030	46,168	8,334	1,116	12-60	13,780	10,156	12 T	12T	10
Automobile Products	Ordv. Partly Paid 5% R. C. P. 6% R. C. P.	3,251	23,496	31,620	3,525		7-60	1,581	198	nil	nil	nil
Bagalkot Cement	Tendulkar Indus. Private Ltd.	1,091	6,318	10,109	941	30	12-60	2,191	1,537	nil	8T	7
Bharat Line	Dinshaw Private	2,809		17,421			12-59	1,740	(v)3,887	nil	12	12
Bombay Burma Trading	Wallace & Co. Old Shares New shares			57,967	5,662	1,021	5-61	(c)15,559	13,053	31T	30	19
Bombay Cycle	Aero. Auto. Private	1,154	14,732	16,651	1,558	47	3-60	481	458	12 1/2 T	10	5
Bombay Gas	Directors	1,305	7,266	10,393			12-59	861	1,372	6 1/2 T	4 1/2	4
Bombay Potteries & Tiles	Directors 6 1/2% C. P. 4 1/2% C. P.	907	841	3,332	102		9-60	1,269	1,217	12 1/2 T	12 1/2 T	10
Bombay Safe Deposit	F. F. Campbell & Co. Ltd.			134	5,021	4,529	9-58	63	76	6 1/2 T	6 1/2 T	4 1/2
Bombay Uganda Co.	Directors	134	5,021	4,529	2,139		12-58	207	211	13	13	15
W. H. Brady & Co.	Directors	2,174	15,856	18,243	5,555		12-60	2,825	(a25)2,462	33 1/2 T	23 1/2 T	1 1/2
Burmah Shell	Directors 5 1/2% Debenture	13,857	33,719	128,247			12-60	(v)77,148	72,116	20 T	18 T	15
Caltex Oil	Directors 5 1/2% Debentures	5,906	2,267	34,651			12-60	22,212	24,420	nil	nil	nil
Ceat Tyres	Directors	987	11,826	13,725	4,386		12-60	426	2	nil	nil	15
G. Claridge & Co.	W. H. Brady & Co. Ltd.	1,241	1,874	3,655	264	7	12-60	447	580	20 T	20 T	15
Colour Chem	Directors	417	4,840	11,205	1,035		3-61	(v)4,776	1,158	8 1/2	7 1/2	nil
Crescent Iron & Steel	Navin Kumar Hansraj Pri.	336	444	960	368	12	3-59	182	159	7 1/2	6	...
G. G. Dandekar Machine Works	Dandekar Engineers Partly Paid Ordinary 5% R. C. P.	328	535	1,274	12	20	6-59	228	211	15 T	10	9
Delhi Safe Deposit	Directors Ordv., P. P. 6% C. P.			166	30		12-60	73	81	15 T	10	5
Dona Investment	Directors	9		250			3-61	199	189	5 T	5	5
Dharamsi M. Chemical	D. Moraji & Co.	2,260	7,135	16,622	884	306	12-60	3,546	3,015	5 20 P	5 29	4 1/2
Digvijay Cement	Shree Laxmi Agents Ltd. 5% R. C. P.	2,831	21,788	32,623	603	164	12-60	(a32)4,666	(m)5,053	nil	20 T	12
Empire Dyeing	W. H. Brady & Co.			4,232	144	73	12-60	690	536	6 5 T	7 1/4 T	9
Eastern Shipping Corp.	Directors	3,545	25,019	33,795			3-50	(a31)4,161	(a32)6,021	33 1/2 T	25 T	20
Estrela Batteries	Chunilal Manilal Ltd 5% R. C. P.	2,856	4,458	12,255	1,240	77	3-61	891	577	10 T	9 T	7
Great Eastern Shipping	A. H. Bhiwandiwala & Co. privt 5 1/2% R. C. P.	742		34,673		195	6-60	10,335	(d)9,817	7 1/4 T	7 1/4 T	5
Greaves Cotton & Co.	Directors 5% C. P. 6% R. C. P.	4,482	58,039	66,111	15,157		3-61	5,307	4,783	10 T F	15 T	18
Gwalior Rayon	Birsa Gwalior Private 6% R. C. P. "A" 5% R. C. P. "B"	6,514	50,401	103,278	5,604	1,942	3-61	33,995	32,115	5 1/2 T	5 1/2 T	5 1/2
Hind Cycles	Birla Brothers Private Ltd 5% T. R. C. P. 5 1/2% T. R. C. P. 5 1/4% T. R. C. P. 6% T. R. C. P.	4,885	8,080	16,077	1,820	16	3-61	509	185	13 1/2 T	11 T	7 1/2
Hindustan Aluminium	Birla Gwalior						12-59			7 1/2 T	8 5/8 T	6
Hindustan Electric Co.	Dharamsinh & Co. 6% C. P.	1,859	14,317	19,266	6,598	35	4-61	1,280	1,262	20 T	20 T	15
Hindustan Lever	Directors	30,064	300,451	462,294	76,378		12-60	49,785	46,785	26 T	24	15
Indian Cement	Directors						3-60	134	106	3 T	25	25
Indian Vegetable Products	F. F. Campbell & Co. Pri.	699	21,834	26,051	1,736	52	9-58	514	670	10	10	10
Indus. Cr. & Invst. Corp.	Directors	540		7,331			12-60	(a23)6,539	5,076	5 1/2 T	5	4
Industrial Investment	Premchand Roychand & Sons	27		1,079		59	12-60	941	572	6 20 T	6 T	6
Investa Machine Tools	Investa. Indus. Corporation 4 1/2% C. P.	1,100		4,465	692	75	12-60	849	857	nil	nil	nil
Jaipur Metals	Poonamchand & Bros. Pri 6% C. P. Deferred 4% Debenture	1,669	14,381	14,256	6,604	90	12-59	1,118	841	8 5 T	6	5 P
Jyoti	Adnem Services	3,261	9,994	13,429	7,626	77	12-60	1,367	1,322	6 T	6 T	6
Kamani Metals	Kamani Bros. Private 5 1/2% C. P. 5 1/4% Debentures	1,770	14,872	20,299	2,301	104	6-60	1,248	1,501	12 T	12 T	12
Kemp & Co.	Directors	845	4,179	5,629	796		3-61	396	487	12 1/2 T	12 1/2 T	10
Khandelwal Ferro alloys	Khandelwal Indus. Private 7 1/2% R. C. P.			12	1,068	1	12-60	222	7	nil	nil	nil
Kirloskar Bros.	Kirloskar Sons & Co.	2,802	11,197	22,222	5,205	262	7-59	2,854	2,790	12	10	9
Kirloskar Oil Engines	Kirloskar Sons & Co. Ordv. Partly Paid	2,244	13,434	19,384	5,315	162	3-59	1,834	1,789	10	10	9
Killick Industries	Managing Director			5,586	823		11-59	2,209	1,564	10	10	13

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

INDUSTRIALS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	November 1961	November 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
	Rs. np.	Rs. np.			Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
WESTERN AND CENTRAL INDIA															
Alembic Chemicals	242 50	246 25	100	8,500	2,900	2,738	20	11,521	18,707	6,576	2,343	8,983	3,226	294	...
5 1/2% 1st C. P.	80 00	91 20	100	500	...	...	...	...	...	...	...	...	...	...	...
5% 2nd R. C. P.	81 00	86 00	100	500	...	...	...	...	...	...	...	...	...	...	...
6% 3rd C. P.	75 00	75 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Amar Dyechem	297 50	410 00	100	2,900	2,249	3,341	18	6,200	10,455	2,888	3	9,720	2,670	1,838	...
6% R.C.P.	101 00	98 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Anil Starch Products	...	...	100	2,989	901	2,511	42	14,308	16,391	5,870	6	7,486	3,156	82	...
5% C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Associated Cement	169 00	150 25	100	190,828	15,700	92,146	42	144,526	420,540	167,069	11,140	105,490	47,559	15,894	9,567
Associated Stones Indust	21 16	21 52	10	1,850	1,100	74	5	2,643	1,733	901	274	1,284	2,619	873	...
6% C. P.	100 00 N	100 00 N	100	...	...	...	...	...	...	...	...	...	...	...	...
Atul Products	...	...	100	22,494	2,000	5,758	415	43,168	40,577	12,534	10,245	13,428	13,242	8,868	...
Automobile Products	12 16	...	10	1,700	...	113	-918	21,425	14,365	3,495	...	12,698	3,261	79	...
Ordinary at Rs 7 1/2	...	...	100	1,290	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	100	28,000	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Balgakot Cement	8 16	8 52	10	8,426	...	1,934	-1,734	16,615	24,720	5,248	8	3,474	1,660	237	466
Bharat Line	4 80	7 24	10	10,000	6,826	3,289	-711	18,296	39,922	20,517	6,221	2,265	7,271	204	2,335
Bombay Burma Trading	...	...	2500	250	5,853	33,980	161	28,833	59,696	28,926	9,268	10,798	9,984	12,746	1,763
Old Shares	559 50	579 50	125	8,925	...	...	...	...	...	...	...	...	...	...	...
New Shares	251 25	205 25	50	4,200	...	...	...	...	...	...	...	...	...	...	...
Bombay Cycle	27 50	21 48	20	1,600	410	530	32	1,453	1,020	490	482	1,590	1,156	268	...
Bombay Gas	...	...	...	4,000	576	2,102	48	4,267	8,959	4,706	3,862	1,275	1,342	262	...
Bombay Potteries & Tiles	182 50	188 75	100	1,418	200	955	10	1,499	3,358	1,532	10	500	512	2,352	...
6 1/2% C. P.	75 00	75 00 N	100	113	...	...	...	...	...	...	...	...	...	...	...
4 1/2% C. P.	62 50	60 00	100	863	...	...	...	...	...	...	...	...	...	...	...
Bombay Safe Deposit	375 00	405 00	200	240	64	...	1	168	584	427	261	...	17	37	...
Bombay Uganda Co.	58 00	49 00	80	1,596	280	...	613	266	148	...	...	2,310	59	14	...
W. H. Brady & Co.	430 00	360 00	150	4,500	2,700	4,481	285	7,209	1,217	569	6,143	5,852	5,458	1,075	...
Burma Shell	...	...	100	138 200	90,000	20,284	11,398	53,107	256,961	94,528	...	20,779	36,331	161,955	2,489
5 1/2% Debenture	...	...	...	80,000	...	...	...	...	...	...	...	...	...	...	...
Caltex Oil	...	...	100	45,000	...	22,598	31,261	42,279	146,251	30,552	...	7,887	34,622	2,930	...
5 1/2% Debenture	...	...	...	20,000	...	...	...	...	...	...	...	...	...	...	...
Ceat Tyres	220 00	218 75	50	11,500	...	35	-804	12,172	14,635	1,245	...	6,076	2,100	615	722
C. Claridge & Co.	215 00	195 00	100	800	630	510	6	1,558	2,575	1,732	1	1,451	1,158	50	...
Colour Chem	420 00	330 00	100	10,000	900	1,471	30	4,716	11,087	1,545	...	3,083	3,522	917	43
Crescent Iron	...	...	20	574	35	102	7	870	1,480	504	...	651	50	10	10
G. G. Dandekar Mee. Works	...	...	100	399	70	128	1	766	1,191	638	278	122	221	540	...
Partly Paid Ord	...	...	50	248	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Delhi Safe Deposit	10 00 N	10 00 N	10	194	60	16	...	349	478	126	400	2	92	51	...
Ord. P.P.	7 00 N	7 00 N	100	37	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	100 00 N	100 00 N	100	200	...	...	...	...	...	...	...	...	...	...	...
Dena Inv.	11 76	10 35	25	2,500	85	7	351	21	8	2,759	...	...	77	...	95
Dharamsi M. Chemical	210 00	245 00	50	2,274	3,620	892	84	4,787	8,706	4,237	56	4,232	2,031	18	851
Digvijay Cement	203 00	156 00	100	13,442	2,642	2,463	2	19,212	42,437	18,568	8,852	6,871	3,477	400	2,409
5% R. C. P.	76 30	81 00	100	7,994	...	...	...	...	...	...	...	...	...	...	...
Empire Dyeing	70 00	64 50	15	900	410	356	35	1,415	2,241	1,659	199	320	658	1,358	...
Eastern Shipping Corp.	...	...	100	82,000	1,450	6,697	-361	42,685	85,139	22,601	6,428	73	13,279	30,296	19,863
Estrela Batteries	65 00	60 00	50	1,497	515	163	18	3,505	3,856	2,453	4	3,002	2,158	129	...
5% C. P.	33 00	35 00	50	997	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Shipping	13 16	15 52	10	9,000	6,495	15,127	132	54,313	85,180	21,533	80	56	5,046	18,758	...
5 1/2% R. C. P.	...	91 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Greaves Cotton & Co.	182 00	157 00	100	13,500	4,400	1,883	17	32,436	2,412	820	15,871	15,188	22,630	1,916	...
5% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P.	50 00	42 50	10	25,000	38,000	8,630	4,293	18,451	71,329	45,318	1,043	18,245	5,383	58,618	...
Gwalior Rayon	107 50	101 50	100	15,000	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P. 'A'	...	...	100	76	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P. 'B'	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...
Hind Cycles	110 00	97 50	100	3,107	700	730	-933	8,715	12,561	7,969	4	6,703	4,189	79	...
5% T. R. C. P.	65 00 N	65 00 N	100	500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% T. R. C. P.	75 00 N	75 00 N	100	790	...	...	...	...	...	...	...	...	...	...	...
5 1/2% T. R. C. P.	25 00 N	25 00 N	25	48	...	...	...	...	...	...	...	...	...	...	...
6% T. R. C. P.	84 00	100 00 N	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Hindustan Aluminium	15 28	...	10	1,500	...	...	...	615	317	...	...	...	684	14	1,100
Hindustan Electric Co.	180 00	105 00	100	4,000	325	135	39	9,600	5,851	2,234	167	6,969	5,144	166	...
6% C. P.	89 00	80 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Hindustan Lever	58 00	45 25	10	55,700	13,132	29,317	2,439	63,062	61,855	23,270	3	82,747	24,627	18,688	...
Indian Cement	25 00	24 24	10	152	100	79	3	129	142	...	178	...	41	101	...
Indian Vegetable Products	139 75	151 00	100	2,117	276	465	5	1,796	2,714	2,030	79	2,300	1,530	67	...
Indus. Cr. & Invest. Corp.	82 00	70 50	100	50,000	3,300	3,980	77	120,305	2,554	166	67,745	60,854	46,675	...	...
Industrial Investments	75 30	79 00	100	9,999	...	2,008	4	3,409	23	17	14,929	...	424	61	...
Investa Machine Tools	139 50	...	100	1,932	82	69	...	3,007	2,817	1,192	...	2,528	791	11	1,136
4 1/2% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Jaiipur Metals	175 00	145 00	100	1,956	100	811	7	7,453	4,867	1,920	245	7,198	1,364	570	2
6% C. P.	52 00	56 00	100	800	...	...	...	...	...	...	...	...	...	...	...
Deferred	60 00	45 00	10	200	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Jyoti	194 25	163 00	100	4,000	300	1,482	15	8,791	6,539	2,218	194	7,717	2,339	17	...
Kamani Metals	...	...	10	2,000	60	260	5	5,925	9,662	5,647	503	4,157	560	114	...
5% C. P.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	1,100	...	...	...	...	...	...	...	...	...	...	...
Kemp & Co.	310 00	340 00	200	1,200	400	251	50	1,443	2,789	1,486	11	1,279	641	117	...
Khandewal Ferro Alloys	74 00	88 00	50	4,790	...	...	-364	11,072	11,421	573	1,635	3,901	649	817	2,630
7 1/2% R. C. P.	95 50	98 00	75	5,000	...	...	...	...	...	...	...	...	...	...	...
Kirloskar Brothers	56 00	62 00	25	3,000	6,969	1,021	12	8,059	10,587	5,917	1,858	8,111	3,970	554	...
Kirloskar Oil Eng.	34 50	28 24	10	2,500	775	666	4	11,475	6,011	2,394	50	7,062	3,273	290	1,705
Ordinary Partly Paid	...	...	5	578	...	...	...	...	...	...	...	...	...	...	...
Kilbuck Industries	95 50	99 50	10	12,483	500	2,817	6	9,093	4,823	1,685	16,778	1,475	2,481	72	954

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents' Commission	Year ended	NEW PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second previous
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)												
Ballarpur Paper	K. C. Thapar & Bros. Ltd. ... 5% R. C. P. P. ...	2,406	9,164	23,543	751	682	6-60	7,444	8,378	14'30T 7'14T	nil nil	nil nil
Balmer Lawrie & Co.	Directors ...	8,705	96,961	113,445	5,400	...	12-60	4,292	4,473	25 T	25 T	20
Bararoo coke	Jardine Henderson ...	907	1,581	2,733	376	30	3-60	—273	—257	nil	nil	5
Bathgate & Co.	Indo Corporation P'v. Ltd. ... 6% Cum. preference ...	293	515	1,404	455	12	12-59	—266	—267	nil nil	nil nil	nil nil
Bihar Rice Mills	Directors ...	...	...	...	...	...	6-59	...	...	...	...	...
Bengal Assam Steamship	Andrew Yule & Co. Ltd., 7% Cum. preference ...	901	2,035	3,885	...	32	10-60	(a22)1,112	(a6)167	7 1/2 T 9 1/2 T	3 T 9 1/2 T	6 7
Bengal Chemicals	Directors ... 7 1/2% Cum. preference ... 4 1/2% Cum. preference ... 5% Debentures ...	3,770	9,970	19,690	...	...	3-60	2,330	2,090	7 T 7 1/2 T 4 1/2 T	7 T 7 1/2 T 4 1/2 T	6 7 1/2 4 1/2
Bengal Flour	Balmer Lawrie & Co. Ltd. ...	584	21,150	23,953	1,086	164	12-60	1,536	1,781	40T	45T	25
Bengal Paper	Directors ... 7% Cum. preference ... 7% 'A' Cum. preference ... 6% 'B' R. C. P. T. ... 4 1/2% Debentures ...	413	21,301	31,768	498	...	12-60	5,133	4,905	32 T 9 1/2 T 9 1/2 T 6 5/8 T	32 T 10 T 10 T 6 T	22 7 7 6
Bengal Potteries	B. R. Bhagat & Co. Ordry P. Paid ...	4,721	2,646	19,337	3,405	272	12-60	3,569	3,127	15 T	14 1/2 T	10
Bengal Timber	Jardine Henderson ... 8% Cum. preference ...	10	...	13	5	...	6-58	—15	—142	nil nil	nil nil	nil nil
Bhagwati Pressing	Ramdukt Ramkissendass ... 5% Cum. preference ...	7	...	171	...	...	12-59	129	138	8 T 5 T	7 T 5 T	7 5
Bharat Carbon & Ribbon	Murari Lal Batra & Co. 6 1/2% C. P. ... 7 1/2% 'B' C. P. ...	592	4,293	5,096	...	23	12-59	313	285	10 1/2 T 6 1/2 T 7 1/2 T	9 T 6 1/2 T 7 1/2 T	9 9 ...
Bharat Commerce	Directors ... 5% C. P. ...	1,200	8,928	12,403	465	...	12-59	1,979	1,899	nil nil	nil nil	nil nil
Bharat Nidhi	Directors ... 6% C.P.T ...	...	...	3,439	180	...	12-59	2,744	2,740	(u) 6 T	6 6	5 6
Bharat Starch & Chemical	K. C. Thapar & Bros. ...	552	4,351	6,314	2,535	18	1-61	329	361	6 T	6	6
Bhartia Company	Directors ...	...	...	...	...	...	3-54	2,68	—3,24	nil	nil	nil
Birds Investments	Lovelock & Lewes ... 5 1/2% Cum. preference ...	...	...	863	...	12	9-59	536	433	11 T 5 1/2 T	7 T 5 1/2 T	5 5
Bisra Stone Lime	Bird & Co. Private Ltd. ...	10,030	...	19,421	511	328	3-61	3,345	2,804	30 T	3 T	18 1/2
Britannia Biscuits	Directors ... 8% Cum. preference ... 5 1/2% Debentures ... 6% Cum. Part preference ...	4,716	10,432	32,949	2,152	...	3-61	6,239	4,695	30 T 10 2/4 T	25 T 10 2/4 T	14 8
British India Corp.	Directors ... 8% Cum. preference ...	15,707	38,262	78,589	32,850	...	12-60	9,996	6,019	nil 4 T	6 10 1/4 T	15 8
Brushware	B. I. Corporation ...	134	203	68	...	2	11-60	23	22	5	5	5
Burma Lime	S. C. Chunder & Co. Partly Paid ... 6% Debentures ...	100	162	527	7	12	9-59	190	95	10 T 10 T	6 6	5 5
Calcutta Chemical	Directors ... 6% C. P. ... 4 1/2% C. P. ...	2,160	8,650	14,473	2,305	...	6-59	1,032	781	18 T 8 1/2 T 6 1/2 T	12 6 4 1/2	12 6 4 1/2
Calcutta Credit Corp.	Jainarain Ram Chander ... 8 1/2% T. C. P. ... 5 1/2% T. C. P. ...	...	...	7,422	3,902	35	6-60	475	744	21 T 8 1/2 T 5 1/2 T	65 T 8 1/2 T 5 1/2 T	6 1/2 5 5
Calcutta Gas Co	6% Debentures ... Soorajmull Nagarmull ... 8 1/2% R.C.P.T. ... 4% Debentures ...	...	...	943	...	88	9-59	640	821	3 1/2 T 5 1/2 T	5 5 1/2	5 5
Calcutta Investment Co.	Ramdukt Ramkissendass ...	43	...	2,759	...	3	12-59	476	459	3 T	3 1/2	2 1/2
Calcutta Landing & Shipping	Gladstone Lyall ...	791	424	1,647	...	33	10-58	(a4)566	590	7 1/2	15	15
Calcutta Safe Deposit	Amritlal Ojha & Co. 4 1/2% Debentures ...	89	...	332	...	9	3-58	105	106	5	5	5
Calcutta Steam Nav'g'n	Hoare Miller & Co. ...	1,302	...	2,516	...	26	6-60	573	1,188	10 T	10	10
Cambay Invt.	Directors ...	...	...	542	...	...	3-60	240	17	4 T	...	...
Camperdown Pressing	Pyne & Co. ...	2	...	60	...	12	7-58	46	15	7	3	4
Cherra Chhatrakopeway	Tantia Bros. Private ...	...	...	1,678	56	16	3-61	164	111	12 T	9	nil
Chrestien Mica Indus	Ram Kumar Agarwala & Bros. 5 1/2% Cum. preference ... Deferred share ... 4 1/2% Debentures ...	...	10,503	14,269	4,037	163	12-57	1,575	1,735	7 1/2 T 5 1/2 T 10	7 1/2 T 5 1/2 T 10	6 1/2 5 1/2 7 1/2
Clive Buildings	Gillanders Arbuthnot & Co. ... Management Shares ... 4 1/2% Debentures ...	98	...	670	...	35	12-60	323	380	6 1/2 T 6 1/2 T	6 1/2 T 6 1/2 T	5 1/2 3 1/2
Clive Row Invt.	Andrew Yule & Co., Ld. ...	...	...	1,800	...	90	12-60	1,697	1,458	8 T	7 1/2	5 1/2
Dalmia Cement (Bharat)	Hari Brothers private Ld. Ordry partly paid ... 6% Cum. preference ... Deferred ...	5,410	26,713	39,102	3,022	526	12-60	(y)7,938	(a29)7,447	12 T 12 T 7 1/2 T 12 T	12 T 12 T 8 1/2 T 12 T	10 6 6 10
Darjeeling Ropeway	Goenka & Co. ... 5 1/2% Debentures ...	...	...	161	...	6	3-60	83	71	5 T	7 1/2	7
Delhi Flour Mills	Directors ... 7% Cum. preference ... 7% Debentures ... 7% Debentures ...	447	25,195	26,511	487	...	10-59	321	282	10 T 7 T	10 7	10 7
Dibrangadhra Chem. Works...	Sahu Bros. private ... 6% R. C. P. ...	12,139	9,877	15,415	762	8	3-59	815	920	4	6	7 1/2
Duncan Brothers	Directors ... 4% Cum. preference ...	1,439	16,378	21,993	354	...	12-60	4,390	3,460	14 T 6	14 T 6	10 10
Dunlop Rubber Co.	Directors ... 6% Cum. preference ... 6% Cum. preference Tax ... 6 1/2% Debentures ...	50,706	234,948	304,656	...	...	12-60	26,464	24,380	5 20 T 2 1/2 T 7 1/2 T 5 3/4 T	5 20 T 2 1/2 T 8 1/2 T 6	16 1/2 16 1/2 16 1/2 6

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	November 1961	November 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standing	Cash	Others
	Ra. ap	Ra. ap.													
NORTHERN INDIA (Continued)															
Ballarpur Paper	41 87	73 00	25	5,721	2,550	1,764	331	20. 13	27,654	21,586	2,447	5,905	6,884	10,789	716
5% R.C.P.P.	112 00 N	117 00	100	1,809											
Balmer Lawrie & Co.	273 00	220 00	100	8,001	7,973	1,668	575	19,155	7,991	4,174	7,949	6,726	18,268	612	
Bararoo Coke	16 06	14 56	10	1,200	800	50	—554	1,118	3,808	3,412	7	1,276	887	48	
Bathgate & Co.	0 81	1 06	10	2,000		16	—608	493	2,039	186	2	735	462	49	
6% C. P.	19 00	17 50	10	1,000											
Behar Rice Mills	2 50	1 95	10	1,692			—370	20	798	512	843	10	23	179	
Bengal Assam Steamship.	125 30	95 00	100	2,000	650	8,868	23	2,456	12,316	2,150	159	59	2,260	1,653	
7% C. P.	43 87 N	53 00	100	5,023	2,120	3,175	1,390	6,843	14,757	7,189	1,692	5,646	6,352	948	
Bengal Chemicals	105 00	109 00	100	900											
7 1/2% C. P.	11 75	11 94	10	1,191											
4 1/2% C. P.	60 50	66 00	100	1,500											
5% Debentures				1,200	2,250	289	188		9,724	3,181	6	1,316	2,321	772	
Bengal Flour	44 00	41 50	25	4,500	4,827	902	141	10,132	26,773	17,779	132	8,436	5,298	326	
Bengal Paper	103 50	51 00	50	200											
7% C. P.	46 50	91 00	100	400											
7% A. C. P.	98 00	63 50	100	2,000											
6% 'B' R. C. P. T.	59 43		500	84											
4 1/2% Debentures				5,523	873	1,105	2	14,243	16,125	6,322		6,198	5,678	67	
Bengal Potteries	7 12	7 06	2 1/2												
Ordry. P. Paid			100	600			—961	395	567	567	64	5	256	9	
Bengal Timber	14 00	15 25	100	300											
8% C. P.	7 50	7 75	100	400											
Bhagwati Pressing	4 87	5 25	10	300	165	6	3	161	972	262	75		75	175	
5% C. P.	28 00 N	33 00	100												
Bharat Carbon & Ribbon			10	900	200	100	4	4,495	2,012	504	86	3,185	1,621	43	
6 1/2% C. P.			100	380											
7 1/2% 'B' C. P.			100	200											
Bharat Commerce	28 62	18 87	100	5,000		168	—455	546	5,903	96		958	658	853	
5% c. p. t.	100 00	100 00	10	3,000											
Bharat Nidhi	8 75	8 87	100	14,777		1,323	28	9,107	69	50	16,728	180	13,577	90	
6% c. p. t.	50 00	50 50	100	5,500											
Bharat Starch & Chemical	8 06 N	8 06	100	1,000	378	210	—1406	5,564	3,834	2,675	38	3,588	863	90	7
Bhartia Company	45 00	24 75	10	2,100	50		—9	79				12,92	8,59	69	
Birds Investment	12 62	13 31	100	2,000	227	633	55	4,805			6,418		3,654	47	
5 1/2% C. P.	58 00	53 50	10	1,000											
Bisra Stone Lime	44 00	37 00	10	1,000	3,960	1,266	59	8,999	9,222	4,538	70	2,679	7,196	309	345
Britannia Biscuits	61 62	36 50	10	4,597	6,520	849	284	7,522	14,897	6,808	157	4,594	6,596	581	
8% Cum. preference	8 24 N	9 30	10	15											
5 1/2% Debentures			10	1,050											
6% Cum. Part Pref.			10	1,750											
British India Corporation.	9 28	7 12	5	32,500	4,000	15,544	334	20,674	30,084	23,394	12,788	39,598	21,098	795	
8% Cum. preference	108 50	112 75	100	8,100											
Brushware			10	100	170	167	5	38	243	243	129	162	95	74	
Burma Lime	8 50	7 25	10	200	75	20	3	201	614	256	102	16	124	22	
Partly Paid			5	63											
6% Debentures			1000	60											
Calcutta Chemical	17 62	15 75	10	971	960	2,040	153	3,277	3,296	1,477	2,204	2,305	1,713	787	
6% C. P.	7 75	8 75	10	200											
4 1/2% C. P.	5 75	21 25	10	337											
Calcutta Credit Corpn.	13 75	42 50	100	1,000	1,250	75	15	9,025	2,419	482	65	4,363	5,585		
6% C. P.	34 50 N	29 00	100	200											
5 1/2% T. C. P.	23 50 N		100	285											
6% Debentures		4 70	10	6,500	100		152	2,996	1	1	11,616		3,069	1,063	
Calcutta Gas Co.	4 70	57 50	10	3,000											
5 1/2% R. C. P. T.	52 14 N		1000	3,000											
4% Debentures															
Calcutta Investment Co.	45 00	43 70 N	100	5,500	2,350	412	36	3,111	1,808	672		5,062	5,177	34	
Cal. Landing & Shipping	13 80	11 31	10	625	240		21	1,208	1,922	1,320	142	27	1,191	131	
Calcutta Safe Deposit	7 25	7 81	10	742	14	105	3	467	1,406	199	46		128	15	
4 1/2% Debentures			1000	65											
Calcutta Steam Navigation	12 37	15 12	10	1,260	574	873	189	1,793	7,768	4,654		243	1,247	5	
Cambay Inv.	94 00 1/2	100 00	100	2,100	90	2,174	29	2,082	2	1	4,994		1,458	23	
Camperdown Pressing	101 00	100 00	100	430	85	2	12	110	689	495	280		14	151	
Cherra Chhatrak Royoway.	6 75	4 81	5	475		499	4	659	1,244	1,075	626	145	683	15	
Christian Mica Indus.	10 19 1/2	11 00	10	3,000	1,000	4,084	247	11,262	7,409	1,649	4,675	5,071	9,955	132	
5 1/2% Cum. preference	45 00	49 50	100	3,000											
Deferred share	7 56	5 50	5	1,500											
4 1/2% Debentures			1000	1,500											
Civo Building	143 34 1/2	150 00	150	1,500	269	1,095	143	555	4,910	822	539		280	174	
Management Shares			15	15											
4 1/2% Debentures			500	1,503											
Civo Row Inv.	8 00	8 31	10	13,880	1,000	477	252	3,828				18,876	548	13	
Dalmia Cement	12 62	2 44	2 1/2	16,593	2,000	5,238	97	26,088	28,575	8,634	20,297	10,723	3,700	651	1,369
Ordry. Partly Paid	2 12	2 19	10	6											
6% Cum preference	7 87	8 19	1	500											
Deferred	2 58	1 56	1	248	25	35	2	69	499	262	18	50	57	5	12
Darjeeling Ropeway	6 12	7 75	500	100											
4% Debentures			10	560	1,000		51	1,715	3,974	2,754	521	656	1,880	19	
Dolbi Flour Mills	14 00 N	15 00	100	90											
7% Cum. preference			100	508											
7% Debentures			500	330											
7 1/2% Debentures			100	6,449	4,900	889	—111	35,374	16,928	6,731		9,345	2,393	123	30,147
Dharamdas Chem. Works	122 25	180 00	100	9,704	7,500	3,760	426	11,262	8,100	1,216	20,262	354	8,378	5,590	
6% R. C. P.	152 00	141 00	100	4,500											
Duncan Brothers	54 50	50 50	100	30,000	43,228	14,600	2,513	51,627	103,979	40,120	423	59,292	42,174	867	2,847
4% Cum. preference	40 62 1/2	42 81	10	3,000											
Dunlop Rubber Co.	109 50	111 50	100	4,000											
6% Cum. preference	79 00	82 00	100	20,455											
6% Cum. Pref. Tax			100												
5 1/2% Debentures															

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents' Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
NORTHERN INDIA (Continued)												
East India Hotel	Oberoi Hotels Private	125	228	639	...	...	3-59	89	16	nil	nil	nil
Eastern Investments	Bird & Co. Private Ltd	...	...	1,943	...	6	12-60	1,848	1,673	14	14	9
Eastern Manfg. Co.	McLeod & Co. Ltd.	19.22	19.19	78.33	3.73	1.10	12-54	10.44	2.25	7.5	3	3
Electric Construction	Directors	1,895	9,599	11,869	8,413	...	10-60	1,356	498	10	5	10
Frank Ross	Directors	247	4,214	4,957	1,062	...	2-61	84	84	4 1/2	1 1/2	nil
Fraser & Co.	Directors	...	...	1,335	...	...	3-60	130	271	nil	nil	4 1/2
French Motor	Mgt. Director	2,385	44,596	47,666	7,574	...	3-60	1,778	1,685	20	12 1/2	12 1/2
Ganges Rope	Macneill & Barry Ltd.	1,522	4,842	7,947	...	94	3-60	(a27)94	867	174 T	17	15
General Invt. & Trust	Bird & Co. Private	...	...	52	...	4	2-61	37	29	5 T	5 T	3 1/2
Gillanders Arbuthnot	Directors	3,694	13,723	23,514	3,113	...	3-60	2,849	2,555	5 3/4	7 1/4	5
Gladstone Lyall & Co.	Directors	2,130	...	6,014	1,459	...	10-59	681	209	5 T	5 T	4 1/2
Godfrey Phillips	Directors	2,920	6,814	41,391	6,758	...	12-60	4,548	3,023	40 T	26 T	20
Great Eastern Hotel	B. P. R. Syndicate	...	...	6,515	326	53	3-60	867	725	6 8/7	6 8/7	5 1/2
Hindustan Building	Directors	...	...	73	73	...	7-59	94	291	nil	4	4
Hindustan G. E. Corp.	K. C. Thapar & Brothers	986	3,518	5,567	2,614	...	7-60	300	706	nil	nil	nil
Hindustan Housing	Jainarayan Ramchander	36	272	212	1,663	5	3-59	68	126	1	3	3
Hindustan Ice	R. N. Jhun Jhun Wala	40	1.21	2.69	...	18	9-54	65	37	nil	nil	nil
Hindustan Motors	Birla Brothers Private	11,762	...	217,726	5,759	1,874	3-60	21,890	11,686	9 1/2	5	nil
Hindustan Pilkington	Talubdar Law & Co Private	276	3,168	6,769	408	...	10-58	1,717	1,159	6	6	nil
Hindustan Woollen	Directors	8	...	193	...	...	3-60	150	124	2 1/2	2	1
Hoare Miller	Directors	1,672	95,530	96,839	1,413	...	12-60	411	476	6 1/2	6 1/2	5
Hooghly Flour	Shaw Wallace & Co.	593	12,859	12,859	569	78	12-59	721	634	27 1/2	40	45
Hooghly & Ganges Hyd.	B. N. Elias & Co.	78	42	1.53	...	...	6-54	43	1.08	nil	2 1/2	5
Imperial Tobacco	Directors	...	...	371,190	95,536	...	3-60	24,278	35,334	8 1/2	6	7
India Genl. Navigation S.	Gillanders Arbuthnot & Co.	...	...	3,555	...	...	12-59	(a)269	411	nil	nil	nil
India Linoleums	Hindustan Investment	351	1,941	3,658	909	...	3-60	1,135	698	nil	nil	nil
India Paper Pulp	Andrew Yule & Co. Ltd	3,637	9,790	22,128	1,178	284	3-61	4,173	5,796	13 T	15 T	10
India Steamship	Lionel Edwards Private	9,521	60,765	90,362	...	56	3-61	(a)7,878	(a30)7,497	10 T	10 T	10
Indian Aluminium	Directors	13,297	...	112,477	25,901	...	12-60	28,524	23,430	15 T	15 T	7
Indian Cable	Directors	14,852	58,030	95,391	27,509	...	3-61	16,959	16,352	22 1/2	22 1/2	15
Indian Copper & Zinc	Gillanders Arbuthnot & Co.	...	2,313	3,012	707	95	12-60	1,308	1,202	27 T	27 T	18
Indian Oxygen	Directors	11,446	33,223	64,552	11,487	...	9-60	14,318	11,946	15 T	15	10
Indian Plastics	Directors	1,226	5,298	8,270	1,672	...	3-61	502	560	nil	nil	nil
Indian Rubber Manfrs.	G. S. Moulton & Co Private	...	...	...	...	34	3-56	3,68	1,30	5 1/2	5 1/2	7 1/2
Indian Wood Products	Gill. Arbuthnot & Co.	676	1,760	5,750	3,213	16	9-60	1,301	1,164	30 T	25 T	25
Indo Burma Petrol	Steel Bros. & Co. Limited	3,182	2,172	12,734	1,375	738	12-60	18,165	7,492	30 T	25 T	20
Investment & Finance	Steel & Co. Private	...	...	138	...	...	2-61	116	93	7 1/2	7 1/2	7
J. K. Comml. Corp. Ltd.	Directors	...	...	4,54	...	...	6-55	5,69	2,22	5 1/2	8	8
J. K. Investment Trust	Directors	...	...	6,93	...	...	6-55	5,86	4,47	nil	nil	nil
Jaipur Udyog	Sahu Jan Ltd.	2,955	28,052	53,624	4,335	...	3-60	7,530	5,205	8 T	8 T	12 1/2
James Wright	Directors	127	4,345	6,848	457	...	12-57	(b)31	23	6	6	5
Jardine Henderson	Directors	2,695	123,338	132,956	1,822	...	3-61	2,576	2,857	nil	nil	nil
Jeewanlal (1929) Ltd.	Directors	2,471	16,664	22,428	8,961	...	12-60	1,860	857	54 T	54 T	5 1/2
Jenson & Nicholson	Directors	4,173	10,113	21,700	6,005	...	12-60	1,177	975	44 T	24 T	24
John Paterson	Khaitan Corpn. Private	31	476	654	23	5	3-60	...	...	6 6/6	6 6/6	7 1/2
Kalimpong Ropeway	Directors	49	32	94	...	...	3-54	46	50	2 1/2	2 1/2	nil
Kalyanpur Lime & Cement	Directors	940	...	11,250	961	...	12-59	1,361	1,235	nil	nil	nil
Kangra Valley Slate	Directors	23	192	...	19	...	6-60	...	...	nil	nil	nil
Karanpura Development	Bird & Co. Private Ltd.	407	1,305	...	98	42	12-60	...	...	nil	nil	nil
Kettlawell Bullen & Co.	Founders	...	...	2,193	123	...	12-60	...	...	15 T	15 T	5 1/2
Kishore Trading Co.	Directors	4	213	...	...	...	12-59	150	-74	5 1/2	4 T	nil

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUIDITY				
	November 1961	November 1960			General	Others	Carry Forward				Cash	Others			
	Rs. n.p.	Rs. n.p.											Rs. 000	Rs. 000	Rs. 000
NORTHERN INDIA (Continued)															
East India Hotel	...	...	10	4,655	...	...	-9	54	2,950	39	...	27	41	147	3,296
6% C.P.	...	...	100	1,249	...	...	...	...	...	...	16,350	...	...	2	...
Eastern Investments	147 00	136 70	100	5,126	5,920	...	349	2,457	...	...	...	...	...	...	...
5% Cum. preference	67 44	69 94	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Eastern Manufacturing Co.	...	...	100	850	5,00	3,70	10	16.10	28.71	19.24	17.29	5.21	1.09	35	...
5% Cum. preference	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
Electric Construction	14 25	16 50	10	3,047	900	283	27	10,776	3,552	1,470	24	8,992	3,913	34	5
Frank Ross	3 25	3 24xd	6	495	...	57	7	953	250	135	...	1,063	41	70	...
4 1/2% Cum. preference	45 15	51 00xd	100	275	...	...	...	...	...	...	...	...	...	...	...
Fraser & Co.	10 50	9 12	10	605	200	457	-563	584	1 474	612	1	...	392	27	...
French Motor	34 50xd	41 00	20	3,000	400	2,108	182	10,099	3,852	1,504	938	7,574	2,971	959	...
Ganges Rope	216 50	216 00	100	1,400	400	948	71	3,180	3,798	2,268	5	2,565	1,882	19	...
General Invt. & Trust	...	...	75	225	26	30	5	73	...	...	550	...	...	7	...
5% Cum. preference	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Prefr. Tax	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot	15 31	13 31	10	6,500	2,300	1,324	171	27,052	3,058	1,591	11,559	3,326	18,989	2,707	1,000
5% R. C. P. T.	57 00	54 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Gladstone Lyall & Co.	...	...	10	4,000	775	162	25	5,764	915	567	3,854	1,535	4,868	163	1,375
5% C. P. T.	...	...	100	1,417	...	...	...	...	...	...	...	...	...	...	...
Godfrey Phillips	30 75	24 25	10	4,000	...	509	1,338	9,079	7,896	4,435	...	8,828	5,499	137	...
5 1/2% C. P. T.	57 00	56 06	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Hotel	249 00	232 00xd	250	3,000	1,000	811	21	1,177	8,865	4,329	2	429	833	208	...
Hindustan Building	3 62	4 87	10	1,500	52	...	8	677	8	3	1,376	...	915	20	920
4% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Hindustan C. E. Corp.	...	...	10	380	...	239	-1,697	13,582	6,359	1,698	13	6,040	1,416	43	620
5% c. p. p.	...	...	100	254	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	35	...	...	...	...	...	...	...	...	...	...	...
Hindustan Housing	...	...	75	1,916	300	...	6	2,391	30	4	1,088	1,698	1,763	37	...
Hindustan Ice	1 05 N	1 05	5	1,000	45	1.00	-3.57	1.73	22.57	10.00	...	31	1.33	2	13
5% Debentures	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
Hindustan Motors	21 12	19 81	10	49,613	...	4,951	363	29,070	73,656	32,548	1,448	36,835	11,153	22,798	...
6% R. C. P.	210 00	190 00	50	32,147	...	...	...	...	...	...	...	...	...	...	...
Hindustan Pilkington	26 62	27 06	10	8,800	700	5	102	2,343	9,649	2,659	1,892	541	1,719	459	...
Hindustan Woollen	...	...	10	3,497	...	46	3	177	...	...	1,086	2,178	459	...	...
Hoare Miller	6 44	7 19	10	3,520	2,100	...	51	13,713	3,011	740	2,693	1,433	15,007	67	...
Hooghly Flour	19 75	21 25	10	600	325	105	25	1,590	1,655	1,340	648	1,228	754	...	...
Hooghly & Ganges Hyd.	5 13	6 50	10	800	54	86	7	1 62	15.50	4.70	5.92	10	1.21	6	...
4 1/2% R. C. P.	47 50	...	100	400	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco	12 81	11 25	10	151,600	45,500	45,394	2,477	28,855	113,166	28,877	7,754	103,554	47,950	31,269	...
India Genl. Navigation S.	60 50	74 09	£ 10	656	170	1,022	-4	1,914	5,778	3,679	33	644	904	319	3
6% C. P.	77 00	69 50	£ 10	2,440	...	...	...	...	...	...	...	...	...	...	...
India Linoleum	18 00	19 75	10	2,500	2,500	3	38	1,385	3,275	2,692	...	1,392	2,173	27	...
India Paper Pulp	...	...	10	8,820	1,900	6,537	69	4,157	24,529	13,252	134	5,790	3,341	1,916	...
India Steamship	7 69	9 44	10	24,750	5,819	18,832	...	164,762	237,688	57,604	2,000	361	25,427	5,322	3,419
5% R. C. P.	71 00	78 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
India Aluminium	38 12	30 25	10	39,859	6,500	18,474	4,991	41,854	97,994	35,396	13	32,954	17,968	3,685	28,460
5% R. C. P.	69 00	68 50	100	4,000	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debenture	...	...	...	30,000	...	...	...	...	...	...	...	...	...	...	...
Indian Cable	36 44	32 81	10	23,578	10,500	12,419	4,873	51,079	31,793	15,414	792	36,727	34,904	4,714	...
6% C. P. P.	31 75	28 25	10	1,288	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	25h	9,780	...	...	...	...	...	...	...	...	...	...	...
Indian Copper S.	4 88	4 60	10	1,371	1,98	746	119	2,440	3,614	2,081	424	1,533	2,372	513	...
Indian Oxygen	39 37	40 81	10	20,000	8,724	4,157	1,378	39,587	59,968	24,806	446	16,000	16,460	3,015	2,823
Indian Plastics	10 75	11 00	10	2,988	...	106	4	4,573	5,489	2,121	...	4,184	2,341	28	...
5 1/2% C. P.	35 00xd	46 00	100	2,250	...	...	...	...	...	...	...	...	...	...	...
Indian Rubber Manfr.	17 00	18 25	10	828	5,00	53	63	4,1	16,75	9,50	4	615	794	5,85	...
5% C. R. P.	60 00	73 00	100	828	...	...	...	...	...	...	...	...	...	...	...
Indian Wood Products	31 75	26 75	10	2,000	1,800	498	129	2,353	2,270	1,896	2	3,853	536	2,016	...
Indo Burma Petrol	26 75	22 91xd	10	10,000	5,894	19,464	465	17,973	10,660	5,537	25,674	3,362	8,262	16,375	...
7% C. P. T.	83 00	86 00	100	5,000	...	149	117	...	123	...	1,307	...	2	6	...
Investment & Finance	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
J. K. Comm. Corp. Ltd.	...	...	10	2,080	822	3	7	48,15	29	17	4,167	...	3,546	4	...
J. K. Investment Trust...	...	...	700	7,008	25,50	46	...	40,23	2	1	11,502	...	1,578	803	...
B. Ord.	...	...	25	250	...	...	...	...	...	...	...	...	...	...	...
Jaipur Udyog	12 06	11 62	10	20,000	500	4,462	144	49,643	79,862	19,221	58	13,076	5,390	171	...
5% C. P. T.	34 00	37 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...
James Wright	2 75	1 56	5	588	38	53	...	877	300	73	581	458	530	7	...
6% C. P.	19 75 N	19 75	50	130	...	...	...	...	...	...	...	...	...	...	...
Jeffere	0 43	0 69	1	117	...	...	...	...	...	...	...	...	...	...	...
John Henderson	76 50	70 50	100	20,000	6,900	512	510	53,649	4,377	1,715	51,780	1,822	27,186	68	...
5 1/2% C. P. T.	54 00	57 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Jowalanji (1929) Ltd.	9 25	7 77	10	7,200	1,440	148	10	8,746	4,774	2,739	6	9,491	5,404	608	...
Jensen & Nicholson	...	...	10	3,250	1,850	813	595	9,980	6,390	3,532	88	6,289	9,607	214	...
7 1/2% R. C. P.	...	...	100	2,569	...	...	...	...	...	...	...	...	...	...	...
John Paterson	2 00xd	2 50	10	529	10	22	13	301	500	104	17	109	336	17	...
Kalimpong Ropeway	1 03	2 25	10	450	65	-1.28	1.38	5.97	2 63	9	1.34	33	134	...	...
Kalyanpur Lime & Cement	106 00	103 00	100	6,425	...	3,351	-416	11,201	16,681	3,851	52	2,472	3,838	241	2,102
7% P. T.	80 00 N	80 00	100	400	...	...	...	...	...	...	...	...	...	...	...
6% 2nd Pref.	100 50 N	100 50	100	1,575	...	72	...	49	299	157	2	22	90	66	...
Kangra Valley Slate	89 00 N	89 00	100	158	...	64	...	4,964	4,505	1,324	1,859	149	2,980	1,735	...
Karanpura Development	17 06	17 87	10	1,500	2,100	...	...	...	...	...	...	...	...	...	...
Founders	...	...	10	500	...	755	213	6,159	329	154	9,332	123	6,630	68	...
Kettlewell Bullen & Co.	128 00	137 00	100	4,000	2,400	...	...	...	...	...	...	...	...	...	...
5 1/2% C. P. T.	55 50	51 65	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	51 50	50 29	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Kishore Trading Co.	65 50xd	71 00	100	2,000	...	2,633	...	1,061	3	1	5,025	666	...	1	...

NAME	Managing Agents' Agents/Secretaries	Salaried and Wages	Other Major Expenses	Sales	Stocks	Managing Agents' Commission	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Previous	Secor Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
NORTHERN INDIA (Continued)												
Kumardhubi Fireclay	Bird & Co. Private Ltd	5,954	2,930	16,316	1,758	213	12-60	2,710	2,367	18 T	18 T	1
	54% R. C. P. T.									488 T	51 T	
	54% Debentures											
Kusum Products	East India Development Co.	757	39,531	43,774	3,945	81	3-60	874	1,232	21 T	27 T	n
	54% R. C. P. T.									51 T	51 T	
	44% Debentures											
Macfarlane & Co.	Cotton Agents Private	428	1,283	2,216	590	20	3-60	129	28	nil	nil	n
	7% C. P.									nil	nil	n
	Deferred									nil	nil	n
Macneill & Barry	Directors	6,902	9,060	25,155			3-61	5,570	4,759	10 T	8 T	
	54% C. P. T.									51 T	51 T	
	54% Debentures											
Martin Burn	Directors	9,214	67,781	86,231	19,707		9-60	8,722	8,630	27 T	27 T	2
	5% C. P.									61 T	5 T	
	4% Convertible Notes											
Marwar Trading Corp.	Directors			102			12-59	67	13	8 T	nil	
McLeod & Co.	5% 1st C. P. T.			30,842	1,010		12-60	2,032	2,050	15 T	15 T	1
	5% 2nd C. P. T.									44 T	5	
	Deferred									65 T	5	
	Convertible Notes									10 T	10	
Metal Box Co.	Directors	22,123	60,922	99,232	31,161		3-61	14,083	12,617	25 T	25 T	1
	6% R. C. P. T.									6 T	6 T	
Metal Corporation	Directors		8,838	10,025	5,686		3-60	1,266	587	nil	nil	n
	5% C. P. T.									nil	nil	n
	54% Debentures											
Midnapore Zamindary	Andrew Yule & Co.	67		62		3	4-61	145	108	nil	nil	
Moradabad Water Supply	Noordulla Ghazanfarulla	529	2,596	5,537	818	22	6-60	321	186	nil	5	
C. & E. Morton India Ltd.	Cotton Agents Private	164		6,074		272	6-59	2,557	2,191	43 T	35	1
Motor & Genl. Finance	Gupta & Syal Ltd.									10	10	1
	10% 1st C. P.									7	7	
	7% 2nd C. P.									7	7	
	7% 3rd C. P.									7	7	
National Insulated Cables	Asso. Indust. Development Co.	2,211	19,601	34,914	3,607	786	3-60	7,502	3,908	25 T	20	2
	54% Debentures											
National Pipes & Tube	Asso Indust. Dev. Co.	1,207	7,500	10,202	2,337	231	9-60	2,370	2,002	20 T	15 T	1
	54% R. C. P.									51 T	51 T	
National Rolling	Asso. Indust. Development			14,189	902	298	6-60	3,130	1,532	13 T	10	
National Rubbe.	Directors	2,851	13,222	20,206	4,397		12-59	1,067	886	8 T	6	
	6% C. P.									6	6	
National Tobacco	N. Elias & Co Private	7,157	75,692	96,444	10,262	638	12-60	6,561	6,635	16 T	16 T	
	5% R. C. P.									5 T	5	
	44% R. C. P.									41 T	4 T	
	4% Debentures											
Nav Bharat Vanija	Directors	46	3,550	2,781	2,721		5-60	577	147	nil	nil	
	44% C. P.									nil	nil	
New India Investment	Ramdhutt Ramkissenda	6	1,347	1,554	3,531	40	12-59	501	258	11 T	5	
Oceanus Steel & Co.	Directors	1,643		3,846			12-59	1,603	1,728	12 T	8 T	
	6% C. P. T.									6 T	6	
Orient Paper	Birla Brothers Private Ltd.	10,612	34,769	76,413	6,222	1,073	3-61	19,293	18,494	22 T	22 T	
	54% C. P.									78 T	78 T	
	54% R. C. P. T.									51 T	51 T	
	54% Debentures											
Orissa Cement	Dalmia Agencies Private	4,896	15,818	42,635	4,576		12-60	10,895	7,458	15 T	11 T	
Orissa Minerals	Bird & Co. Private Ltd.	4,645		13,075	941	220	6-60	2,890	2,869	36 T	36	
Philips India	Directors	9,210		55,900			12-60	8,199	6,999	12 T	17 T	
Port Shipping	Andrew Yule & Co	1,727	742	2,977		12	12-60	418	45	nil	nil	
Publicity Society	Directors	248	316	1,134			3-60	478	32	70 T	37 T	
Punjab Minerals	Bird & Co. Private Ltd.	5	19	27			9-60	5	4	nil	nil	
R. B. Rodda	Director	123		1,730	499		3-60	405	182	16 T	6	
Rallis India	Directors	6,041	160,272	183,498	17,384		8-60	5,122	2,855	4 T	1 T	
	6% C. P. T.									4 T	1 T	
Reliance Firebrick	Directors	1,998	1,698	6,607	352		2-58	1,150	1,080	6 T	6 T	6
Rohtas Industries	Sahu Jaiu Ltd.	16,754	129,753	162,446	42,118		3-61	12,122	21,535	10 T	20 T	
	7 to 9% C. P.									11 T	10 T	
	44% C. P.									5 T	4 T	
	61% Debentures											
	6% Debentures											
Sahu Properties	Directors	4		140			12-59	60	107	6 T	5	
	6% Debentures											
Scientific Instrument Co.	Directors			3,820	5,77		3-55	1,91		8 T	8	
Sen Raleigh	Directors	4,912	20,314	35,838	6,619		9-60	4,450	3,344	8 T	5 T	
	5% C. P.									6 T	5 T	
Shaw Wallace & Co.	Directors	9,358	56,109	75,918	17,390		12-60	6,493	6,222	15 T	15 T	
	6% C. P. T.									6 T	6 T	
Shiva Jute Press	Kedarnath Mohanlal	28		157			6-58	60	21	5	1	
Shree Gopal Paper	K. Ch. Thapar & Bros. pri.	4,979	26,409	46,890	2,091	759	12-60	10,187	10,187	17 T	17 T	
	6% C. P. P.									9 T	11 T	
	7% R. C. P.									9 T	10 T	
	54% Debentures											
	6% Debentures											
Smith Stanistreet	Directors	2,053	12,595	17,196	5,203		6-60	1,181	1,042	25 T	25	
	10% Pref. Cum. as to 7%									10 T	14 T	
Stone Valley Port Cement	Directors			14,440	2 27		12-59	94	1,106	nil	6	
Star Co.	Directors			198			3-60	119	71	3 T	3 T	
Star Paper Mills	Bejoria & Co.	1,489	5,629	10,792	223	87	9-59	1,242	1,574	3 T	6	
	5% C. P.									5	4	
	64% R. C. P.									6 T	6	
	7% R. C. P.									7 T	7	
Star Trading & Inv.	Bejoria & Co.			25			6-59	6	25	nil	nil	
Straw Products	J. K. Agents Private Ltd.	1,201	4,258	8,812	2,690	79	12-59	1,766	1,011	15 T	12 T	
Sutna Stone & Lime	Directors	829	1,236	3,833	8		12-60	677	478	27 T	20 T	

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	November 1961 Rs. np.	November 1960 Rs. np.			General Rs. 000	Others Rs. 00	Carry Forward Rs. 000				Rs. 000	Rs. 000	Rs. 000	Investments Rs. 000	Stocks & Stores Rs. 000
NORTHERN INDIA (Continued)															
Kumardhubi Fireclay	18 45 N	20 95	10	3,000	628	3 457	33	9,825	12 681	6,621	397	5,474	5,402	20	...
54% R. C. P. T.	58 20	49 00	100	400	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	...	2,000	...	...	...	...	...	...	...	...	...	...	...
Kusum Products	10 60	2 25	10	800	...	578	33	5,360	4,828	2,880	13	4,495	1,781	339	...
54% R. C. P. T.	64 00 N	64 00	100	800	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Macfarlane & Co.	7 69	4 37	5	634	...	0	140	1,545	871	633	153	1,213	802	18	...
7% C. P.	...	...	100	309	...	...	...	...	...	...	...	...	...	...	...
Deferred	2 06	0 91	1	66	...	...	...	...	...	...	...	...	...	...	...
Macneill & Barry	93 00 N	96 00	100	15,000	5,000	3,959	327	7 378	12,166	2 180	24 323	1,333	10,478	2 545	...
54% C. P. T.	49 13	54 25	100	10,000	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	1000	7,500	...	...	...	...	...	...	...	...	...	...	...
Martin Burn Limited	29 87	26 50	10	14,656	8,000	3,456	260	66,384	5,724	1,819	19,675	20,194	52,510	778	2,518
5% C. P.	65 50	91 00	100	6,000	...	...	...	...	...	...	...	...	...	...	...
4% Convertible Notes	...	...	500	835	...	...	...	...	...	...	...	...	...	...	...
Marwar Trading Corp.	149 50	147 00	100	525	...	1 926	3	141	...	...	...	...	512	15	...
McLeod & Co.	215 00	210 00	100	4,000	3,800	4 080	219	13,796	3,196	1,364	26,385	1,021	7,114	542	...
5% 1st C. P. T.	47 78	10 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% 2nd C. P.	60 25	61 00	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Convertible Note.	...	...	...	4,500	...	...	...	...	...	...	...	...	...	...	...
Metal Box Co.	61 35	41 75	10	16,100	11,500	6 775	2,886	30,354	36,154	14,023	405	32,892	13,195	2,079	...
6% R. C. P. T.	84 00	45 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Metal Corporation	11 31	10 12	10	5,000	...	1,043	1,442	6,882	11 854	6 682	15	7,587	570	39	...
5% C. P. T.	99 09	88 00	100	750	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
Midnapore Zamindari	10 25	16 50	85	7,990	...	...	2,339	1,006	67	46	51	...	5,219	1,367	...
Moradabad Water Supply	5 25	4 41	10	446	...	...	5	123	733	266	1	36	55	24	9
C. & E. Morton (India) Ltd	...	...	10	885	...	262	20	1,936	2,746	1,626	70	1,789	877	117	...
Motor & General Finance	...	...	25	250	2,200	1 14	1	21,469	507	102	675	386	24,468	306	...
10% C. P.	...	...	20	100	...	...	...	...	...	...	...	...	...	...	...
7% 2nd C. P.	...	...	10	275	...	...	...	...	...	...	...	...	...	...	...
7% 3rd C. P.	...	...	10	9,000	8,000	5 757	86	24 014	10,546	5 135	8	15,304	23,429	1,136	...
National Insulated Cable	37 62	29 12	10	1,000	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	2,000	1,600	2,000	3 12	43	3,786	5,044	2,693	7	5 380	2,404	40	...
National Pipes & Tubes	29 81	20 61	10	1,000	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P.	...	...	10	4,000	1,500	1,519	131	4,195	8 322	3 577	3	4,419	2,086	62	...
National Rolling	22 31	16 06	10	4,997	...	...	...	...	...	...	...	...	...	...	...
National Rubber	14 75	24 00	106	945	400	516	15	10,213	6,355	3,367	10	7,894	3,213	863	151
6% C. P.	73 00	20 75	10	7,997	6,000	5,755	934	18,783	15,041	8 118	91	28,611	6,634	2,878	...
National Tobacco Co.	17 75	69 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	69 00	61 50	100	1,998	...	...	...	...	...	...	...	...	...	...	...
4% R. C. P.	62 00	61 50	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	10	1,500	...	...	...	...	...	...	...	...	...	...	...
Nav Bharat Vanisya	7 50	4 00	10	1,000	...	...	22	686	4	2	...	2,721	484	1	...
4% C. P.	80 00	66 75	50	1000	...	...	...	...	...	...	...	...	...	...	...
New India Investment	44 50	48 00	75	2,332	1,000	102	45	1,065	5	4	4,012	...	384	149	...
Octavian Steel & Co.	...	...	100	5,000	3,300	3,102	334	5,671	1,036	361	8,649	...	8,898	185	...
6% C. P. T.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Orient Paper	41 10	43 05	10	14,682	4,700	30,436	180	25,597	103,098	37,573	2,267	15,868	15,302	2,690	1,995
54% R. C. P.	29 00	40 00	100	12,000	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P. T.	59 50	57 50	100	6,000	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
Orissa Cement	16 22	14 91	10	22,500	1,000	6,932	52	31,350	56,366	22,408	1,096	15,129	12,844	227	2,581
44% C. P.	...	...	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Orissa Minerals	46 62	37 17	10	2,000	1,455	4,400	111	7,396	6,891	2,826	4,342	2,255	5,620	125	104
Philips India	56 62	27 25	10	22,000	446	5,162	64	21,860	21,674	6,670	247	21,949	17,977	1,918	436
Port Shipping	10 37	11 25	10	1,408	370	74	258	1,522	2,886	1,377	...	143	1,475	4	...
Publicity Society	23 17	15 00	4	246	151	313	122	1,324	1,65	189	70	...	1,584	534	...
Punjab Minerals	...	...	10	500	...	...	140	23	159	2	...	...	17	1	9
R. B. Rodda	2 20	5 00	10	650	200	52	15	528	138	57	46	1,087	702	72	...
Rallis India	157 00	122 50	100	22,500	500	100	449	17,616	7 039	3,389	8,630	18,552	14,901	2,917	...
5% C. P. T.	63 50	89 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...
Reliance Firebrick	23 00	25 00	10	600	319	1,121	37	4,029	3,716	2,569	1 088	952	2,341	152	...
Rohas Industries	17 61	21 75	10	49,881	20,700	4,760	596	68,891	150,825	67,634	16 272	57,539	17,786	1,727	...
7 to 9 C. P.	106 00	117 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	53 50	57 25	100	8,477	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	1000	9,000	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
Sahu Properties	2 67	2 31	5	750	...	369	1	239	...	...	1,649	...	199	10	...
54% Debentures	...	...	500	...	...	...	...	...	...	...	...	...	...	...	...
Scientific Instrument Co.	22 36	25 37	10	999	1,45	1 29	4	14,91	1 71	...	72	5 80	18,27	1,16	...
Sen-Raleigh	143 00	148 00	100	3,000	1,750	3,811	117	31,344	27,613	7,219	854	20,7 6	3,387	1,629	...
5% C. P.	...	...	100	7,500	3,300	2,368	514	52 833	14,012	3,763	17,983	19,997	25,111	694	...
Shaw Wallace & Co.	22 94	24 00	10	7,500	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T.	64 00	69 75	100	450	...	110	10	32	85	975	...	30	178	6	...
Shiva Jute Press	...	...	10	12,511	4,075	10,364	57	32,687	60,650	16,053	4,910	14,564	4,914	1,171	1,788
Shree Gopal Paper	27 37	26 50	100	750	...	...	...	...	...	...	...	...	...	...	...
5% C. P. P.	101 00	92 00	100	7,499	...	...	...	...	...	...	...	...	...	...	...
7% R. C. P.	96 50	100 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	5	1,000	600	869	99	4,637	2,440	1,505	302	5,203	1,343	448	...
Smith Stanistreet	17 12	12 15xrts	5	500	...	...	...	...	...	...	...	...	...	...	...
10% Pref cum a: to 7	63 12	69 62	50	...	...	...	...	...	...	...	...	...	...	...	...
Sone Valley Port Cement.	5 12	5 06	5	7,500	1,415	435	62	6,596	22,510	15,876	106	6,282	2,319	433	214
Star Co.	79 00	80 00	100	1,040	762	418	31	317	446	...	1,700	9,503	5,584	1,209	2,876
Star Paper Mill	11 35	13 19	10	6,000	450	389	6	9,541	7,736	4,304	107	...	...	...	...
54% C. P.	85 40	73 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	85 40	93 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
7% R. C. P.	71 00	93 00	100	2,325	...	...	...	...	...	...	...	...	...	...	...
Star Trading & Invst	8 00 N	8 00	25	500	...	...	143	736	2	1	122	817	150	2	...
Straw Products	9 44	11 81	10	1,500	3,400	6,467	33	4 612	11,849	2,852	983	3,613	1,919	6,061	335
Sutna Stone & Lime	18 25	22 25	10	484	115	631	32	854	2,129	812	14	175	296	185	...

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	November 1961	November 1960			General	Others	Carry Forward				Invest- ments	Stocks & Stores	Out Standings	Cash	Others
	Ra. np.	Ra. np.													
NORTHERN INDIA (Contd.)															
Tide Water Oil ...	20 44	17 00	10	600	450	489	125	3,975	446	173	7	2,832	2,144	382	...
Titagarh Paper Mills ...	35 87	38 00	10	11,205	4,893	30,217	148	49,112	95,590	49,258	1,000	28,793	29,526	659	2,352
Prefd. Ordinary ...	4 10	3 84	2½	437	...	...	...	...	...	...	...	...	...	...	...
8% C. P. ...	107 00	110 00	100	1,150	...	...	...	...	...	...	...	...	...	...	...
4½% Cum. preference ...	72 08	78 50	100	1,500	...	...	...	...	...	...	...	...	...	...	...
¾% Debentures ...	...	...	...	10,000	...	...	...	...	...	...	...	...	...	...	...
Tungbhadra Industries ...	8 12	...	10	3,059	...	30	56	6,607	6,869	1,769	25	5,400	56	163	...
¾% Debentures ...	...	...	...	1,503	...	...	...	...	...	...	...	...	...	...	...
Union Co. ...	76 00	80 00	100	1,250	728	807	113	2,715	40	18	3,254	...	2,320	15	...
Union Carbide ...	53 75	49 25	10	20,800	5,000	6,535	4,363	39,012	38,512	9,532	303	26,312	7,375	8,541	...
United Flour Mills ...	38 00	47 00	10	500	295	361	10	1,437	862	562	18	466	910	906	...
Walford Transport ...	3 50	3 44	1	841	1,400	1,007	161	5,089	1,385	951	127	5,061	2,340	746	...
Prefd. Ordinary ...	2 50	2 37	1	210	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA															
Aluminium Industries ...	23 45	22 95	10	8,000	2,000	1,984	153	24,6107	13,872	5,551	84	14,489	12,524	950	...
Amrutnjan ...	...	...	100	250	175	158	5	1,17	873	166	176	304	444	434	...
7½% C. P. ...	118 17	131 00cd	100	300	...	...	...	...	...	...	...	...	...	...	...
Andhra Cement ...	9 10	10 00	10	7 102	350	399	23	8,717	16,052	6,938	594	4,807	2,320	41	...
6% Cum. preference ...	92 74	101 80	100	249	...	...	...	...	...	...	...	...	...	...	...
Andhra Scientific Co. ...	11 75	11 00	10	800	...	129	17	2,239	1,547	709	...	1,281	1,234	32	...
5% C. P. ...	7 04	12 50	10	200	...	...	...	...	...	...	...	...	...	...	...
Ashok Leyland ...	9 28	8 70	5	24,679	650	1,914	20	19,413	22,070	6,077	101	17,509	9,458	84	...
Aspinwall & Co. (Trav.) ...	4 30	4 72	10	1,000	...	451	...	684	551	353	60	834	1,009	36	...
Aspinwall & Co. ...	6 45	7 10	10	3,588	44	1,027	19	4,727	3,604	1,880	485	1,125	5,874	411	...
6% c. p. ...	7 37	7 62	10	214	...	...	...	...	...	...	...	...	...	...	...
Asso. Indusl. & Engg. ...	82 10	83 50cd	100	2,495	35	10	11	2,270	321	179	442	2,080	2,586	71	...
Bangalore Printing ...	13 95	14 30	10	316	188	108	7	151	783	454	50	232	171	42	...
Second Ordinary ...	...	...	10	31	...	...	...	...	...	...	...	...	...	...	...
Bimby & Co. ...	310 00	196 00	100	10,000	3,650	1,300	439	10,684	3,628	1,881	21,177	399	2,485	264	...
Central Scientifics ...	6 65	8 55	5	150	165	70	7	158	128	66	10	180	255	92	...
8% C. P. P. ...	4 78	5 25	5	150	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Chem & Fert ...	...	...	25	139	...	...	...	3.39	1.45	29	1	3.11	21	30	...
Enfield Industries ...	12 10	15 50	10	1,499	...	353	5	2,432	4,801	718	...	2,666	461	62	...
6% C. P. ...	92 00	95 10	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Fertilisers & Chemicals ...	9 00	10 05	10	34,598	...	1,462	1,959	30,424	51,368	28,028	2,575	10,569	6,839	2,068	2:
Forest Industries ...	2 60	3 04	2½	1,992	...	...	-210	1,627	613	438	...	324	1,163	1,747	...
General Papers Limited...	10 32	11 35	10	750	300	166	6	490	121	43	46	878	616	89	...
India Cements ...	6 47	6 20cd	5	22,445	3,000	3,872	119	28,686	46,664	13,335	990	9,127	13,832	3,988	...
7½ Cum. preference ...	84 00	88 50cd	100	3 353	...	...	...	...	...	...	...	...	...	...	...
Invst. Trust of India ...	68 00	70 50	100	1,000	...	221	4	90	...	...	1,212	...	7	37	...
Jeyapore Mining ...	...	...	100	400	...	240	31	10,94	6.35	1.63	36	8.83	4.10	...	...
Kirloskar Elec ...	16 25cd	13 10	10	3,871	1,212	1,218	4	8,199	7,808	3,665	...	6,789	3,113	353	...
Madras Indust Invt. Corp. ...	...	...	1000	13,211	200	230	5	45,159	22	7	11,440	2	35,638	11,626	...
4½% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Madras Safe Deposit ...	41 70	44 14	80	158	...	...	...	107	122	...	...	...	...	...	...
Madras Vanaspati [a.z.] ...	16 10	15 00	100	1,500	10	...	-1,234	2,817	3,943	...	100	...	20	37	...
Ordinary ...	...	...	10	193	...	...	...	...	...	...	...	58	9	1	...
5½% C. P. ...	58 00	17 20	100	794	...	...	...	...	...	...	...	...	...	...	...
Manihar (Motor) ...	80 00cd	51 00	50	575	450	...	14	2,020	293	29	89	1,013	1,697	294	...
6% C. P. ...	52 33cd	48 95	50	298	...	...	...	...	...	...	...	...	...	...	...
McDowell & Co. ...	29 75	22 35	10	600	390	30	149	1,591	1,486	667	137	1,326	685	194	...
6% C. P. ...	79 50	94 50	100	400	...	...	...	...	...	...	...	...	...	...	...
Mettur Chem. & Indl Corp. ...	14 70	13 20	10	8,000	422	2,214	16	2,537	15,617	8,157	1,440	3,925	4,493	921	...
6% C. P. ...	9 35	98 75	10	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	100	1,175	...	...	...	...	...	...	...	...	...	...	...
6½% Debentures ...	...	...	100	1,350	...	...	...	...	...	...	...	...	...	...	...
Modern Housing ...	...	...	10	1,792	...	...	-1,240	143	622	246	231	265	888	202	...
6% C. P. ...	...	...	100	1,272	...	...	...	...	...	...	...	...	...	...	...
Mysore Chem & Fert ...	10 80	11 85	10	2,481	715	333	9	2,514	5,554	4,353	393	1,584	1,449	1,355	...
Mysore Chem. Manfr. ...	22 45	27 50cd	10	800	200	255	145	2,748	1,257	670	228	2,224	1,246	63	...
6% C. P. ...	7 83	8 40	10	200	...	...	...	...	...	...	...	...	...	...	...
Mysore Chrome ...	...	...	10	494	90	...	-206	405	634	169	1	265	42	9	...
Mysore Coffee curing ...	14 00	14 50	10	709	52	194	1	1,231	752	489	83	560	1,351	21	...
Mysore Electric Indus. ...	263 00	172 80	10	1,750	130	750	3	1,889	1,614	740	...	2,039	1,600	48	...
Mysore Glass & Enamel ...	...	...	10	316	...	...	...	136	421	237	...	172	69	77	...
Mysore Indus. & Test. Lab ...	7 80	8 20	5	938	76	530	3	1,132	890	511	475	633	963	140	...
Mysore Lamp ...	32 50	24 85	10	656	535	384	3	698	1,239	725	...	1,140	819	6	...
4% C. P. ...	5 37	5 95cd	10	250	...	...	...	...	...	...	...	...	...	...	...
Mysore Match Co. ...	13 89	9 16	10	499	...	...	-1.30	77	3.65	84	16	97	20	30	...
Mysore Paper ...	15 20	28 30	10	2,500	1,250	2,043	52	5,333	15,221	10,396	56	3,594	2,129	390	...
Mysore Stoneware Pipes ...	14 16	14 15	10	600	300	268	7	395	1,132	763	159	246	479	108	...
Mysore Tobacco ...	9 40	12 75	10	1,000	180	151	1	739	1,939	1,183	188	521	519	97	...
Mysore Veg. Oil ...	...	...	8	270	134	76	3	690	518	398	255	242	317	239	...
Cyale Glass Works ...	5 50	5 55	5	1,567	...	769	973	4,143	5,307	2,662	4	2,369	1,178	382	...
Parry & Co. ...	7 40	8 17	10	3,000	4,750	2,056	230	27,358	5,363	2,972	2,477	13,103	22,523	1,143	...
5% C. P. ...	...	...	...	257	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures ...	...	...	...	750	500	302	152	3,919	1,255	600	...	2,956	1,738	248	...
Parry's Confectionery ...	4 63	4 60	1	1,505	850	3,952	103	3,205	10,674	5,446	12	2,204	1,998	185	...
Punjab Paper ...	...	...	25	...	...	...	...	...	...	...	...	...	...	...	...
Radio & Electricals ...	4 20	4 15	5	1,500	60	10	2	2,028	844	345	11	2,259	836	14	...
Radio & Electricals Manfg. ...	25 75	19 35	10	2,457	550	177	22	7,046	3,837	2,169	48	2,738	5,636	176	...
Rene (Madras) ...	6 50	6 75cd	5	1,226	334	117	...	3,865	1,997	574	228	2,663	1,524	415	...
7% 'A.C. P. ...	3 98	4 70cd	5	175	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	4 58	4 65cd	5	190	...	...	...	...	...	...	...	...	...	...	...
Ruby Rubbers ...	5 00	7 90	10	890	...	...	4	1,785	1,571	276	140	1,051	373	41	...
6½% C. P. ...	10 00	10 00	10	246	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTHERN INDIA (Continued)												
Simpson & Co. ...	Directors	1,731	48,485	59,241	6,341	...	5-58	3,513	5,043	9	6	13
Spencer & Co. ...	Directors	4,826	28,675	37,924	10,630	...	6-60	2,382	2,342	18T	18T	15
...	6 1/2% 'A' C. P.	...	...	...	...	...	...	...	...	64T	64T	64
...	8 1/2% 'B' C. P.	...	...	...	...	...	...	...	...	84T	84T	84
Standard Motor Products ...	Standard Motor Co.	1,819	35,428	38,975	11,746	...	12-60	2,854	1,815	9T	9T	7 1/2
...	6 1/2% C. P.	...	...	...	...	...	...	...	...	8 1/2T	8 1/2T	6 1/2
...	Deferred	...	...	...	...	...	...	...	...	...	...	...
Stanes & Co. T. ...	Directors	581	6,243	8,088	740	...	9-60	882	791	3 1/2T	2 1/2T	20
...	7% C. P.	...	...	...	...	...	...	...	...	7T	7T	7
Stanes Motors ...	Directors	1,020	6,682	9,297	1,193	...	3-60	728	592	30T	20	20
Textool Co. ...	Balasundaram & Co.	4,904	9,061	16,637	4,132	82	4-60	1,049	1,085	15T	15T	12
Thouss & Co. A. V. ...	Directors	265	840	1,394	410	...	12-59	191	233	20T	25	15
...	"B" Ordinary	...	...	...	...	...	...	...	...	20T	23	15
...	6% Cum. Preference	...	...	...	...	...	...	...	...	6T	6	6
A.V. Thomas & Co., (India) Ltd.	Directors	46	126	204	196	...	6-60	88	52	6T	6T	6
...	5% Cum. Preference	...	...	...	...	...	...	...	...	61T	61T	6
Travancore Cements ...	Esael Ltd.	1,120	3,334	1,717	1,717	30	12-59	(a13)1,008	996	6T	6	6
Trav. Chem. & Manfg. Co.	Directors	184	2,865	5,024	744	...	3-61	940	485	20T	15T	10
...	6 1/2% R. C. P.	...	...	...	...	...	...	...	...	8 1/2T	8 1/2T	6 1/2
Travancore Ogale Glass ...	Ogale Bros. Private Ltd.	505	703	1,530	40	10	12-60	191	156	6T	6T	4
United Coffee Supply ...	Directors	496	4,816	7,059	1,068	...	6-60	357	311	21	15	11
United Elec. Industries ...	Directors	192	1,332	2,287	17	...	12-59	33	178	nil	nil	nil
...	5% Cum. Pref.	...	...	...	...	...	...	...	...	nil	nil	nil
Vanjinad Matches ...	Directors	85	4,24	5,43	1,36	...	12-54	18	31	nil	nil	nil
...	6 1/2% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Vasant Soap Works ...	Ramkrishna & Sons	23	162	270	34	6	12-58	30	11	nil	nil	nil
...	5 1/2% C.P.	...	...	...	...	...	...	...	...	nil	nil	nil
W. I. Plywood ...	Directors	1,046	2,813	6,787	2,747	...	3-61	1,991	1,621	12T	10T	10
...	6% C. P.	...	...	...	...	...	...	...	...	7 1/2T	7 1/2T	6

(a) After transferring Rs 2,000,000 from Dividend Equalisation Fund.
(b) After transferring Rs 67,000 from Dividend Equalisation Reserve.
(c) After transferring Rs 281,261 from General Reserve.
(d) After transferring Rs 1,500,000 from General Reserve.
(e) After transferring Rs 1,10,000 from General Reserve Rs 40,000 from Dividend Equalisation Fund.
(f) Includes Rs 135,478 being surplus on sale of Fixed Assets.
(g) After transferring Rs 125,000 from Dividend Equalisation Reserve.
(h) After transferring Rs 62,000 from General Reserve.
(i) After writing back Rs 681,971 being over provision in previous years.
(j) After transferring Rs 719,862 from General Reserve.

(k) After transferring Rs 125,000 from General Reserve.
(l) After transferring Rs 2,000,000 from Dividend Equalisation Reserve.
(m) After transferring Rs 800,000 from General Reserve.
(n) After transferring Rs 150,000 from Deferred Taxation Reserve and Rs 129,559 from provision for taxes made in previous years.
(o) After writing back Rs 141,948 being excess provision for depreciation and Rs 19,398 being Investments written off.
(p) After transferring Rs 300,000 from General Reserve.
(q) Bonus shares in the ratio of one fully paid ordinary share for every five ordinary shares will be issued in lieu of Dividend.

(r) Includes Rs 17,99,170 being indemnity receivable from the Government of India.
(s) After transferring Rs 3,379,376 from General Reserve.
(t) After transferring Rs 7,600,000 from Tax Equalisation Reserve.
(u) Dividend in the form shares in The Punjab National Bank at one share for every 20 shares held in Bharat Nidhi.
(v) After transferring Rs 600,000 from Dividend Equalisation Reserve and writing back Rs 263,463 being excess provision made in previous years.
(w) After transferring Rs 450,000 from General Reserve.

COTTON

NAME	Managing Agents' Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
									Latest	Previous	Latest	Previous	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Ahmed Advance ...	Tata Industries Private	49,168	1,315	5,365	8,552	6,849	22	12-60	(a)1,442	(b)3,127	6T	10T	7
...	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
...	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Ahmed Mfg. & Calico ...	Karamchand Premchand Pri.	139,120	2,372	40,893	108,316	28,424	1,267	3-61	(a1)22,528	(a12)17,217	3 1/2T	6 1/2T	5
...	4 1/2% 1st Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
...	4 1/2% 2nd Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
...	4 1/2% 3rd Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Ajit Mills ...	Anubhai Chinubhai & Co.	25,376	513	4,729	13,982	2,910	141	12-60	1,698	(c)9,830	10T	16T	12 1/2
...	4 1/2% 'B' R. C. preference	...	...	...	...	...	...	...	...	...	...	...	...
...	5% 'C' R. C. preference	...	...	...	...	...	...	...	...	...	...	...	...
...	4 1/2% 'D' R. C. preference	...	...	...	...	...	...	...	...	...	...	...	...
Apollo Mills ...	Rajputana Textiles Print & Co.	56,468	898	7,390	13,665	2,151	25	12-59	-910	-2,475	nil	nil	nil
Arvind Mills ...	Narottam Lalbhai	65,412	1,216	11,504	37,387	4,969	892	12-60	9,881	5,407	45T	40T	28
...	5% Cum. preference T.	...	...	...	...	...	...	...	...	...	...	...	...
...	4 1/2% Cum. preference T.	...	...	...	...	...	...	...	...	...	...	...	...
...	4 1/2% R. C. preference T.	...	...	...	...	...	...	...	...	...	...	...	...
Asoka Mills ...	Lalji Dhanraj	37,358	714	8,603	21,206	1,494	50	12-59	(a4)1,632	(a5) 987	25T	20T	30
...	5% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
...	4 1/2% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
Azam Jahi Mills ...	Government of Andhra	36,136	716	12,776	17,409	4,909	...	9-60	633	315	4T	4T	nil
B. R. Cotton ...	Directors	50,596	1,071	8,986	14,647	2,996	...	3-59	-693	-624	nil	nil	nil
...	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
...	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Bisnod Mills ...	B. Ram. Balchand	60,640	1,338	141,15	203,58	28,53	6,69	12-55	24,54	6,30	10 1/2T	6	6
Bombay Dyeing ...	Nowrojee Wadia & Sons Private	223,552	3,984	71,825	100,726	57,251	627	12-60	(c)13,267	(b)11,014	14T	14T	10

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	November 1961	November 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
	Rs. np.	Rs. np.	Rs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 00
SOUTHERN INDIA (Continued)															
Simpson & Co. ...	24 25	22 65	10	7,500	2,500	10	1,887	20,428	14,009	7,263	16,335	7,778	1,175	265	...
Spencer & Co. ...	7 65	6 60	10	4,000	5,609	4,583	756	8,796	15,382	7,819	4,159	11,086	5,693	1,165	...
...	10 55	11 12	10	2,320	...	...	...	...	...	...	...	...	...	...	...
...	16 37	17 00	10	3,680	...	1,940	3	10,003	13,584	3,974	2	11,746	1,002	40	45
Standard Motor Products ...	96 00	95 75	100	4,700	...	...	...	...	...	...	...	...	...	...	...
...	...	...	1	5,000	...	...	...	...	...	...	...	...	...	...	...
...	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
Stanes & Co. T. ...	31 50	32 55	10	1,156	200	1,365	41	2,155	1,362	739	1,340	1,042	1,631	431	...
...	80 50	83 10	100	150	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	...	...	10	691	502	1,482	20	1,066	1,506	648	181	1,300	875	748	...
Stanes Motors ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Textool Co. ...	185 00	190 00	100	3,322	500	868	5	14,490	6,949	2,620	16	6,212	8,541	88	...
Thomas & Co. A. V. (Allep.)	21 00	20 85	10	200	312	406	27	531	682	363	136	451	680	46	...
R. Ordinary ...	7 25	6 48	10	121	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Preference ...	4 00	4 00	10	300	...	...	3	150	50	33	158	234	189	55	...
A.V. Thomas & Co India	5 00	5 45	10	200	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Pref.	8 10	8 75	10	5,000	...	1,177	29	6,204	13,789	5,799	48	3,956	397	19	...
Travancore Cements ...	21 75	16 00	10	1,300	...	292	56	2,048	2,176	774	25	1,292	1,228	50	...
Trav. Chem. & Manfg. Co.	8 82 1/2	9 38	10	300	...	...	3	679	1,698	747	...	438	214	50	...
6 1/2% R. C. P.	6 20	7 50	10	999	...	...	...	...	...	...	...	...	...	...	...
Travancore Ogale Glass ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
United Coffee Supply ...	9 50	9 50	10	600	335	505	11	1,354	1,251	728	354	1,221	538	167	...
United Elec. Industries ...	10 20	10 00	10	936	...	6	348	1,549	839	224	...	1,129	356	69	...
5% C. P.	...	...	...	15	...	...	...	...	...	...	...	...	...	...	...
Vanjinad Matches ...	...	...	6	270	...	...	14	2,43	7,72	3,94	9	3,66	1,63	23	9
6 1/2% Cum. preference	...	...	10	450	...	...	...	...	...	...	...	...	...	...	...
Vasant Soap Works ...	...	...	100	225	...	49	423	455	463	168	...	90	33	2	8
5 1/2% C. P.	...	...	100	121	...	...	...	...	...	...	...	...	...	...	...
W. I. Plywood ...	220 00	240 00	100	3,146	250	2,595	7	5,208	10,279	3,559	1	3,142	1,836	124	1
6% C. P.	86 54	95 80	100	618	...	...	...	...	...	...	...	...	...	...	...

(x) After writing back Rs. 119,000 from Reserve for Tax contingencies.
(y) After transferring Rs 228,256 from Rehabilitation and Expansion Reserve.
(z) After transferring Rs 2,50,000 from Investment Depreciation Reserve.
(a1) After transferring Rs 500,000 from General Reserve and Rs 1,950,000 from Dividend Reserve.
(a2) After writing back Rs 685,689 being Development Rebate.
(a3) After writing back Rs 110,265 being surplus Reserve for taxation.
(a4) After transferring Rs 50,000 from Reserve and Rs 175,000 from contingency Reserve.
(a5) After transferring Rs 200,000 from Bad and Doubtful debts Reserve.
(a6) After writing back Rs 315,185 from Fleet Depreciation Reserve.

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Salcs	Stocks	Managing Agents' Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
				Ra. 000	Ra. 000	Ra. 000	Ra. 000				Latest	Pre- vious	Second Pre- vious
WESTERN AND CENTRAL INDIA													
Central India	Tata Industries Private ... 5% Cumulative preference ...	115,188	2,064	19,001	32,883	11,875	...	6-60	-893	-5,269	nil	nil	nil
Century Spg. & Mfg.	Birla Gwalior Priv. Ltd. ... 6% R. C. P.	126,752	2,752	42,628	93,019	17,164	932	12-59	16,477	(a)14,648	3½T	22	22
Coorla Spg. & Wvg.	Cowasjee Jehangir & Co. ...	24,848	680	6,896	15,272	1,093	54	3-60	1,106	(n)1,060	11T	7½	12½
Davangere Cotton	R. Hanumantappa & Sons ...	25,214	300	8,565	14,139	4,611	156	3-60	1,961	1,635	12 T	9	9
Dawn Mills	Ramnarain Sons Ltd. ...	40,962	...	5,845	14,186	3,264	.84	5-59	2,022	1,421	20	10	16
Edward Textiles	P. Bubna Sons ...	48,718	928	11,843	23,282	4,986	85	12-60	2,238	683	9T	9 T	7½
Elphinstone Spg.	Director ... 7% C. P.	41,300	886	9,369	22,671	6,824	...	12-60	3,581	1,839	18 T	14T	nil
Finlay	James Finlay & Co. Ltd. ...	49,528	784	7,393	23,004	4,677	135	12-58	(a36)2,581	(a15)1,901	16	20	20
Gaskwar Mills	Directors ...	...	...	6,659	16,124	4,162	...	12-60	2,797	2,680	16T	16 T	10
Gekak Mills	F. F. Campbell & Co. pri... 6% Debentures ...	74,286	...	21,562	27,367	1,008	50	12-59	(i) 1,035	(x)1,396	6 T	8	8
Gold Mohur	James Finlay & Co. ...	45,768	1,020	6,414	22,636	5,730	328	12-59	(a1)4,313	(a7)2,520	21½ T	15	15
Hind Mills	Hind Agents Private ... 5% C. P.	71,596	1,387	105,72	324,27	115,33	2,80	6-56	22,77	15,63	6	4	4
Hindustan Spg.	Directors ... 44% R. C. P. T.	49,448	1,122	12,682	19,781	2,575	...	3-60	(a23)2,375	(a37)1,651	50 T	35	35
India United	Agarwal & Company ... Deferred ...	244,300	6,278	45,048	116,890	20,881	...	12-59	(v)3,918	(a48)5,553	44	44	44
Indore Malwa	Directors ...	51,180	1,420	18,464	32,050	10,965	...	12-60	2,769	(a13)391	8½T	7T	5
Jaipur Spg. & Wvg.	Shree Laxmi Traders ... 5½% R. C. P.	...	...	3,484	6,166	2,944	...	12-58	-221	-55	8 T	8	8
Jam Ranjitsinghi	Directors ...	...	...	5,980	10,563	2,529	...	6-60	(w)410	-125	6T	nil	nil
Khatou Makanji	Khatou Makanji & Co. Private ... 4% Cum. Preference ...	92,852	1,489	15,155	51,009	8,992	854	6-60	9,161	5,814	32T	16	10
Kashinor Mills	Killick Industries Limited ...	120,504	1,846	28,059	59,608	9,984	217	12-60	(a10)3,716	(c)2,152	15T	9½T	10
Lakshmi Cotton	Directors ... 5% Cum. preference T.	48,996	1,219	12,743	22,850	2,154	...	12-60	1,186	(l) 1,543	10T	10T	6
Mafatal Fine Spg.	N. C. Purshotamdas & Co.... 4½% 1st R. C. P. 4½% 2nd R. C. P.	51,996	896	10,882	27,941	2,193	601	12-60	6,347	5,745	30T	29T	18
Mahendra Mills	J. R. Patel & Sons Pri ... Ordry. P. P. 6½% R. C. P.	...	...	9,230	14,660	2,478	145	12,59	3,841	2,659	8½T	6,43T	4
Marodon Spg. & Mfg.	Morden Agents Co. Pri. ...	24,740	482	7,335	16,193	3,288	50	12-59	627	522	9-30T	6½	5
Minerva Mills	N. Sirur & Company Private ... 6¼% Debentures ...	39,896	704	8,736	12,810	6,863	40	12-60	637	37	8½T	6	6
Modern Mills	N. Sirur & Company Private ...	49,200	644	13,124	19,229	8,380	213	10-60	2,307	1,815	12T	10T	6
Monogram Mills	M. Bakubhai & Sons. Private ...	27,460	528	7,285	19,089	5,030	125	12-60	1,522	852	11½ T	8½ T	6
Marajee Gourides	Piramal Sons Privt. Ltd. ... 4½% Cum. preference ...	70,416	1,652	18,551	50,684	6,234	438	6-61	5,696	3,784	24T	21½ T	6½
Mysore Spinning	4½% Cum. preference T. ... N. Sirur & Company Private ...	50,480	500	11,071	16,812	4,399	45	2-61	1,181	881	5-85T	6-43T	10
Navsari Cotton	Directors ... 5% C. P.	...	...	4,806	10,712	2,946	...	12-60	1,300	766	12T	12 T	12
New City of Bombay	W. H. Brady & Co. Ltd. ...	45,944	432	8,333	14,049	1,222	...	12-59	-1,164	-288	7,14T	7,14 T	5
New Commercial	Tricunlal Bhogilal ... 4% 2nd R. C. P.	45,836	866	8,926	22,614	4,798	185	12-59	2,389	2,349	14½ T	10½	10
New Great Eastern	Board of Directors ... 5½% Cum. preference T.	49,012	1,018	6,741	13,247	4,299	...	12-59	-1,251	(p) 101	5-72T	4	10
New Kaiser-I-Hind	Directors ... 5% C. P.	54,052	1,219	10,333	28,967	10,366	...	3-60	634	-1,814	5½	5½	5½
New Shorrock Spg	Mafatal Chandulal & Co. ...	51,100	907	9,795	28,515	2,902	872	12-59	8,798	7,240	44 T	28	24
Omanabahi Mills	Pannilal Bisesadas Private ...	37,788	902	11,101	20,875	6,117	50	9-60	758	-962	nil	nil	nil
Podar Mills	Podar Sons Private ... 4% Cum. preference ...	32,600	930	10,257	14,783	1,717	49	12-59	(a1)1,393	(a38)1,271	12 T	18	10
Pulgaon Cotton	Hardoyal sons ...	...	...	8,859	13,104	2,387	41	6-60	626	-125	2½T	nil	nil
Raja Motilal	Mukundlal Bansilal & Sons ...	...	...	5,548	10,664	1,815	74	12,59	1,243	377	nil	nil	nil
Rohit Mills	Directors ... 5½% Cum. preference T. 4% R. C. P. (2nd) 4% R. C. P. (5th)	35,196	648	8,849	24,900	4,745	...	12-59	(m)1,622	(e)1,802	10 T	8	8
Ruby	Chunilal Jeewandas & Co ...	...	...	4,391	8,529	1,184	...	3-60	801	549	5-72 T	4	4
Sassoon & Alliance	Directors ...	9,520	277	4,727	7,777	2,623	...	12-59	31	-73	17T	nil	nil
Sassoon Spinning	M. G. Invt. Corporation Pri.	94,884	2,127	33,290	59,669	4,984	301	12-60	(a4)4,969	(z)3,702	11T	25T	20
Sholapur Spinning	Directors ... Half. Ordry 3% R. Cum. preference 6% Debentures	95,332	2,234	2,086	2,967	1,333	...	3-59	-2,050	-5,456	nil	nil	nil
Shorrock Spinning	Mafatal Chandulal Ahmed...	36,648	720	8,123	20,344	1,430	253	12-59	2,958	3,134	30 T	22	2
Shree Nivras Cotton	Marwar Textiles (Agency) ... 4% R. Cum. preference ... 6½% Debentures	69,070	1,640	18,666	35,538	4,131	252	12-59	(a18)3,896	(a29)2,584	15T	10	8
Shree Sajjan Mills	C. Lladhar & Co. ...	17,880	440	25,75	60,56	13,77	22	3-55	1,81	42	5-72T	4	4
Shree Subhlaxmi	Shree Govind Cotton Co. Pri	...	...	4,351	11,565	2,463	25	12-59	-344	-406	nil	nil	nil
Shree Ambika	H. Kalidas & Company ... 5% Cum. preference 4% Cum. preference (2nd)...	94,128	1,790	17,683	54,942	8,476	1,085	12-60	12,813	10,85½	5 T	45T	30
Shree Ambika	F. F. Campbell & Co. Pri... 6½% Debentures	49,940	1,114	17,490	27,295	6,295	25	3-60	(a20)2,012	(a24)855	7-14T	7-14T	5
Shree Ambika	Birla Brothers private ... 6% C. P.	...	...	4,887	23,153	4,810	2	9-59	1,487	1,500	5-72T	5-72T	17
Shree Ambika	Mafatal Gopalbhai & Sons ... 4% 1st R. C. P. 4% 2nd R. C. P.	97,588	2,409	25,513	62,102	5,344	795	12-59	9,356	(a21)9,141	29 T	20	22
Shree Ambika	Tata Industries pri. Ltd. ... 5% Cum. preference	72,236	2,000	15,524	44,211	8,737	461	12-60	6,304	(a45)4,336	5-72T	14 T	9
Shree Ambika	James Finlay & Co. Ltd. ...	39,328	551	8,304	23,595	3,058	447	12-59	(a17)5,932	(a22)3,352	5 T	25	25

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital Ra. 000	Reserves & Surplus including latest allocations			Sundry Liabilities Ra. 000	Gross Block Ra. 000	Depre- ciation Ra. 000	Liquid Assets				
	November 1961 Ra. n p	November 1960 Ra. no.			General	Others	Carry Forward Ra. 000				Invest- ments Ra. 000	Stocks and Stores Ra. 000	Out- standings Ra. 000	Cash Ra. 000	Others Ra. 000
WESTERN AND CENTRAL INDIA															
entral India	134 50	104 50	100	4,687	1,407	1,076	-10,424	55,989	46,437	15,061	2,778	20,802	2,100	314	315
% cum. preference	434 00	375 00	500	5,000											
entary Spg. & Mig.	595 50	463 00	100	12,295	17,528	16,179	122	38,276	94,276	37,531	1,127	32,499	5,480	1,050	
% R. C. P.	113 50	108 00	100	12,500											
orla Spg. & Wvg.	133 75	133 00	100	2,600	1,173	2,023	76	3,105	12,199	7,824	89	4,097	380	36	
avangere	128 00	116 50	100	2,966	1,610	1,262	9	8,230	12,128	5,771		5,240	2,436	44	
awn Mills.	129 00	130 50	50	2,800	1,063	1,611	12	8,124	9,369	5,909	380	6,406	2,333	30	
ward Textiles	349 00	262 50	200	3,400	3,496	262	-230	6,121	9,861	6,786	1,373	7,167	1,325	109	
phinstone Spg.	111 00	60 00	50	3,000	1,200	2,996	106	9,692	16,481	8,715	56	9,882	1,543	247	
% C. P.	70 00	59 50	100	2,500											
alay	315 00	332 00	100	5,000	6,139	1,024	37	8,819	18,117	9,584	1,019	9,424	2,026	17	
ekwar Mills	230 00	220 00	100	4,000	1,773	4,860	24	11,943	14,223	9,744	1,619	10,153	5,594	256	
ekak Mills	201 00	169 00	100	4,881	2,624	225	1	7,392	18,703	9,162	210	6,713	2,154	16	490
% Debitures				4,000											
old Mohur	265 00	251 60	100	5,000	5,037	797	10	5,045	20,235	6,862	81	9,081	1,062	2,292	
ind Mills			10	5,000	4,227	5,46	25	127,39	144,07	82,06	10	124,26	20,36	65	
% C. P.			100	2,000											
industan Spg.	6625 00	4950 00	1000	1,200	4,993	7,280	-192	4,207	21,682	14,290	1,585	6,617	2,220	874	
% R.C.P.T.	625 00	650 00	1250	1,200											
in United	15 60	15 48	10	20,000		339	-1,979	28,986	51,028	36,818	299	33,018	3,652	687	
ferred	2 28	1 64	1	5,000											
doro Malwa	175 00	122 10	100	5,000	1,299	190	16	16,201	16,780	13,123	2,426	12,710	3,438	274	
ipur Spg. & Wvg.			100	2,500		139	-365	686	4,203	2,281		3,231	112	194	
% R.C.P.			100	2,500											
% Ranjitsinghji	1300 00	1450 00	100	1,554	1,548	288	-658	5,488	6,677	3,548	33	3,820	1,034	164	
atau Makanji	1480 00	465 00	100	5,985	5,400	2,879	39	24,955	37,613	26,691	2,042	18,662	10,169	458	
% Cum. preference	77 00	70 00	100	2,992											
shinoor Mills	318 50	267 50	100	10,000	1,700	9,917	21	17,877	41,829	30,339	720	22,815	3,072	73	1,344
ishmi Cotton	650 00	502 00	250	3,200	3,499	2,266	42	11,641	20,014	15,485	100	12,861	4,535	89	134
% cum. preference T.	151 25	155 00	250	1,600											
afatal Fine Spg.	932 50	760 00	100	5,800	10,393	5,269	6	6,783	24,784	15,695	9,336	7,661	3,500	797	767
% 1st. R. C. P.	78 30	79 00	100	1,450											
% 2nd. R. C. P.	80 00	92 00	100	1,450											
ahendra Mills	315 00	315 00	100	2,500		3,096		16,723	23,594	7,606		5,366	2,344	95	27
dinary P. P.	40 00 N	40 00	40	500											
%	99 00	99 00 N	100	1,000											
arden Spg. & Mig.			200	2,731	2,397	948	10	5,569	8,103	5,524	92	6,062	2,684	170	
inerva Mills	73 50	72 09	100	2,960	315	462		10,769	10,675	5,485	95	9,725	1,130	70	
% Debitures															
odern Mills	117 50	68 50	50	4,647	3,600	732	32	13,709	15,149	7,523	207	13,802	1,027	59	
onogram Mills	73 00		200	2,600	2,944	883	10	8,251	9,553	5,642	75	7,219	2,077	134	1,271
ararjee Goudalas	388 00	308 00	100	5,175	4,800	1,261	155	7,766	30,539	23,101	14	9,235	1,737	458	
% cum. preference	73 00	67 00	100	1,725											
yore Spinning	60 50	62 00	50	3,968	3,246	1,567		10,095	12,562	7,449	2,148	8,970	1,913	60	
% cum. preference	22 76	25 00	50	745											
ivari Cotton	216 25	216 25	100	3,150	703	4,472	43	4,122	6,710	4,691	1,302	7,224	2,577	397	1,472
% C. P.	91 00 N	91 00 N	100	500											
% City of Bombay	155 00	145 20	100	2,400	178	939		3,585	8,376	4,870	8	3,225	207	156	
% Commercial			100	6,300	1,363	1,414	6	14,069	15,738	11,277	1,172	8,168	9,631	245	
% 2nd. R. C. P.			100	525											
% Great	236 00	192 00	100	3,000		466	-1,250	8,113	11,025	6,337	10	6,133	257	40	
% C. P.	107 00	105 00	200	800											
% Kaiser-I-Hind	67 00	49 00	100	4,500		40	-2,257	14,417	13,340	9,715	964	11,520	1,773	212	106
% C. P.	65 00	74 50 N	125	1,500											
% Shorrock Spg.			100	5,200	7,346	6,896	163	9,001	19,298	12,222	4,409	7,125	4,477	6,430	89
% mansabhi Mills	72 00	44 00	100	8,723	1,886	158	1	8,975	17,771	7,408	170	8,218	588	300	104
dar Mills	148 00	133 00	100	4,500	3,280	1,018	16	2,107	8,665	3,195	3,058	3,462	443	87	
% Cum Preference	65 01	65 00	100	1,000											
% Cotton	11 00	10 24	10	1,500		146	-660	7,829	6,047	3,493	10	6,018	150	73	
% Motilal	117 00	92 00	100	2,821	900	1,365	1	6,330	12,200	5,326	53	3,823	557	111	
ait Mills			100	4,875	684	1,695	14	15,376	14,991	8,509	151	8,062	8,226	278	
% C. P. T.			100	1,000											
% R. C. P. [2nd.]			100	200											
% R. P. [5th.]			100	250											
iby	60 00	65 00	25	1,500	500	421	72	3,230	6,590	3,798	40	2,291	581	19	
soon & Alliance	15 00	12 00	10	1,000	178		-340	2,636	2,994	1,674		2,948	1,204	12	
oon Spinning	69 80	47 50	10	7,510	6,076	6,832	25	15,256	31,723	18,218	198	15,780	5,361	730	144
olapur Spinning			1000	1,590	126,86	3,191	-26,638	17,697	31,938	20,602	148	2,764	889	38	
ilf. Ordinary			500	10											
% R. C. P.			100	3,196											
% Debitures				3,443											
orrock Spinning			100	2,925	5,877	2,363	28	3,972	12,424	8,325	203	4,295	3,244	3,261	63
ree Nives Cotton	297 00	228 50	100	8,000	2,800	2,353	42	18,553	17,414	7,341	9,211	12,54	2,894	77	426
% R. C. P.	64 00	66 00	100	480											
% Debitures				3,000											
ree Saijan Mills			100	2,615		27	-66	34,93	36,43	17,73	94	38,81	1,85	27	
ree Shubalsami	125 00 N	125 00 N	100	2,100	388	300	-750	7,102	5,065	1,206		3,399	1,854	27	
% Ambica			100	6,376	22,500	11,029	287	12,497	26,483	16,059	5,951	15,454	11,112	11,008	
% cum. preference			100	560											
% cum. preference [2nd]			100	700											
plex	163 00	161 00	50	5,040	1,634	639	-350	12,491	22,778	10,086	110	9,394	2,967	38	273
% Debitures				6,060											
% Silk			10	9,427			-323	42,497	57,518	1,000	96	9,463	5,421	103	
% C. P.			100	20,000											
andard	1132 00	1090 00	100	19,975	8,634	16,521	91	14,907	38,761	22,324	557	14,441	6,804	11,368	1,722
% 1st. R. C. P.	76 00	75 50	100	600											
% 2nd. R. C. pref.	76 00	76 00	100	600											
adashi Mills	274 00	224 00	100	10,000	9,211	1,367	25	16,761	36,119	16,309	698	14,345	2,611	1,241	3,158
% Cum. preference	82 00	84 50	100	1,500											
an Mills	645 00	417 50	100	3,600	6,842	1,372	26	7,370	19,834	10,947	72	7,409	1,947	896	

COTTON

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents' Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Pre- vious	Seco- Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA (Contd.)													
Tata Mills ...	Tata Industries Pri. Ltd. ...	65,448	1,800	15,074	40,552	8,060	239	12-60	4,306	2,013	20T	10 T	6
Victoria Mills ...	5% Debentures ...	50,056	958	8,404	21,930	3,003	119	12-59	1,604	1,326	20T	20	20
Vijaya Mills ...	4% R. Cum. preference ...	36,176	780	8,683	20,971	3,476	135	12-59	1,807	1,429	5.72T	4	4
	H. Acharya & Co. ...										10T	8	9
	4% 2nd Cum. Preference T. ...										5.72T	4	4
	4% 3rd R. Cum. Pref. T. ...										4.50T	4	4
Vishnu Cotton ...	Directors ...	47,240	1,331	10,720	21,719	6,233		12-60	(a)19,124	(b)1,164	5.71T	nil	8
	7% Cum. preference T. ...										6.25T	7T	7
	5% Debentures ...												
NORTHERN INDIA													
Basanti Cotton ...	Calcutta Agency ...	13,044	356	2,836	7,809	1,420	36	12-59	—5	189	nil	5	6
	64% C. P. ...										nil	6	6
	54% Debentures ...										5T	5	5
Bengal Fine Spinning ...	B. C. Nawn & Bros Pri ...			4,083	6,560	339	24	12-59	536	174	5T	5	5
	5% C. P. ...												
	64% C. P. ...												
Bengal Luxmi Cotton ...	Directors ...	6,601		4,927	10,460	2,425		3-60	—69	(a)19,181	nil	nil	nil
	Ordinary Partly Paid ...												
	Ordinary Partly Paid ...												
	5% R. C. P. ...												
Bangal Nagpur ...	Directors ...	29,936	810		7,154	5,578		12-57	(a)—671	(b) 171	nil	nil	5
	7% C. P. ...										nil	nil	nil
Birla Cotton ...	Birla Brothers Private ...	39,896	1,088	32,079	49,567	8,612	391	3-61	4,215	2,276	20	10T	nil
Bowrah Cotton ...	Kettellwell Bullen & Co. Ltd. ...	42,960	841	8,886	19,772	5,790	152	12-60	2,171	1,763	8	nil	8
	8% 'A' C. P. ...										nil	nil	nil
	7% 'B' Pref. ...										nil	nil	nil
	64% Debentures ...												
Cannore Textiles ...	B. I. Corporation ...	141,180	591	9,237	14,583	1,710	57	12-60	2,275	1,318	7.20T	nil	nil
Delhi Cloth ...	Bharat Ram Ch. Ram & Co. Pri. ...		2,352	188,275	358,876	62,354	2,012	6-61	41,318	26,954	13T	12T	10T
	Ordinary ...										41T	41T	41T
	44% 1st 2nd C. P. ...										4T	4T	4T
	4% 3rd C. P. ...										5T	5T	5T
	54% 4th C. P. ...												
Dunbar Mills ...	Kettellwell Bullen & Co. ...	42,944	518	13,000	24,239	9,270	275	12-60	4,420	1,982	20T	10	nil
Elgin Mills ...	B. I. Corporation ...	48,452	1,198	22,531	39,976	5,760	373	9-60	5,822	4,523	11T	11T	7
	8% C. P. ...										10.4T	10.4T	8
	5% C. P. ...										6.5T	6.5T	5
Jagajit Cotton ...	K. C. Thapar & Bros. Pri. ...	26,560	530	14,095	26,710	2,294	321	1-60	2,986	3,036	14T	10	11T
	5% C. P. p. ...										7.1T	5	6
	Debentures ...												
Jay Shree Textiles ...	Birla Brothers Private Ltd. ...			6,100	12,843	3,815		12-60	2,369	1,791	10T	8	6
	54% Debentures ...												
	7% Debentures ...												
Kesoram Cotton ...	Birla Brothers Ltd. ...	74,672	1,992	36,547	91,180	20,030	892	3-61	17,484	(a)6,401	12T	5T	2
	10% C. P. ...										10T	7T	7
	7.85% R. C. P. ...										7.8T	5T	5T
Mohini Mills ...	Chakravarti Sons & Co. ...	23,484	435	8,376	22,517	5,779	198	12-59	2,276	2,278	12T	12T	12T
	Ordinary ...										12T	12T	12T
	5% R. C. P. ...										5T	5	5
Muir Mills ...	Indian Tex. Syndicate ...	88,640	1,834	145,19	218,04		60	12-55	—5.06	—10.24	nil	nil	nil
	6% C. P. ...										nil	nil	nil
New Victoria ...	J. P. Srivastava & Sons Pri ...	70,072	1,333	12,938	23,797	10,887		12-57	—635	—2	nil	nil	nil
	Deferred ...										nil	nil	nil
	6% C. P. ...										nil	nil	nil
Orissa Textiles ...	B. Patnaik & Co. Private ...	47,728	864		33,127	13,745		3-61	2,168	1,265	nil	nil	nil
	5% R. C. P. ...										nil	nil	nil
Raza Textiles ...	J. P. Srivastava & Sons. ...	34,532	600	5,766	13,465	4,757		12-58	—1,640	—440	nil	nil	nil
	64% 'A' C. P. ...										nil	nil	nil
	64% 'B' C. P. ...										nil	nil	nil
Shree Madhusudan ...	Directors ...			19,720	57,255	7,748		6-60	(a)3,872	1.0	nil	nil	nil
	44% C. P. ...										nil	nil	nil
	64% Debentures ...										nil	nil	nil
Sutlej Cotton ...	Birla Brothers Private ...	27,340	992	14,267	33,331	5,054	654	3-60	6,129	5,158	85.70T	60	60
Swadeshi Cotton ...	Prefd. Ord. ...	112,216	2,081	55,357	108,578	27,620		12-60	10,642	4,007	5T	nil	nil
	6% C. P. ...										10.71T	5.71T	4
											8.57T	8.97T	6
SOUTH INDIA													
Adoni Spinning ...	Kothari & Sons ...	24,000		9,346	12,992	488	130	12-60	2,067	652	5T	nil	nil
	6% c. p. ...										7.8T	7.8T	7.8T
	64% Debentures ...										30T	12T	6
Asher Textiles ...	Setna & Co. ...	25,744		6,053	9,470	3,488	122	6-61	1,354	910	10T	10	10
Bangalore Woollen ...	Directors ...	40,608	1,157	22,617	57,309	7,071	541	12-60	5,910	6,261	10T	10	10
	6% C. P. ...										7.80T	6	6
Buckingham & Carnatic ...	Directors ...	120,288	2,762	42,020	112,828	11,121		12-60	13,941	(r)10,892	10T	10	10
	74% C. P. ...										9.75T	7T	7T
	5% Debentures ...												
Cambodia ...	Peirce Leslie & Co. Ltd ...	37,356	4	7,563	11,264	576	35	12-59	—319	—1,464	nil	nil	5
	7% C. P. ...										nil	nil	12T
Cannore Spg. ...	K. Damodaran ...	20,000		4,437	7,827	383	52	3-60	859	684	17T	15	12T
Cauevery Spg. ...	Directors ...	17,600		5,342	9,239	1,320		3-60	884	590	13T	9	6T
	64% C. P. ...										8.93T	6T	6T
	54% Debentures ...												
	61% Debentures ...												
Coimbatore Cotton ...	R. Bheema Naidu & Co. ...	28,864		10,028	15,502	3,458	163	12-60	2,450	1,129	12T	6	6
Coimbatore Kamala ...	Directors ...	17,264	24	2,950	4,418	1,062		12-59	275	—84	nil	nil	nil
	Partly Paid ...												
	84% C. P. ...												
	6% Debentures ...												

(includes stock on hand)

MILLS—Contd.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocation			Sundry Liabilities	Gross Block	Depre- ciation	Liquid Assets				
	November 1961 Rs. np.	November 1960 Rs. np.			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
WESTERN AND CENTRAL INDIA (Contd.)															
Tata Mills ...	71 50	40 50	25	6,558	2,975	3,200	26	23,968	30,714	12,532	363	14,047	2,641	643	851
5% Debentures ...			1000	3,951											
Victoria Mills ...	500 00	307 50	100	1,600	4,396	2,057	77	6,004	10,896	6,484	64	5,443	4,936	79	
4% R. Cum. preference ...			25	800											
Vijaya Mills ...			500	3,500	1,924	2,246	37	10,617	14,585	9,647	149	6,686	6,603	497	9
4% 2nd C. P. T. ...			100	350											
4% 3rd R. C. P. T. ...			100	280											
Vishnu Cotton ...	150 00	95 00	100	3,200	1,243	1 150	-1,025	10,481	19,458	14,127	533	9,737	3,901	64	50
7% Cum. preference T. ...	398 75	422 50	500	1,566											
54% Debentures ...				3,000											
NORTHERN INDIA															
Basanti Cotton ...	7 75	8 50	10	1,500	115	200	-76	2,607	4,014	2,261	1,155	2,731	167	101	
64% C. P. ...	6 94	9 25	10	500											
54% Debentures ...			500	700											
Bengal Fine Spinning ...	6 25	8 00	10	632	451	242	76	4,606	5,417	1,894	5	2,244	44	79	
5% C.P. ...			100	983											
64% C. P. ...			10	10											
Bengal Luxmi Cotton ...	24 50ad	36 00	40	1,012	125	120	-326	5,034	8,951	6,249	20	3,041	705	22	
Ordry, partly paid ...			30	131											
Ordry partly paid ...			20	170											
5% R. C. P. ...			40	523											
Bengal Nagpur ...	4 31	3 69	10	2,700			-812	6,840	8,045	6,024	37	6,634	681	55	
7% C. P. ...	49 50	75 00	100	300											
44% Debentures ...				400											
Birla Cotton ...	28 00	20 00	10	3,996	6,552	1,705	-134	18,313	17,542	12,743	5,321	17,774	3,947	920	
Bowroah Cotton ...	39 25	160 00	100	2,400	750	665	114	13,816	15,245	6,787	53	7,747	1,995	84	606
8% 'A' C. P. ...	110 00	110 00	100	600											
7% 'B' Pref. ...	71 00	65 00	100	600											
64% Debentures ...															
Cannapore Textiles ...	9 44	6 56	5	3,000	1,200	2,997	57	2,243	8,569	6,913	998	4,692	1,624	511	
Delhi Cloth ...			25	33,836	14,939	45,168	372	118,114	156,915	88,820	3,221	123,031	28,305	6,946	
Ordinary ...			25	100											
44% 1st & 2nd C. P. ...			25	2,000											
44% 3rd C. P. ...			25	3,753											
28% 4th C. P. ...			10	1,195											
54% Debentures ...			1000	10,000											
Dumbar Mills ...	33 56	22 00	10	2,850	3,638	410	216	14,256	15,769	9,855	58	10,821	3,793	142	642
6% Debentures ...				2,500											
Elgin Mills ...	22 81	18 56	10	6,300	300	13,759	89	16,783	21,331	15,872	8,633	16,671	7,177	541	269
8% C. P. ...	112 00	108 00	100	1,100											
5% C. P. ...	6 97	7 62	10	420											
Jagjit Cotton ...	28 25	16 69	10	3,871	900	2,348	103	19,463	22,441	12,777	1,817	14,651	898	98	7,103
5% C. P. P. ...	10 08	81 75	100	1,547											
Debentures ...				3,000											
Ispahree Textiles ...	18 50	15 25	10	4,918		1,422	21	3,354	9,647	4,697	19	5,152	1,956	137	
7% Debentures ...			1000	2,500											
Kesoram Cotton ...	31 27	27 94	10	16,000	8,010	21,884	245	45,092	87,124	21,469	4,518	24,008	3,005	412	5,321
7% C. P. ...	102 00	99 00	100	2,000											
54% R. C. P. ...	89 00	83 00	100	9,994											
Mohini Mills ...			25	600	5,00	3,318	21	12,491	13,691	10,730	1,268	6,434	7,410	4,234	
Ordinary ...			10	3,399											
5% R. C. P. ...			10	1,997											
Muir Mills ...	101 00	58 50	100	3,000	25,00	25,00	-51,31	105,33	164,51	115,59	1,05	105,64	7,36	1,01	
6% C. P. ...	101 00	83 00	100	3,000											
New Victoria ...	1 62	1 31	25	2,742			-1,807	17,071	12,305	7,649	121	13,579	2,513	51	
Deferred ...			1	307											
6% C. P. ...	3 50	2 00	5	2,605											
Orissa Textiles ...	11 00	9 40	10	4,800			-2,217	26,261	24,739	13,929	10	17,316	2,983	224	
5% R. C. P. ...	65 00	64 50	100	2,500											
Raza Textiles ...			10	6,000		4,306	-3,083	6,271	11,130	5,627	1,090	6,745	1,857	42	
64% 'A' C. P. ...			100	750											
64% 'B' C. P. ...			10	1,000											
Shree Madhusudan ...	15 75	11 87	10	6,000		16	33	23,359	22,689	2,151	10	13,333	4,827	84	116
44% C. P. ...	88 75	75 00	100	3,000											
64% Debentures ...			1,000	6,500											
Sutlej Cotton ...	86 43	90 00	10	1,500	31,800	8,131	398	10,770	11,710	9,193	14,863	15,765	5,353	14,099	
Swadashi Cotton ...	11 06	9 50	10	1,750	6,000	20,323	5	69,555	69,570	24,691	19,624	34,355	14,220	1,957	1,906
Prefd. Ordry. ...	8 94	8 00	10	15,750											
64% C. P. ...	22 00	71 00	100	3,500											
SOUTH INDIA															
Adoni Spinning ...	13 15	9 60	10	2,993		653	59	4,430	7,993	1,645	220	3,016	346	583	121
8% C. P. ...	8 10	10 90	10	2,000											
54% Debentures ...				500											
Asher Textiles ...	279 00	212 80	100	1,199	300	440		5,289	5,518	2,826		3,839	662	24	
Bangalore Woollen ...	242 00	197 00	100	12,150	3,750	12,737	249	11,260	39,824	32,134	10	21,237	3,476	5,806	1,645
6% C. ...	108 91	115 00cd	100	600							856				
Buckingham & Carnatic ...	259 00	200 00	100	17,848	9,500	26,179	217	22,780	86,284	51,476	1,855	36,453	7,125	1,067	3,773
71% C. ...	122 00	120 00cd	100	2,130											
5% Debenture ...			1,000	6,466											
Cambodia ...	12 75	10 00	10	2,600	1,900	19	-2,179	3,767	5,123	2,605	31	1,924	1,063	11	
7% C. P. ...	90 00	108 00	100	1,000											
Cananese Spg. ...	189 00cd	155 00	100	1,500	511	18	19	2,159	5,383	3,376		1,591	473	102	
Cavayre Spg. ...	16 00	13 15	10	937		661	15	2,524	6,826	3,333	24	1,577	572	40	
64% C. P. ...	87 00	90 75	100	652											
54% Debentures ...			100	375											
64% Debentures ...			100	350											
Combators Cotton ...	217 00	162 00	100	3,599	900	2,549		6,315	12,198	5,167	551	3,825	1,881	73	
Combators Kamala ...	95 00	102 00	100	340			-376	2,169	2,869	1,607	12	1,266	415	26	
Party Paid ...	46 50	50 08	50	72											
64% C. P. ...	89 36	100 00	100	580											
64% Debentures ...			500	176											

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTH INDIA—(Contd.)													
Coimbatore Murugan	T. A. Ramalingam Chettiar	23,660	100	2,627	5,595	1,071	30	12-59	202	—137	7½	nil	7½
Coimbatore Pioneer	6% C. P.	28,194	...	7,160	12,577	2,143	169	12-60	1,934	2,265	16½	25½	20
Coimbatore Spinning	T. R. Narayanaswami Naidu	22,188	407	...	17,728	5,280	50	12-59	685	—167	8.45½	6½	6½
Dhanalakshmi Mills	6½% C. P.	38,052	201	7,794	15,288	4,104	150	12-60	2,397	2,482	17½	17½	10
Ganambikai Mills	V. C. V. Gounder & Bros.	17,248	...	...	31,458	...	...	12-54	2,84	1,91	10	6	6
Hemalatha Textiles	6½% Cum. Pref.	...	...	4,129	5,638	1,892	8	6-60	237	280	6½	6½	6½
Jenardana Mills	Sudarsanam Private	23,784	...	...	65.11	6.19	97	12-56	5.57	4.93	5½	7.14½	5
Jawahar Mills	5% Cum. Pref.	33,472	...	6,569	9,169	2,378	105	12-59	1,382	606	15½	15	15
Umayambika & Co.	G. Venkataswami Naidu & Co.	...	...	...	...	...	...	...	...	...	...	...	...
Defered	...	...	...	...	...	...	...	...	...	...	...	...	...
Kasturi Mills	C. N. V. Naidu & Co.	25,820	...	2,420	3,914	182	30	3-60	337	43	8½	10½	...
Kothari Textiles	Kothari & Sons	41,040	300	10,095	17,838	3,676	119	12-60	(a2)2,836	2,480	10½	10½	...
Lakshmi Mills	6% C. P.	...	...	...	...	...	...	...	...	...	7½	6	6
Loyal Textile Mills	6% B. Preference	93,160	201	24,569	44,003	1,589	538	3-61	8,324	6,452	30½	20½	12
Madura Mills	G. Kuppuswamy Naidu & Co.	24,242	2,24	6,764	10,042	777	...	6-60	879	317	nil	5	nil
Metur Industries	Thiagaraja Chetty & Sons Pri	485,296	...	...	168,566	13,652	...	12-60	18,274	6,425	15½	12½	...
Metur Industries	5% Cum. Pref.	22,592	100	147	2,917	1,736	...	12-58	412	...	15½	12½	...
Metur Industries	Directors	25,656	603	6,594	17,579	140	359	3-61	3,675	(a)2,609	30½	4	75
Palamalai Ranganathar	Beardell & Co. Private	10,016	...	2,419	2,998	850	...	3-59	—65	—200	nil	nil	6
Palani Andavar Mills	S. K. R. Naidu & Co.	41,200	...	5,628	9,693	1,526	50	12-58	(a35)536	629	20	13	30
Pankaja Mills	Partly Paid	...	...	...	...	...	...	...	...	...	20	18	30
Premier Mills	Bagyalakshmi & Co.	27,980	...	4,782	7,337	2,565	25	12-60	805	—901	7	7	7
Radha Krishna Mills	'B' Ordinary	...	...	10,385	16,118	2,501	192	3-60	2,389	1,375	18½	12	9
Rajapalayam Mills	7% C. P.	55,664	300	8,106	17,147	3,302	196	12-60	2,473	1,413	12½	9½	20
Rajawari Mills	John & Co.	24,996	...	6,462	10,154	2,218	115	3-60	1,268	(a40)336	9½	6	8
Rajawari Mills	Ramco Agencies Private	8,400	...	2,223	3,457	150	43	12-59	466	315	12½	9	6
Sri Ramakrishna	Gudiyatham Textiles Pri	...	...	4,875	8,603	1,756	147	3-60	1,734	1,176	23½	16	10
Sri Ranga Vilas Ginning	Ordinary	32,128	88	4,076	7,225	1,231	34	12-60	523	203	6½	5½	16
Rajalaxmi Mills	P. S. G. Naidu & Sons	14,800	...	6,081	9,092	222	...	12-60	1,282	642	15½	10	10
Sivanandam Mills	Directors	...	...	3,586	6,733	6,155	90	12-58	1,112	633	15	12	12
Sri K. Rajendra	S. R. P. P. Chetty & Sons	30,744	292	8,808	13,740	3,841	25	3-61	(j)1,810	1,216	11½	11½	8
Sri Sarada Mills	Directors	20,472	200	3,123	3,668	368	...	12-59	—341	—266	nil	nil	nil
Tirumurti Mills	7% C. P.	...	...	3,986	6,509	1,195	15	12-59	626	—10	7½	6	6
Tirupati Cotton	G. Ramaswamy	...	...	4,333	6,676	953	59	3-60	907	350	8½	nil	nil
Travancore Rayons	P. S. Narayana & Sons	...	...	10,667	37,688	1,657	734	12-60	11,379	10,726	8.93½	20½	12½
Trichinopoly Mills	Emcate & Sons private	18,000	...	1,604	4,135	935	48	12-60	526	393	13½	12½	7½
Vasanta Mills	5% Cum. preference	44,424	...	10,557	16,356	1,110	105	12-59	1,249	(a41)892	16½	12	12
Sri Venkatesa Mills	4% Debenture	44,660	268	9,442	16,589	2,570	234	12-59	2,867	2,224	30½	16	20
Vijayalakshmi Mills	C. V. G. Naidu & Co.	...	...	4,445	6,940	635	25	12-59	571	—156	7½	6	6
Vijayawari Textile	6% Cum. preference	26,536	...	1,830	2,781	70	20	12-59	262	164	9½	6	6
Vrudhunasagar Textile	6% Cum. preference	...	2,00	3,945	5,174	908	45	12-60	512	647	10½	10½	5
Defered	Thiagaraja Chetty & Sons Pri	...	...	...	...	...	...	...	...	...	5½	5½	5
Defered	Do. P. P.	...	...	...	...	...	...	...	...	...	10½	10½	6

(a) After transferring Rs 20,638 from General Reserve No. 1.

(b) After transferring Rs 200,000 from Development Reserve and Rs 65,000 from General Reserve No. 1.

(c) After transferring Rs 250,000 from Machinery Reserve and Rs 300,000 from Dividend Equalisation Reserve.

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

(e) After transferring Rs 70,000 from Development and Rehabilitation Reserve.

(f) After transferring Rs 234,695 from General Reserve.

(g) After transferring Rs 2,656,822 from General Reserve.

(h) After writing back Rs 360,718 being excess depreciation provided in 1958.

(i) After transferring Rs 1,098,546 from General Reserve No. 1.

(j) After transferring Rs 250,000 from Dividend Equalisation Reserve.

(k) After transferring Rs 1,230,000 from Dividend Equalisation Reserve.

(l) After transferring Rs 297,425 from excess depreciation.

(m) After transferring Rs 119,825 from Development Rebate Reserve.

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

(o) After transferring Rs 1,400,000 from Dividend Equalisation Reserve.

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

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

(r) Includes Rs 100,280 being provisions made in previous years written back.

(s) After transferring Rs 3,22,599 from General Reserve and Rs 75,000 from Depreciation Reserve.

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

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

(v) After transferring Rs 1,00,000 being Adhoc. reduction in Stock-in-trade provided last year.

(w) After transferring Rs 98,240 from Dividend Equalisation Reserve.

(x) After transferring Rs 800,560 from General Reserve.

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

(z) After transferring Rs 525,000 from General Reserve.

(a1) After transferring Rs 1,075,000 from General Reserve No. 1.

(a2) After transferring Rs 100,000 from General Reserve and Rs 125,000 from Dividend Equalisation Reserve.

(a3) After transferring Rs 14,72,855 from General Reserve.

(a4) After transferring Rs 300,000 from General Reserve.

(a5) After transferring Rs 4 lakhs from Reserve to fall in place.

(a6) After transferring Rs 100,648 from General Reserve.

(a7) After transferring Rs 750,000 from General Reserve and Rs 45,088 from excess provision for Bonus.

(a8) After transferring Rs 271,942 from General Reserve.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depre- ciation	Liquid Assets				
	November 1961	November 1960			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
SOUTH INDIA (Contd.)															
Coimbatore Murugan ...	134 00	104 00	100	1,750	168	100	...	2,689	4,914	2,655	205	1,269	1,013	31	...
6% C. P.	76 48	76 00	100	71	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Pioneer ...	292 00	347 00	100	2,000	400	2,273	14	4,298	10,580	5,963	171	2,810	1,336	152	...
3½% C. P.	78 50	78 75	100	100	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Spinning ...	65 00	45 50	50	2,077	...	5	—1,258	10,590	13,577	8,909	11	5,555	1,170	10	...
Dhanalakshmi Mills ...	255 00	223 00	100	4,860	1,700	1,319	...	6,223	13,735	6,842	781	4,786	1,528	115	...
Gnanambikai Mills ...	...	...	100	927	2,76	...	...	11,78	16,99	8,06	...	11,49	3,04	48	...
6½% Cum Preference ...	...	...	100	21	...	...	...	...	...	...	...	...	...	...	...
Hemalatha Textiles ...	10 00cd	7 25	10	1,500	125	83	22	1,679	2,891	1,721	48	2,350	100	173	...
5% Cum Preference ...	61 40cd	67 00cd	100	431	...	...	...	...	...	...	...	...	...	...	...
Jenardana Mills ...	70 00	58 50	50	890	8,56	2,10	...	10,75	31,40	19,97	1,20	8,21	4,12	5,35	...
Jawahar Mills ...	12 75	12 10	5	1,686	78	1,290	2	5,299	8,244	4,143	38	3,671	477	72	...
Ordinary ...	...	...	10	50	...	...	...	...	...	...	...	...	...	...	...
Defered ...	...	...	2	200	...	...	...	...	...	...	...	...	...	...	...
Kasturi Mills ...	21 43	22 10	25	780	...	340	—304	1,233	3,296	2,235	18	752	212	7	...
Kothari Textiles ...	13 85	12 00	10	6,720	700	2,052	44	12,494	18,463	6,564	655	9,407	1,553	296	...
6% Cum. Preference ...	8 80	9 20	10	1,200	...	...	...	...	...	...	...	...	...	...	...
6% 'B' Cum Preference ...	...	...	10	600	...	...	...	...	...	...	...	...	...	...	...
Lakshmi Mills ...	169 50	152 00	50	7,100	1,400	7,090	19	21,081	32,303	17,687	4,942	9,081	11,366	206	...
A. Clas Ordinary ...	82 00	75 00	25	3,550	...	...	...	...	...	...	...	...	...	...	...
Loyal Textile Mills ...	50 75cd	36 25	50	3,152	...	418	—323	7,054	10,278	3,823	24	4,492	943	85	...
5% Cum. Preference ...	67 50cd	61 75	100	1,499	...	...	...	...	...	...	...	...	...	...	...
Defered ...	...	...	5	200	...	...	...	...	...	...	...	...	...	...	...
Madura Mills ...	42 50	35 25	15	17,502	17,807	28,528	721	24,196	67,044	44,322	5,359	48,687	10,376	563	1,697
Matur Spinning ...	...	...	200	1,200	350	17	—532	1,858	29,08	1,864	60	1,868	111	2	...
Matur Industries ...	393 00	370 00	100	6,000	825	2,136	153	4,879	6,895	5,318	1,892	4,877	219	3,431	1,987
Palamalai Ranganathar ...	92 00	93 00	100	240	...	...	—263	2,050	1,609	521	5	915	120	8	...
Partly Paid ...	...	...	50	109	...	...	...	...	...	...	...	...	...	...	...
Palani Andavar Mills ...	232 50	250 00	50	400	100	1,062	...	4,414	7,629	3,197	16	1,829	348	151	...
'B' Ordinary ...	295 00	300 00	75	600	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	121 82	125 00	50	200	...	...	...	...	...	...	...	...	...	...	...
Pankaja Mills ...	95 00	69 00	100	1,500	...	...	—2,512	5,557	3,655	2,701	3	2,706	360	23	...
Premier Mills ...	310 00	225 00	100	2,500	400	975	12	6,703	12,097	5,315	300	2,708	707	93	...
Radha Krishna Mills ...	39 87	29 60	25	6,204	1,400	1,630	2	3,359	11,378	7,158	2,915	3,937	1,490	122	...
Rajapalayam Mills ...	175 00	130 70	100	1,614	433	1,484	...	3,681	6,386	2,779	31	2,387	976	181	...
Rajawari Mills ...	...	...	50	999	101	204	...	1,573	2,851	1,422	214	694	142	48	...
Ordinary ...	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...
Sri Ramakrishna ...	250 00	224 00	100	1,492	10	309	...	5,338	8,359	5,004	362	1,991	1,484	1	...
Ord. P. P.	...	...	10	45	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning ...	55 00	42 00	50	1,502	90	1,056	7	2,799	6,188	3,178	114	1,389	613	310	...
Rayalseema Mills ...	161 00	115 00	50	2,233	875	490	7	1,929	5,678	3,103	140	1,402	289	1,128	...
Sivananda ...	26 25	28 25	10	1,000	200	144	3	3,055	5,157	2,599	215	1,118	422	388	...
Sri Kr. Rajendra ...	74 50	69 00	50	3,670	725	2,149	14	8,225	14,436	7,676	747	6,146	845	77	...
Sri Sarada Mills ...	90 00	...	100	648	...	...	—1557	2,342	2,789	1,939	11	528	153	2	...
7% C. P.	96 00	...	100	110	...	...	...	...	...	...	...	...	...	...	...
Tirumurti ...	131 00	91 75	100	1,455	300	56	...	2,393	5,047	2,514	91	1,311	219	9	...
Tirupati Cotton ...	13 50	10 50	10	1,273	...	120	23	3,267	4,655	775	134	1,144	178	96	...
64% Cum. Preference ...	8 80	7 54	10	744	...	...	...	...	...	...	...	...	...	...	...
Travancore Rayona ...	41 75	35 30	10	10,000	7,000	2,662	261	14,692	54,173	30,659	133	7,696	5,741	2,251	669
5% Cum. Preference ...	7 30	7 80	10	5,000	...	...	...	...	...	...	...	...	...	...	...
4% Debenture ...	...	...	5000	400	...	1,335	...	...	...	...	...	...	...	...	...
Trichinopoly Mills ...	13 40	11 95	10	1,399	250	655	2	557	2,295	1,576	125	1,268	202	548	...
Vasanta Mills ...	281 00	238 50	100	2,100	1,800	2,041	18	4,094	9,130	5,796	703	5,090	1,303	52	...
6½% C. P.	95 00	96 75	100	300	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	94 00	99 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Sri Venkatesa Mills ...	185 00	187 00	50	3,372	150	1,292	1	5,857	14,587	8,217	65	3,150	1,113	23	...
5% C. P.	47 27	44 00	50	50	...	...	...	...	...	...	...	...	...	...	...
Vinayalakshmi Mills ...	104 00	85 00	100	1,383	...	100	...	3,119	5,285	2,436	97	961	7,26	29	...
Vijayeswar Mills ...	173 50	114 00	100	1,600	...	39	...	1,610	2,881	225	...	386	118	90	...
Virudhunagar Textils ...	58 50	49 50	50	1,218	...	406	—195	983	2,505	1,058	10	1,197	74	626	...
5% Cum. Preference ...	50 00	55 00	100	241	...	...	...	...	...	...	...	...	...	...	...
Defered ...	...	...	1	...	...	...	...	...	...	...	...	...	...	...	...
Defered (P. P.) ...	...	...	As. 4	8	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents, Agents, Secretaries	Colliery expenses	COAL		Sales	Stock	Managing Agents Commission and allowances	Year ended	NET PROFIT		DIVIDEND %		
			Raisings	Despatches					Latest	Previous period	Latest	Pre- vious	Second pre- vious
			(000) Tonnes	(000) Tonnes					Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Amalgamated Associated Karanpura	Shaw Wallace & Co. Ltd. K. L. Dutt & Co. Private	16 187 316	1,004 38	1,002 38	21,894 785	162 24	54 6	3-61 3-59	1,953 89	(d) 1,083 146	124 14	10 5	15 Nil
Associated Laikdi	44% R. C. Preference K. L. Dutt & Company Pri.	167	28	2	592	1	5	3-59	62	60	Nil	Nil	Nil
Bagdigi Kujama Bengal	5% Debenture Purshottam Co. Andrew Yule & Co. Ltd.	912 19,821	68 3,096	66 3,214	1,549 68,876	126 2,394	16 724	9-57 10-60	383 11,197	362 (19,401)	6 25	4 25	4 17
Bengal Bhatdee Bengal Nagpur Bhalgona Bharat	Kalyanji Mawji & Co. Andrew Yule & Co. Ltd. H. V. Low & Co. Private Sahu Jain Ltd.	1,188 282 1,883 7,140	80 16 60 455	84 16 58 442	1,627 332 1,706 9,108	177 67 457	12-59 10-60 9-58 6-58	56 94 109 (i) 1,162	120 41 358 (a) 757	Nil Nil 1 6	7 Nil 5 5	9 Nil Nil 5	15 Nil Nil 5
Bhulanbarree Bhuranga Borres	Directors Ram Saran Das & Rathor Pri F. W. Heilgers Private	667	149 41 201	142 36 200	2,733 737 4,671	174 39 69	12-58 3-60 12-60	-79 -135 592	Nil Nil 15	Nil Nil 10	Nil Nil 7	Nil Nil 7	Nil Nil 7
Burrakur	64% C. P. Bird & Co. Private 7% C. P. 6% 2nd C. P. T. 44% Debentures	1,286	1,265	38,265	1,925	451	6-60	4,661	4,507	8,457 13	64 13	64 8	64 8
Central India Central Kurkand Churulia	Hindustan Inv. Corporation Directors F. W. Heilgers Pri.	1,618 634	439 89 634	425 86 2,71	9,239 1,769 5,351	134 84 1,57	3-61 12-58 12-60	1,978 102 64	1,616 167 101	10 8 3	8 7 3	5 5 5	5 5 5
Dhomo Main East Indian (L) Equitable	Macneil & Barry Jardine Henderson Ltd. Macneil & Barry	1,892	1,837	39,256	1,865	139	12-60	2,919	2,801	9,377 15	74 15	11 15	11 15
Ghusack and Muslie	54% Debentures Bhattee's Agency 5% C. P.	142	150	2,961	236	...	3-60	-81	-61	Nil	Nil	Nil	Nil
Gourangdi	Bhattee's Agency 5% R. C. P.	134	19	16	284	...	3-58	31	34	Nil	Nil	Nil	Nil
Guzdar Kajora Hurraladih Jogta	Debtentures Ojha Brothers Macneil & Barry	40 112 155	33 100 129	599 1,865 299	21 299	12 30	12-57 12-57 12-60	36 (c) 41 179	17 226 Nil	Nil Nil 15	Nil Nil 25	Nil Nil 25	Nil Nil 25
Kamptee Collieries Karanpura Collieries	Directors K. C. Thapar & Bros. private Bird & Co. Private 54% C. P. T.	292 237	83 224	1,672 4,655	8 197	15 45	9-60 2-61	357 1,135	271 874	10 54	7 5	5 5	5 5
Katras Jheriah Khas Kajora	Andrew Yule & Co. Ltd. Directors	1,723 1,905	351 114	360 117	7,816 2,328	216 26	1-61 12-58	1,399 218	(b) 1,348 283	40 5	95 8	65 5	65 5
Khas Shampane Kuardi Lakurka Mahabir	8% Preference (q) Ramsaran Das & Rathor P. Ltd. H. V. Low & Co. H. V. Low & Co. Daulat Rawatmull	570 481 1,285 3,57	34 24 99 ...	27 422 86 ...	607 422 4,703 6,21	3 11 51 13	10-60 6-57 4-58 12-55	-77 -179 273 1,65	-156 65 (j) 37 1,36	Nil Nil 1 1	Nil Nil 1 1	Nil Nil 1 1	Nil Nil 1 1
Mundulpoor Nazira New Beerbhoom	44% R. C. P. Directors Tantia Brothers Private Andrew Yule & Co. Ltd.	464 4,482	18 714	18 717	5,05 15,401	141 208	6-54 H 10-60	-79 157 1,716	...	10 10	10 10	10 10	10 10
New Churulia	7% C. P. Directors	21	17	310	127	...	9-58	-97	(n) 1,498	16 9	15 10	10 7	10 7
New Huntodih	44% Debentures Daulatram Rawat Mull 5% Cumulative Preference	3,42	...	...	4,95	1,30	12	3-55	25	11	Nil	Nil	Nil
New Joyrampoor New Menbhoom North Damuda North West	R. S. Das & Rathor Private Octavious Steel Directors Andrew Yule & Co. Ltd. Partly Paid Ord	1,723 861 2,352	130 78 134	122 69 130	2,439 961 2,548	85 46	6-58 3-59 1-56 3-60	-10 126 63 86	-17 5 -172 103	Nil Nil Nil 20	Nil Nil Nil 15	Nil Nil Nil 15	Nil Nil Nil 15
Ondal	Partly Paid Ord F. W. Heilgers Private 64% C. P.	...	...	...	...	...	12	12-60	128	249	15 15	15 15	15 15
Oriental	K. C. Thapar & Bros. Private 5% Debentures Deepchand Kishanall	233	231	5,030	25	19	12-60	677	224	84 3	84 5	84 5	84 5
Parasce	54% R. C. P. 6% Debentures	2,089	157	144	2,937	202	12-59	337	374	6 5	5 5	5 5	5 5
Pench Valley Pure Sitalpur	Shaw Wallace & Co. Ltd. Amritlal Ojha Debtentures	719	529 66	523 62	11,213 1,168	159 10	3-61 12-57	855 67	(a) 919 126	10 5	10 10	10 10	10 10
Raneegung Rawanwara	B. N. Elias & Co. Private Ltd. K. C. Thapar & Bros. private 6% C. P.	1,476	460 119	506 115	10,355 2,613	632 23	3-59 9-60	2,021 443	1,559 374	10 Nil	10 Nil	74 Nil	74 Nil
Rawa	Shaw Wallace & Co. Ltd. Directors	475	469	10,481	269	151	12-60	1,580	(e) 541	20 10	20 10	20 10	20 10
Samsa Searsale Sehpore	Directors Andrew Yule & Co. Ltd.	381 664	29 92	19 91	384 2,135	103 41	12-60 12-60	1,561 453	(h) 1,153 508	10 42	10 2	5 2	5 2
Sendra Shree Mahakali	Directors Amritlal Ojha & Co. Pri.	479	38	30	716	3	12-60 12-57	96 20	(k) 51 37	5 Nil	3 Nil	Nil Nil	Nil Nil
Singerani South Karanpura Standard	Debtentures Indus. Dept. Govt. of Andhra Bird & Co. Private Ltd. F. W. Heilgers Private	2,137	192	191	3,773	10	8-60 12-60	287 135	6 163	7 15	7 15	7 15	7 15
Union United Collieries	Directors K. C. Thapar & Bros. 5% C. B. P.	947 107	83 285	81 262	1,628 5,561	27 316	12-58 12-60	1,469	1,364	14 14	14 14	Nil Nil	Nil Nil
West Ghusack West Jamuria West Laikdi Western Bengal	Bhattee's Agency Macneil & Barry & Co. Ltd. K. L. Dutt & Co. Private Hindustan Inv. Corporation	1,11 277 32 2,915	19 278 79 262	13 278 79 247	1,83 5,504 560 5,081	176 161 26 119	3-54 12-58 12-58 3-60	-21 23 81 1,088	-5 150 69 828	Nil Nil Nil 6	Nil Nil Nil 4	Nil Nil Nil 4	Nil Nil Nil 4

(a) After writing back Rs 186,987 being provision for liabilities no longer required.

(b) Includes Rs 80,000 transferred from Taxation Reserve.

(c) After transferring Rs 4,00,000 from General Reserve; and Rs 78,000 from Reserve for Redemption of

(d) After writing back Rs 219,295 being provision for liabilities no longer required and Rs 21,052 being provision for taxation.

(e) After writing back Rs 226,648 being provision for liabilities and Rs 27,295 being provision for taxation.

(g) After writing back Rs 219,295 being provision for liabilities no longer required and Rs 21,042 being provision for taxation.

(h) After transferring Rs 262,800 from General Reserve.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	November 1961	November 1960			Reserves	Other	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Rs. n.p.	Rs. n.p.			Rs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Amalgamated	22 56	19 00xd	10	2,550	3,035	886	28	5,793	13,923	8,536	...	2,505	3,885	514	...
Asso. Karanpura	5 57	5 87	10	900	...	25	-59	517	1,284	146	...	73	296	2	24
44% R. C. preference	50 30 N	50 50	100	150	...	...	...	...	...	...	...	...	...	...	...
Asso. Laikdi	4 87	7 12	10	800	...	3	-3	234	1,320	274	...	16	142	11	...
5% Debenture	...	7 00	10	2,000	100	100	36	565	2,396	660	...	160	187	198	...
Bagdigi Kujama	357 50	344 00	100	10,000	13,400	7,223	1,051	33,529	74,530	48,641	1,340	19,726	18,208	2,090	...
Bengal	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
44% C. P. T.	3 48 N	3 48	10	449	30	100	5	501	1,160	676	15	252	313	20	...
Bengal Bhatdee	29 19	25 12	10	225	383	132	-25	141	2,357	2,145	355	...	137	153	...
Bengal Nagpur	...	5 00	10	1,597	114	373	6	1,629	4,997	2,609	...	197	1,061	73	...
Bhalgona	4 75	4 84	10	4,000	...	61	391	3,984	14,887	8,027	2,065	1,598	4,026	88	...
Bharat	32 00	39 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T.	...	...	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
44% Debenture	5 12	7 40	10	715	662	771	-645	1,773	5,524	3,844	64	463	1015	53	...
Bhulanbarree	...	...	10	1,000	...	6	483	1,794	1,937	937	31	107	158	2	...
Bhuranga	23 69	19 87	10	750	800	1,378	31	1,141	4,952	2,983	793	350	986	337	57
Borres	66 55 N	77 00	100	400	...	...	...	...	...	...	...	...	...	...	...
54% C. P.	18 62	17 75	10	9,092	2,098	11,923	149	14,797	43,266	22,876	3,015	6,136	12,408	370	490
Burrakur	97 50	91 00	100	2,300	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	7 25	7 31	10	450	...	...	...	...	...	...	...	...	...	...	...
6% 2nd C. P. T.	...	...	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	12 44	11 53	10	4,997	...	633	112	3,295	8,238	3,100	284	824	2,652	139	...
Central India	7 00	11 25	10	800	6	1,292	...	720	5,304	3,435	...	302	548	98	...
Central Kurkond	3 06	3 53	4	600	155	...	7	196	...	...	595	...	200	7	152
Churulia	7 06	8 69	10	1,600	...	...	-68	3,013	5,447	3,185	...	5,22	1,696	66	...
Dhomo Main	33 00	30 06	£ 1	240	100	271	9	296	1,094	794	163	137	214	13	...
East Indian (L)	30 00	26 50	10	2,964	3,400	8,222	111	19,996	49,412	34,860	1,606	10,110	13,052	319	250
Equitable	80 00	76 00	100	400	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	...	4,798	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	13 10	15 12	10	1,000	40	...	-580	2,845	2,573	845	...	1,116	614	13	357
Ghusack & Muslie	100 00	100 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	8 12	8 25	10	375	...	...	-154	239	664	115	...	220	89	1	...
Gourangdi	40 00 N	40 00	100	125	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	2 75	6 00	10	650	...	...	-15	287	808	386	2	71	417	10	...
Guzdar Kajora	14 37	14 37	10	800	2,50	...	...	6,44	2,458	1,967	49	3,94	3,88	3,72	...
Hurraladih	1 37	1 75	10	2,200	...	500	-480	454	3,108	1,284	19	1	795	37	...
Jogta	...	...	10	240	137	144	13	2,185	2,534	650	16	338	384	69	...
Kamptee Collieries	194 00	177 50xd	100	2,000	228	537	10	1,333	4,587	1,294	5	486	1,218	130	...
Karanpura	54 00	55 00xd	100	990	...	...	...	...	...	...	...	...	...	...	...
54% C. P. T.	49 00	40 00	10	1,488	1,380	130	139	2,217	5,955	4,177	716	809	1,572	168	313
Katras Jheriah	18 70	12 00	10	138	50	11	41	812	1,546	902	...	184	393	25	...
Khas Kajora	6 95	8 25	10	193	...	...	...	...	...	...	...	...	...	...	...
8% Preference (q)	...	...	10	906	...	...	-838	869	1,180	686	4	39	38	1	161
Khas Shampane	8 62	8 12	10	1,100	68	...	-206	182	1,696	1,118	295	65	203	3	...
Kuardi	12 00	14 12xd	10	900	573	450	7	980	2,904	2,341	570	90	1,597	90	...
Lakurka	10 53	11 00	10	400	1,80	...	9	4,30	6,18	3,88	1,36	51	6,81	21	...
Mahabir	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...
44% R. C. P.	2 62	1 37	10	566	85	...	-1,129	23,13	18,81	7,96	...	2,67	4,73	10	...
Mundulpoor	6 50	7 81	10	748	250	...	17	547	1,360	1,013	701	76	376	62	...
Nazira	22 50	22 37	10	1,776	1,600	1,140	80	7,320	16,249	10,623	12	1,936	4,380	161	...
New Beerbhoom	10 75	10 00	10	200	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	5 00	2 37	10	710	...	5	-825	868	1,218	570	...	242	251	16	...
New Churulia	5 06	2 56	10	200	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	2 94	5 00	10	400	...	...	-209	6,02	7,54	1,96	...	1,39	2,57	25	13
New Huntodih	45 00 N	45 00	100	200	...	...	...	...	...	...	...	...	...	...	...
5% Cum Preference	...	...	10	455	...	...	-279	14	448	275	...	2	14	1	...
New Joyrampore	13 92	12 56xd	10	600	125	12	97	1,129	3,286	2,315	2	360	594	36	...
New Menbhoom	22 19	24 25	10	250	...	76	-274	2,043	2,080	812	2	372	420	33	...
North Damuda	20 25	18 12	74	158	...	75	23	434	1,296	960	...	25	530	58	160
North West	14 40	17 36xd	10	750	708	648	35	502	293	151	2,284	...	127	...	256
Partly Paid Ord	64 10	74 50xd	100	200	...	...	...	...	...	...	...	...	...	...	...
Ondal	8 70	8 12	10	1,800	210	246	24	4,970	6,858	3,033	23	685	1,548	30	2,600
64% C. P.	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
Oriental	17 88	18 00	10	834	65	117	1	2,120	2,839	1,211	634	382	1,082	66	320
Parasce	39 00	50 00	100	800	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P.	...	...	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	17 90	18 00xd	10	1,575	1,581	753	52	3,104	8,362	5,127	245	1,396	2,001	190	...
Pench Valley	5 19	9 87	10	250	20	25	2	597	977	349	208	48	254	6	...
Pure Sitalpur	...	...	...	250	...	...	...	...	...	...	...	...	...	...	...
Debentures	15 25	16 06	10	2,400	734	2,545	5	3,861	14,724	10,133	15	1,551	3,348	39	...
Raneegunge	...	...	10	800	...	216	13	1,150	3,170	1,719	...	304	420	66	...
Rawanwara	...	...	10	146	...	...	...	...	...	...	...	...	...	...	...
6% C. P. P.	30 00	20 87	10	1,350	1,350	323	22	4,241	5,901	3,408	319	1,411	1,935	976	4,790
Sewa	8 50	12 00	10	3,750	188	3,673	27	4,308	11,726	3,846	163	784	3,555	6	...
Samia	0 78	1 72	24	250	...	65	-132	570	1,655	1,317	130	141	130	14	...
Seasole	45 00	32 12xd	7	280	925	189	58	634	3,103	2,096	132	125	1,318	821	...
Seebpore	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Sendra	8 19	12 40	10	800	470	...	1	89	6	...	1,305	...	231	...	...
Sree Mahakali	3 12	3 35	10	550	...	...	-327	238	890	431	...	111	152	38	...
Debentures	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...
Singherani	8 69	10 75	10	6,321	5,757	6,572	91	49,024	35,677	31,911	842	20,290	7,473	806	5,500
South Karanpura	13 81	12 69	10	1,750	381	519	20	1,549	4,512	2,082	34	304	1,073	51	330
Standard	11 12	12 00	10	850	699	21	173	294	1,154	154	24	2,688	...	6	...
Union	12 53	12 53	10	2,779	125	415	36	3,459	1,976	1,508	...	67	586	8	...
United Collieries	64 50 N	71 00	100	1,256	...	...	...	...	...	...	949	1,448	1,907	115	355
5% C. P.	14 09	15 25	10	...	...	...	-85	6,82	10,82	...	...	...	...	...	...
West Ghusack	7 16	7 00	10	700	...	...	-4,86	4,557	5,974	2,916	...	2,14	90	9	...
West Januria	4 19	6 10	10	600	...	6	13	447	948	213	...	47	1,444	53	...
West Laikdi	9 66	7 50	10	4,998	...	337	12	3,701	8,693	3,275	152	89	255	25	...
Western Bengal	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

TEA

NAME	Managing Agents' Agents/Secretaries	Total Crop Kgs.	Average price per Kg	Total Crop in mds/Kgs. previous year	Average price per pound/Kg previous year	Managing Agents' allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Pre-vious	Second Previous
			Rs. A. P.	M. S.	Rs. A. P.	P. S. 000		Rs. 000	Rs. 000			
Amhuckie	McLeod & Co. Ltd.	308,034	5'24	436	5'53	15	12-60	128	650	nil	15T	15
Ananda (Assam)	7% C. P. P.	9,075	2'64	8,112	2'09	...	12-58	395	87	20	10	36'81
Anandabag	Directors	321,178	6'85	300,738	5'91	61	12-60	566	174T	30T	5	20
Arcuttipore	Gill Arbuthnot & Co. Ltd.	4,059	1'62	3,421	1'61	...	12-58	57	1'04	nil	nil	nil
Atal	Goenka & Co.	5,140	1'72	6,039	1'48	...	12-58	83	106	2 1/2	5	4 1/2
	4 1/2% C. P.	...	...	...	...	...	...	...	...	4 1/2	4 1/2	4 1/2
	6 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Baghmati	McLeod & Co.	260,279	5'87	376,555	5'26	15	12-60	135	332	nil	15T	15
Baitakhal	Ramdudd Ramkissendass	5,790	1'72	4,412	1'69	7	12-58	88	60	2 1/2	2 1/2	15
Banarhat	Andrew Yule & Co., Ltd.	41,649	2'31	38,911	2'00	209	12-59	2,093	(x)1,080	3 1/2T	20	20
	6 1/2% C. P.	...	...	...	...	...	...	...	...	9,30 1/2T	6 1/2	6 1/2
Baradighi	Jardine Henderson Ltd.	18,781	1'91	19,547	2'23	44	12-57	556	1,019	15	20	30
Basmatia	Andrew Yule & Co. Ltd.	...	...	...	...	29	12-60	496	442	40T	30T	20
Betoli	National Tea Corp.	335,928	4'25	385,329	4'34	33	12-60	342	423	30T	30T	30
Belgachi	National Tea Corp.	240,454	3'83	240,007	3'34	22	12-60	298	265	20T	20T	25
Betjan	Gill Arbuthnot & Co. Ltd.	415,786	6'82	378,815	6'15	69	12-60	727	487	40T	25T	15
Bhatkawa	McLeod & Co. Ltd.	558,147	4'94	543,477	4'59	28	12-60	537	332	15T	10T	nil
Bijaynagar	D. C. Ghose & Co. (Private)	753,578	3'92	739,514	3'77	95	12-60	896	869	20T	14T	8
Birpara	Duncan Bros. & Co. Ltd.	543,381	5'32	603,301	4'96	61	12-60	643	602	17 1/2T	22 1/2T	12 1/2
	8% C. P.	...	...	...	...	...	...	...	...	8'97T	8'97T	8
Bishnauth	Williamson Magor	1,375,572	5'95	4,537,880	6'07	34	12-60	643	1,303	13T	13T	nil
Bloemfield	Goenka & Co.	2,537	2'31	1,943	2'49	9	12-57	-60	-1	nil	nil	nil
	Debentures	...	...	...	...	...	...	...	...	...	...	...
Bokakhat	Octavius Steel & Co. Ltd.	4,493	3'02	4,556	2'59	15	12-58	170	40	5	nil	5
Bormahjan	McLeod & Co. Ltd.	299,916	5'58	300,823	5'27	22	12-60	446	413	15T	12 1/2T	7 1/2
	6% C. P.	...	...	...	...	...	...	...	...	6'83T	6'83T	6
Borpukhuri	Williamson Magor	...	...	...	...	5	12-60	-90	135	nil	nil	nil
Brooke Bend	Directors	121,584	5'31	140,687	5'50	...	6-61	1,109	1,523	10T	15T	12 1/2
	6% C. P. T.	...	...	...	...	...	...	...	...	6T	6T	6T
Carron	Duncan Bros. & Co. Ltd.	305,122	5'01	326,587	4'61	26	12-60	420	319	20T	15T	nil
Central Cachar	Jardine Henderson Ltd.	9,292	1'97	9,946	2'30	20	12-57	-144	322	nil	5	nil
Chamong	Williamson Magor	2,260	3'67	1,753	3'67	4	12-60	84	18	nil	nil	nil
Choonabhatti	Andrew Yule & Co.	...	5'15	...	4'83	41	12-60	710	637	32 1/2T	30T	22 1/2
	6 1/2% C. P.	...	...	...	...	...	...	...	...	7'36T	9 1/2T	6 1/2
Chundecherra	Octavius Steel & Co. Ltd.	8,357	2'13	7,835	1'95	58	12-58	563	479	nil	nil	nil
Cleveland	Duncan Bros & Co. Ltd.	187,065	5'35	226,147	6'31	35	12-60	(b)505	719	30T	25T	10
Dairacherra	Duncan Bros & Co. Ltd.	164,602	5'66	173,323	5'95	32	12-60	(i)460	468	22 1/2T	15T	10
Dejoo Valley	McLeod & Co. Ltd.	116,318	5'63	210,358	5'47	18	12-60	440	322	15T	40T	30
Dessai & Purbuttia	Jardine Henderson Ltd.	13,313	2'65	14,033	2'69	20	12-57	-119	(a)300	nil	10	10
Dholakhat	James Warren & Co. Ltd.	8,724	2'61	8,471	2'72	63	12-58	786	832	20T	25T	25
Dhunerri	Directors	391,938	5'31	644,331	5'10	...	12-60	566	709	20T	23T	20
	7% C. P.	...	...	...	...	...	...	...	...	10T	10T	7
Dibrugarh	McLeod and Co. Ltd.	312,094	6'61	303,145	5'64	52	12-60	626	459	40T	30T	33
Dilaram	Dootwala & Sons	1,795	3'18	1,853	2'76	12	12-58	72	22	7 1/2	nil	5
Dimakui	Williamson Magor and Co.	283,650	6'19	307,746	6'17	31	12-60	337	409	25T	30T	25
	8% C. P.	...	...	...	...	...	...	...	...	9T	8T	6
Dufflaghur	Williamson Magor and Co.	388,343	6'18	421,110	5'97	42	12-60	453	(f)692	25T	35T	45
East India	Williamson Magor & Co.	366,144	5'68	540,450	5'61	15	12-60	-110	461	nil	10T	5
Eastern Cachar	Octavius Steel and Co. Ltd.	4,913	1'82	4,127	1'74	15	12-58	-185	-190	nil	nil	nil
Ellenbarrie	Duncan Bros and Co. Ltd.	171,106	5'02	205,666	4'56	7	12-60	129	122	5T	5T	nil
Engo	Directors	3,348	1'89	2,944	1'67	5	12-58	19	-17	nil	nil	nil
Ethelbari	Directors	218,696	...	220,480	...	...	12-60	127	33	5T	nil	nil
Gairkhat	Gill Arbuthnot and Co. Ltd.	523,656	5'03	520,580	4'61	63	12-60	539	391	25T	12 1/2T	nil
Galle	Davenport and Co. Private Ltd.	135,248	6'85	...	6'59	13	12-60	183	65	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Gillapukhuri	Directors	344,520	...	312,111	...	...	12-60	286	321	25T	25T	25
Gopur	Williamson Magor and Co. Ltd.	220,227	6'19	266,072	5'75	8	12-60	138	268	nil	10T	5
Gopalpur	Secretary	14,232	...	14,306	...	...	12-50	5,72	5,34	12	10	12
Grob	Octavius Steel and Co. Ltd.	22,205	2'46	23,650	2'18	1,37	12-58	1,490	1,126	30	25	25
	'B' Ordinary	...	...	...	...	...	...	...	...	32 1/2	20	50
Gungaram	Duncan Bros and Co. Ltd.	699,341	4'84	697,367	4'57	83	12-60	876	782	20T	15T	nil
Hansqua	Duncan Bros and Co. Ltd.	261,270	4'79	272,714	4'59	28	12-60	332	332	20T	17 1/2T	nil
Hantapara	Duncan Bros and Co. Ltd.	1,401,804	4'99	1,415,815	4'82	159	12-60	(a)1,788	1,640	15T	12 1/2T	nil
	8% C. P.	...	...	...	...	...	...	...	...	9,08T	8T	8
Hastinara	Davenport and Co. Private	2,787,460	5'72	...	5'61	327	12-60	3,278	2,072	17 1/2T	17 1/2T	7 1/2
	7% C. P.	...	...	...	...	...	...	...	...	7'88T	7'88T	7 1/2
Hatikhura	Octavius Steel and Co. Ltd.	22,163	1'70	16,239	1'67	36	12-58	484	-55	7'88T	7'88T	7 1/2
Hograjuli	Directors	307,199	...	311,248	...	...	12-60	341	436	20T	25T	5
Hoolungorie	Andrew Yule and Co. Ltd.	...	5'65	...	5'40	25	12-60	288	379	10T	20T	17 1/2
Hulibari	Davenport and Co. Ltd.	890,939	4'52	...	...	74	12-60	793	712	22 1/2T	22 1/2T	15
Jaybirpara	Andrew Yule and Co. Ltd.	...	4'91	...	4'10	10	12-60	114	138	10T	5T	nil
Jayshree	Birla Bros Private Ltd.	...	...	...	...	275	12-58	3,288	2,829	10T	10T	10
	6% R.C.P.	...	...	...	...	...	...	...	...	6	6	...
	6% R.C.P.	...	...	...	...	...	...	...	...	40T	32 1/2T	22 1/2
Joonkollee	Kettewell Bullen & Co.	471,230	6'08	423,910	5'29	89	12-60	(k)1,445	569	40T	32 1/2T	22 1/2
	6% C. P.	...	...	...	...	...	...	...	...	8'57T	8'57T	6
Jutibari	Gill Arbuthnot and Co. Ltd.	506,565	6'52	412,630	5'62	77	12-60	716	261	30T	10T	10
Kalati	Octavius Steel and Co. Ltd.	3,306	2'15	2,917	1'95	15	12-58	123	10	nil	nil	nil
Kalinugger & Khoree	Board of Directors	...	...	...	...	...	12-59	85	40	6T	nil	nil
Kilcott	Duncan Bros and Co. Ltd.	539,462	5'69	518,584	4'79	76	12-60	787	652	23T	17 1/2T	7 1/2
Kingsley Golaghat	Directors	14,340	2'07	14,373	2'04	...	12-58	340	384	25T	25T	25
	6% preference	...	...	...	...	...	...	...	...	6	6	6
Kotamullai	Duncan Bros. & Co. Ltd.	440,297	5'12	484,756	4'64	24	12-60	238	96	nil	nil	nil
	6% Pref.	...	...	...	...	...	...	...	...	nil	nil	nil
Krishanbehar	Directors	180,860	5'81	146,801	5'30	...	12-60	187	138	15T	10T	6

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	November 1961 Rs. n.p.	November 1960 Rs. n.p.			General	Others	Carry Forward Rs. 000				Investments	Stocks and Stores Rs. 000	Outstandings Rs. 000	Cash	Others Rs. 000
Amhuckie	25 94	24 75	10	446	695	714	...	756	2,391	941	15	835	279	103	...
7% C. P. P.	21 96	33 46	100	75	...	...	...	...	...	...	...	...	...	...	...
Ananda (Assam)	13 00 N	16 50	10	277	450	251	7	1,435	1,297	482	508	919	137	43	...
Anandabag	23 50	20 94	10	703	300	457	84	1,638	1,730	579	1	1,631	194	55	...
Arcuttipore	7 00	7 00	10	300	...	5	-198	478	536	195	1	217	24	3	...
Atal	8 12	9 00	10	450	...	80	1	835	1,693	447	41	438	243	37	21
4 1/2% C. P.	3 80 N	5 06	10	300	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Baghmati	22 50	21 87	10	550	862	579	44	639	2,654	1,092	53	895	146	6	11
Baitakhal	6 69xd	6 50	10	400	270	14	43	247	927	318	64	338	77	45	...
6% Debentures	...	...	1000	150	...	...	...	...	...	...	...	...	...	...	...
Banarhat	281 00	317 50	100	2,700	2,952	11	93	4,264	6,367	2,660	86	3,450	1,643	1,554	...
6 1/2% C. P.	25 68	90 70	100	400	...	...	...	...	...	...	...	...	...	...	...
Basmatighi	27 12	24 94	10	1,200	1,200	425	86	1,079	4,261	2,394	2	1,518	345	236	...
Basmatia	26 50	28 06	10	510	1,210	25	44	1,798	2,057	781	78	943	774	499	...
Batali	19 06	21 50	5	495	365	203	43	899	1,764	1,090	262	558	252	259	...
Balguchi	21 12	24 00	10	1,300	400	210	35	459	552	296	1,002	139	158	45	...
Barjan	31 50	21 50	10	640	550	616	75	2,221	1,850	649	1	1,944	387	569	67
Bhatkawa	19 12	18 19	10	900	900	960	6	1,429	2,939	1,440	54	1,251	875	411	103
Bijonagar	...	...	25	869	2,100	1,142	130	1,259	3,825	1,311	500	1,860	269	350	...
Birpara	149 00	179 00	100	900	925	949	44	1,214	3,016	1,078	349	1,364	341	140	...
4% C. P.	104 00	101 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Bishnauth	24 25	20 69	10	3,300	700	1,111	320	4,575	7,543	3,349	402	4,236	805	368	...
Bloomfield	3 72	2 25	10	400	...	...	-384	568	803	102	8	121	24	30	...
Debentures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Bokakhat	13 70	13 70	10	600	200	126	52	620	1,357	317	1	303	53	1	...
Bornahajan	15 62	16 25	10	750	454	553	98	1,005	1,548	476	53	708	966	159	...
6% C. P.	48 34	56 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Borpukhuri	11 44	17 75	10	450	150	83	-21	5	1,376	535	2	612	210	31	...
Brooks Bond	17 31	16 12xd	10	3,500	735	804	163	2,926	9,720	3,563	12	1,801	705	2,807	146
4% C. P. T.	64 50	...	100	3,500	...	...	...	...	...	...	...	...	...	...	...
Caron	145 00	159 00	100	600	570	371	18	651	1,508	515	15	785	135	237	...
Central Cachar	72 25	77 50	100	1,000	525	240	-195	1,891	2,783	1,017	3	1,103	423	149	14
Chamong	9 37	10 31	10	280	75	75	48	104	436	100	2	186	54	5	...
Choonabhatti	267 00	261 00	100	900	1,420	28	96	1,778	2,995	1,119	401	1,113	524	508	...
6 1/2% C. P.	92 64	95 50	100	200	...	...	...	...	...	...	...	...	...	...	...
Chundeccherra	24 00	24 94	10	300	450	358	558	2,034	1,290	461	2	696	503	1,445	225
Cleveland	...	...	10	400	750	324	53	1,055	1,012	310	1	530	329	926	83
Dauracherra	6 81	7 31xd	10	600	850	410	52	577	1,016	286	28	511	263	905	50
Dejoo Valley	49 25	50 75	10	120	275	484	10	481	1,242	444	1	422	124	26	...
Desai & Purbuttia	155 00	127 00	100	840	500	127	-118	2,187	4,104	1,856	...	1,013	1,365	18	42
Dholakhat	21 19	21 44	10	1,753	985	87	13	1,583	2,882	806	573	715	820	238	...
Dhunerai	15 00	16 87	10	700	500	242	14	2,411	2,655	786	30	1,792	256	50	...
7% C. P.	12 12	27 06	10	120	...	...	...	...	...	...	...	...	...	...	...
Obirugarh	33 00	97 00	100	200	107	72	3	91	375	166	86	787	590	318	...
Dilaram	100 00	23 94	10	473	483	260	146	809	1,767	800	195	930	128	111	...
Dimakuai	25 75	3 10	10	70	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	10 00	35 00	10	701	874	388	346	1,168	2,908	1,535	440	1,364	216	87	...
Outlaghur	31 12	...	10	...	...	...	...	...	...	...	...	...	...	...	...
East India	19 50	17 44	10	1,000	500	355	-70	2,158	3,335	1,227	159	1,479	191	6	...
Eastern Cachar	2 94	2 94	10	700	...	...	-566	1,084	873	135	1	359	78	42	...
Ellenbarrie	176 00	149 00	100	300	200	291	28	429	967	473	...	598	88	37	...
Ego	136 00	196 00	100	120	264	...	-60	315	499	285	2	326	63	35	31
Ehelenbarrie	9 18	9 81	10	490	33	35	5	693	1,142	347	77	261	82	51	...
Gairikhat	21 56	...	25	750	300	405	126	998	1,946	1,218	4	1,094	73	681	...
Gielle	10 75	8 81	10	200	176	128	2	206	914	381	48	177	135	20	...
6% C. P.	59 50	80 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Gillapukri	25 50	28 87	10	504	573	70	16	2,039	1,921	695	311	515	1,113	7	...
Gokpur	13 00	16 12	10	676	283	270	149	1,079	2,428	1,097	129	804	135	59	...
Gopelpur	19 62	22 32	25	1,050	500	498	132	7,66	17,66	7,49	312	8,26	3,94	3,96	...
Grob	...	...	10	1,192	900	2,319	45	3,822	5,903	1,755	8	2,779	1,010	80	...
Grob	9 44	11 62	5	361	...	...	...	...	...	...	...	...	...	...	...
Gungaram	155 00	180 50	100	1,344	1,050	1,376	38	1,584	2,924	1,239	857	1,461	394	976	18
Hanequa	16 37	15 75	10	500	550	614	22	512	1,584	560	224	540	102	309	...
Hantapara	124 00	143 00	100	3,600	1,650	2,339	65	3,019	7,507	2,587	508	3,249	556	1,480	...
8% C. P.	89 84 N	101 00	100	50	...	...	...	...	...	...	...	...	...	...	...
Hasmara	32 00	22 56	10	3,200	3,425	3,667	254	6,387	12,323	6,456	863	6,954	2,910	639	...
7% C. P.	89 00	97 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Hattikihra	9 94	10 50	10	1,260	924	250	75	949	3,045	1,329	2	1,527	172	26	...
Hoograjuli	24 81	22 87	100	500	750	13	23	982	1,238	515	21	437	1,493	62	...
Hoolungorie	185 00	182 00	100	870	1,330	89	66	1,326	3,808	1,566	12	1,017	290	118	...
Huldibari	29 12	23 50	10	825	2,216	51	82	1,919	3,038	1,443	588	1,874	905	130	...
Jaybirpara	15 25	13 25	10	700	512	1	29	224	1,117	555	2	421	68	392	...
Jayashree	19 75	17 94	10	5,857	4,900	486	91	5,979	16,370	5,470	798	6,638	2,062	145	...
6% R. C. P.	...	...	100	195	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	...	50	38	...	...	...	...	...	...	...	...	...	...	...
Joanktollee	20 50	25 12	10	600	1,566	56	133	1,401	1,927	1,027	226	725	395	1,457	...
6% C. P.	...	...	10	36	...	...	...	...	...	...	...	...	...	...	...
Jutibari	34 06	23 00	10	990	575	382	81	2,374	2,224	635	2	2,477	213	32	...
Kaliti	9 12	6 44	10	246	...	...	66	1,806	357	35	179	299	274	10	...
Kalinugger & Khoreel	85 50	99 00xd	100	450	200	130	32	564	371	46	179	242	548	12	...
Kilsoot	20 00	17 56	10	900	875	1,096	59	1,326	2,696	841	307	1,240	343	511	...
Kingsey Colaghat	110 00 N	160 00	100	360	1,000	322	130	2,281	2,237	850	951	1,182	740	53	...
0% Preference	62 80xd	80 00	100	240	...	...	...	...	...	...	...	...	...	...	...
Kotamullai	10 50	12 87	5	180	...	15	-170	2,942	2,193	398	...	977	176	186	...
6% Prof.	15 00	15 06	25	218	...	...	...	...	...	...	...	...	...	...	...
Kristnabahari	9 50	9 22	10	500	250	34	3	657	1,263	315	2	432	96	7	...

NAME	Managing Agents Agents/Secretaries	Total Crop		Average price per		Total Crop		Average price per		Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PERCENT				
		in mds/Kgs		pound/Kgs		in mds/Kgs		pound/Kgs				Latest	Previous	Latest	Previous	Second Previous		
		Mds.	Rs. a. p.	Mds.	Rs. a. p.	Mds.	Rs. a. p.	Rs. 000	Rs. 000									
Kunchanpore	Duncan Bros and Co. Ltd.	497	1.71	3,602	1.68	10	12-58	(g)20	(h)8	nil	nil	nil	nil	nil				
Kyong Tea Seeds	Shaw Wallace and Co. Ltd.	12,612	1.92	12,139	2.23	3	12-58	19	13	5	5	7 1/2	7 1/2	7 1/2				
Lacktoorah	Directors	229,767	5.53	188,700	4.70	9	12-60	881	1,130	30	30	10	10	10				
Leda	Duncan Bros and Co. Ltd.	303,781	6.79	293,887	6.46	12	12-50	168	(j)74	nil	nil	nil	nil	nil				
Lingia	Williamson Magor & Co.	9,518	1.63	9,536	1.58	39	12-56	327	262	15 T	12 T	20	20	20				
	6% C. P.	4,272	2.37	4,229	2.43	54	12-58	186	120	24	5	17 1/2	17 1/2	17 1/2				
Longview	Daga and Co. Private Ltd.	15,260	2.37	1,042	2.43	54	12-58	13	3	nil	nil	nil	nil	nil				
Loochah	Octavius Steel and Co. Ltd.	487,210	4.96	475,253	4.80	52	12-60	558	668	25	25	35	35	35				
Lukwah	Tantia Bros. Private	241,231	4.96	241,668	4.80	25	12-60	16	16	nil	nil	nil	nil	nil				
	5% Cum Pref.	4,958	1.13	4,363	1.00	25	12-60	50	50	10 T	5 T	5	5	5				
Malhati	D. C. Ghose & Co. Private	177,545	2.60	1,24,445	6.64	14	12-60	2,06	494	nil	nil	nil	nil	nil				
Manabbarie	Directors	4,958	1.13	4,363	1.00	25	12-60	2,06	494	nil	nil	nil	nil	nil				
Manipur	McLeod and Co. Ltd.	3,223	2.36	5,335	2.18	20	12-58	2,06	494	109	15 T	15 T	10	10				
Margareta Hope	Lohia Bros. Private Ltd.	4,878	2.36	5,335	2.18	20	12-58	39	176	109	15 T	15 T	10	10				
Marionbarie	Lohia Bros. Private Ltd.	10,372	2.93	10,584	2.54	70	12-58	39	176	109	15 T	15 T	10	10				
Maud	Octavius Steel and Co. Ltd.	6,440	8.83	5,410	7.63	6	12-60	200	120	64	64	12 1/2	12 1/2	12 1/2				
Methoni	Andrew Yule and Co. Ltd.	6,440	8.83	5,410	7.63	6	12-60	200	120	64	64	12 1/2	12 1/2	12 1/2				
Mim	Directors	6,440	8.83	5,410	7.63	6	12-60	200	120	64	64	12 1/2	12 1/2	12 1/2				
Moheema	6% C. P.	68,951	5.67	5,56	5.56	8	12-60	106	30	30 T	25 T	40	40	40				
Mothola	Kettlewell Bullen & Co.	5,56	5.67	5,56	5.56	8	12-60	106	30	30 T	25 T	40	40	40				
Murphulani (Assam)	Andrew Yule & Co. Ltd.	9,005	1.75	7,506	1.66	86	12-58	(m)9	262	5 T	20 T	20	20	20				
	Preferred Ordinary	542,149	5.10	516,255	4.85	30	12-60	244	175	5	5	5	5	5				
Naga Hills	Directors	216,638	6.80	183,735	6.92	30	12-60	851	668	21 T	17 1/2 T	5	5	5				
Nagaisuree	Duncan Bros.	8,760	2.16	7,765	1.96	19	12-58	2,0	215	30 T	20 T	30	30	30				
Nagri Farm	Williamson Magor	19,883	2.65	9,752	2.76	19	12-58	365	171	16	15	15	15	15				
Namburnadi	Directors	231,881	4.72	217,837	5.84	5	12-60	661	556	25	25	30	30	30				
New Assam Valley	Macneill Barry	153,89	6.84	217,837	5.84	5	12-60	215	27	15 T	15 T	10	10	10				
New Chumta	Davenport & Co. Private Ltd.	153,89	6.84	217,837	5.84	5	12-60	44	51	nil	nil	nil	nil	nil				
New Cinnatollah	Duncan Bros. & Co. Ltd.	153,89	6.84	217,837	5.84	5	12-60	1,130	957	4 T	32 T	25	25	25				
New Doors	Andrew Yule & Co. Ltd.	14,523	2.16	12,168	2.05	86	12-58	89	482	7,38 T	9,3 T	6 1/2	6 1/2	6 1/2				
New Samanbagh	64% C. P.	2,472	2.08	3,010	1.88	2	12-58	8	81	nil	20	30	30	30				
Nilpur Tea	Directors	2,340	4.34	2,245	4.80	...	12-59	265	743	30 T	30 T	20	20	20				
N. W. Cachar	Directors	2,340	4.34	2,245	4.80	...	12-59	55	287	32 1/2 T	32 1/2 T	nil	nil	nil				
Okayti	Directors	7,354	1.75	7,476	1.58	...	12-58	166	148	74	10	15	15	15				
Oodlabari	Directors	6,159	1.70	5,815	1.66	20	12-58	41	44	nil	nil	nil	nil	nil				
Pathemara	Octavius Steel & Co. Ltd.	223,657	5.25	1,804,002	5.15	235	12-60	(d)1,675	4,862	32 1/2 T	40 T	20	20	20				
Patrakola	Duncan Bros. & Co. Ltd.	112,918	4.90	116,337	4.48	3	12-60	21	28	nil	nil	nil	nil	nil				
Phaskowa	Duncan Bros. & Co. Ltd.	111,914	6.46	68,622	6.36	9	12-60	96	60	nil	nil	nil	nil	nil				
Poobong	Duncan Bros. & Co. Ltd.	2,346	2.53	1,656	2.58	...	12-58	31	84	nil	nil	nil	nil	nil				
Pussimbong	Directors	2,306	1.50	2,233	1.81	...	12-58	11	96	nil	6	nil	nil	nil				
	7% C. P.	357,499	4.82	368,971	4.67	21	12-60	167	200	nil	nil	nil	nil	nil				
Rutinbare	Directors	6,000	6.00	5,45	5.45	15	12-60	2,0	157	40 T	35 T	25	25	25				
Rajabhat	McLeod & Co. Ltd.	457,276	4.96	486,615	4.74	31	12-60	24	302	nil	nil	nil	nil	nil				
Rajgarh	Andrew Yule & Co. Ltd.	272,635	4.96	288,485	4.61	18	12-60	410	413	15 T	10 T	7 1/2	7 1/2	7 1/2				
Rainagar	McLeod & Co. Ltd.	237,869	4.95	275,246	4.56	18	12-60	142	7	nil	nil	nil	nil	nil				
Raincherra	McLeod & Co. Ltd.	106,900	7.00	66,691	6.83	10	12-60	153	203	5 T	7 T	2 1/2	2 1/2	2 1/2				
Roopacherra	Duncan Bros. & Co.	26,144	...	25,416	...	77	12-57	163	47	35 T	10 T	30	30	30				
Rungamattou	Duncan Bros. & Co. Ltd.	531,474	...	633,057	...	...	12-60	867	1,365	20	30	56	56	56				
Runglee Rungliet	Jardine Henderson Ltd.	531,474	...	633,057	...	...	12-60	867	1,365	20	30	56	56	56				
Rydat	Directors	531,474	...	633,057	...	...	12-60	867	1,365	20	30	56	56	56				
Sepoi	Directors	263,694	6.74	213,521	5.84	21	12-60	632	416	22 1/2 T	20 T	15	15	15				
Sarugeon	Directors	2,144	3.04	2,405	2.91	...	12-58	357	386	40 T	40 T	50	50	50				
Sasuli	Williamson Magor & Co.	2,144	3.04	2,405	2.91	...	12-58	357	386	40 T	40 T	50	50	50				
Soyok	Directors	136,071	5.94	129,530	6.36	6	12-60	257	159	22 1/2 T	17 1/2 T	2 1/2	2 1/2	2 1/2				
Selimong	Gill, Arbuthnot & Co. Ltd.	3,179	3.19	3,267	2.55	10	12-58	137	131	15	10	nil	nil	nil				
Singell	Hoare Miller & Co. Ltd.	5,295	1.65	4,520	1.63	...	12-58	176	98	nil	nil	nil	nil	nil				
Singtam	Goenka & Co. Ltd.	5,295	1.65	4,520	1.63	...	12-58	176	98	nil	nil	nil	nil	nil				
	5% C. P.	152,998	7.44	141,637	7.40	12	12-60	319	239	50 T	30 T	50	50	50				
Sonai River	Directors	196,711	7.96	174,261	7.40	11	12-60	411	309	15 T	10 T	15	15	15				
	8% C. P.	5,242	1.89	5,208	1.82	17	12-58	35	40	nil	nil	5	5	5				
Soom	Williamson Magor & Co.	210,685	6.33	404,665	5.64	67	12-60	584	872	4 T	17 1/2 T	12 1/2	12 1/2	12 1/2				
Sungma	McLeod & Co. Ltd.	356,666	5.70	407,980	4.92	18	12-60	444	376	25 T	25 T	7 1/2	7 1/2	7 1/2				
Taipo	Gill, Arbuthnot & Co. Ltd.	339,133	6.86	312,979	5.93	60	12-60	584	340	30 T	17 T	15	15	15				
Teesta Valley	Davenport & Co. Private Ltd.	36,690	2.13	35,023	4.92	121	12-59	1,217	753	20 T	12 1/2	nil	nil	nil				
Teliapara	Duncan Bros. & Co. Ltd.	306,785	5.57	404,665	5.64	67	12-60	584	872	4 T	17 1/2 T	12 1/2	12 1/2	12 1/2				
Telapara	Duncan Bros. & Co. Ltd.	306,785	5.57	404,665	5.64	67	12-60	584	872	4 T	17 1/2 T	12 1/2	12 1/2	12 1/2				
Telapara	McLeod & Co. Ltd.	356,666	5.70	407,980	4.92	18	12-60	444	376	25 T	25 T	7 1/2	7 1/2	7 1/2				
Telapara	Gill, Arbuthnot & Co. Ltd.	339,133	6.86	312,979	5.93	60	12-60	584	340	30 T	17 T	15	15	15				
Telapara	Gill, Arbuthnot & Co. Ltd.	339,133	6.86	312,979	5.93	60	12-60	584	340	30 T	17 T	15	15	15				
Telapara	Shaw Wallace & Co. Ltd.	36,690	2.13	35,023	4.92	121	12-59	1,217	753	20 T	12 1/2	nil	nil	nil				
	8% pref. cum as to 5	...	...	...	...	...	...	...	...	8 T	8	8	8	8				
Tukhan	Daga & Co. Private Ltd.	8,010	1.89	8,084	2.22	25	12-55	140	580	nil	nil	nil	nil	nil				
Turkhanhannah	McLeod & Co. Ltd.	9,337	...	9,866	...	26	12-57	218	512	30	25	20	20	20				
	10% C. P.	...	...	...	...	...	...	...	...	10	10	10	10	10				
Tongan	Daga & Co. Private Ltd.	9,337	...	9,866	...	26	12-56	67	173	nil	10	10	10	10				
Tukvar	Directors	480,745	5.90	562,818	5.97	28	12-58	143	262	nil	10	10	10	10				
Tyoon	McLeod & Co. Ltd.	480,745	5.90	562,818	5.97	28	12-60	456	721	10 T	30 T	15	15	15				

(a) After transferring Rs 70,000 from Development Rebate Reserve.

(b) After writing back Rs 90,000 being excess provision for taxation and including Rs 110,000 being excess tax paid recoverable.

(c) After transferring Rs 65,000 from General Reserve

(d) After writing back excess provision for taxation Rs 542,470 and including Rs 444,990 being excess tax paid recoverable

(e) After transferring Rs 125,000 from Reserve.

(f) After transferring Rs 75,000 from Dividend Equalisation Fund.

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

(h) After transferring Rs 35,000 from Revenue Reserve; Rs 72,597 from Depreciation Reserve and Rs 46,794 from Building and Machinery Reserve.

(i) After writing back Rs 117,941 being provision for taxation.

(j) After writing back Rs 136,744 from excess provision for taxation and including Rs 143,286 being excess tax paid recoverable.

(k) After transferring Rs 400,000 from Renewals and Replacements Reserve and writing back Rs 180,782 being excess provision for taxation.

(l) After transferring Rs 64,000 from Revenue Reserve and Rs 180,000 from Building and Machinery Reserve.

(m) After transferring Rs 45,000 from General Reserve.

(n) After transferring Rs 145,000 from Revenue Reserve and Rs 5,000 from Development Rebate Reserve.

(o) After transferring Rs 80,000 from General Reserve and Rs 50,000 from provision for taxation and including Rs 88,623 being dividends forfeited.

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LAYERS ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	November 1961	November 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Outstand- ings	Cash	Others
	Ra. np.	Ra. A.													
Kunchanpore	3 94	7 62	10	360	55	55	4	292	644	268	...	302	62	20	...
Kyong Tea Seeds	7 37	4 81	10	200	35	...	1	45	183	2	34	7	56	3	...
Lackatoorah	18 25	18 25	10	400	500	296	192	2,181	1,157	393	5	883	540	1,576	...
Leda	17 00	15 75	10	650	146	571	14	629	1,525	453	188	554	193	4	...
Lingia	14 50	17 25	10	700	125	82	53	682	1,665	764	389	675	178	2	...
6% C. P	45 90	58 00	100	506	...	...	...	...	...	...	...	...	...	...	...
Longview	10 06	11 25	10	1 032	600	568	32	1,032	2,623	623	209	871	165	18	...
Loochah	3 87	4 62	10	564	...	58	-121	776	686	129	2	285	243	189	...
Lukwah	...	...	...	800	600	391	441	2,228	1,664	493	1,981	1,140	304	39	...
5% Cum Pref.	...	...	...	475	...	...	...	...	...	...	...	...	...	...	...
Malhati	21 12	17 25	10	900	1,726	743	18	944	4,155	2,144	434	1,059	466	321	...
Manabbarie	56 37	54 25	100	200	516	86	8	1,015	1,357	385	...	431	306	25	...
Manipur	...	...	...	420	2,10	40	-6.20	8,82	7,31	1,80	...	326	32	22	2,12
Margareta Hope	12 56	12 87	10	400	250	207	84	493	898	462	2	239	277	462	...
Marionbarie	...	...	...	155	...	...	-373	1,425	1,181	206	2	142	86	1	...
Maud	15 00	12 25	10	800	100	2	5	1,045	1,488	433	195	435	104	181	...
Methoni	17 12	19 50	10	1,000	700	550	62	1,233	2,265	693	95	1,014	306	564	...
Mim	191 50	211 00	100	159	355	17	16	208	582	243	2	206	97	110	...
Moheema	11 50	12 31	10	480	...	30	6	605	1,224	292	...	442	62	7	...
6% C. P	5 25	9 37	10	320	...	...	...	...	...	...	...	...	...	...	...
Mothola	507 00	475 00	100	150	641	724	47	420	209	11	129	...	666	989	...
Murphulani (Assam)	24 50	20 00	10	175	791	1	6	685	2,040	730	3	420	77	47	...
Praed. Ordy	22 24	22 00	10	200	...	...	...	...	...	...	...	...	...	...	...
Naga Hills	18 81xd	24 00	10	400	291	74	-31	1,668	1,372	441	585	687	166	36	...
Nagaisuree	196 00	157 00	100	960	1,115	1,052	47	1,032	2,775	030	406	1,789	171	450	...
Nagri Farm	26 00	22 23	10	300	275	261	125	482	770	223	57	380	98	361	...
Namburnadi	14 00	12 77	10	535	175	130	3	629	1,217	543	...	493	238	68	...
New Assam Valley	...	...	225	675	850	151	45	1,169	1,670	503	183	1,274	242	16	...
New Chamta	33 50	34 75	10	300	250	621	62	364	1,075	502	266	377	325	57	...
New Cinnatollah	90 00	80 50	100	500	...	...	-115	1,103	1,095	364	...	549	144	64	...
New Dozers	286 00	277 00	100	1,400	2,100	34	60	2,857	3,914	1,380	650	2,131	774	662	...
54% C.P.	74 82	82 20	100	200	900	...	5	244	1,594	1,259	...	739	277	1,544	...
New Samanbogh	19 25xd	25 19	10	400	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	83 50 N	93 50	100	100	...	...	23	286	395	150	...	245	17	9	...
Nilpur Tea	...	...	100	149	60	...	9	2,059	2,224	475	750	935	158	54	...
North Western Cachar	170 00xd	134 00	100	700	600	277	...	290	524	263	...	154	48	189	...
Olafayi	600 00	601 00	100	100	53	159	...	...	...	...	...	...	...	...	...
7% C. P.	79 00 N	79 00	100	50	...	...	...	...	...	...	...	...	...	...	...
Oodlabari	15 50	13 50	10	640	320	247	10	268	1,238	303	2	382	100	76	...
Pathemara	7 25	6 25	10	259	...	...	-223	1,205	654	94	1	619	60	...	...
Patrakole	141 00	170 00xd	100	3,600	5,625	1,510	234	8,874	6,677	2,883	8	4,496	3,347	7,975	...
Phaklowa	127 00	150 00	100	250	185	195	17	102	632	224	...	277	17	38	...
Poobong	7 37	6 12	10	300	...	...	4	274	593	247	...	159	73	1	...
Pussimbire	8 75	8 62	10	205	113	95	-87	173	540	97	48	140	57	15	...
7% C. P.	90 00	95 00	100	205	...	...	-13	173	376	168	...	198	38	10	...
Putinbarer	45 00	45 09	10	100	60	135	-104	519	1,680	786	54	762	234	106	...
Rajabhat	15 00	16 12	10	600	577	530	48	497	1,613	569	3	444	72	73	...
Rajgarh	26 25	37 25	10	200	889	2	225	635	885	491	1	482	421	29	...
Rajnagar	17 50	9 56	10	320	100	46	37	870	3,680	1,604	54	1,003	429	339	...
Ranicherra	...	...	10	765	700	929	-6	922	1,334	439	1	536	111	26	17
Roochacherra	12 00	15 31	10	260	282	128	17	302	1,626	508	99	592	89	97	...
Rungamtee	58 50	52 00	50	525	550	602	21	256	474	207	225	161	89	217	...
Rungmee Runglat	386 00	350 00	100	140	310	233	50	2,619	5,520	3,112	4	2,225	1,951	1,775	...
Rydek	26 87	30 50xd	10	1,493	1,804	881	16	3,904	3,420	1,458	463	781	968	18	...
Sapo	18 75xd	22 37	10	900	300	54	23	1,306	1,491	706	61	760	1,951	64	...
Saragson	35 00	36 00xd	10	346	700	239	92	512	1,359	731	2	717	123	9	...
Seajui	23 06xd	32 25	10	249	300	210	4	149	551	196	...	173	54	198	...
Seayok	9 50xd	11 75	10	300	125	202	10	28	353	600	1	295	121	17	...
Selimpong	...	...	10	300	105	1	-666	905	737	109	...	93	144	...	...
Singol	37 25	35 50	100	625	...	...	7	341	1,323	294	207	146	90	102	...
Singom	5 67	6 37	10	900	...	19	...	...	...	...	...	...	...	...	...
5% C. P.	4 87	5 19	10	300	...	...	...	...	...	...	...	...	...	...	...
Sonai River	9 12 N	9 12	10	400	...	105	110	413	1,156	396	1	339	24	3	...
8% C. P.	66 00 N	93 00	100	180	...	...	...	...	...	...	...	...	...	...	...
Soom	45 00	33 50	10	300	300	215	144	581	773	365	201	230	115	587	...
Sunema	13 00	11 81	10	625	725	356	46	756	1,850	585	3	233	411	593	...
Tupoo	...	...	10	500	205	58	-28	629	1,125	478	1	556	135	26	26
Teesta Valley	13 19	12 81	10	320	400	464	21	552	1,518	517	69	278	320	78	...
Teliapara	112 00	119 00	100	900	1,875	620	29	1,116	2,147	755	49	1,091	686	1,095	...
Telojan	23 50	24 87	10	598	854	589	6	1,002	2,362	740	56	734	567	70	...
Tengani	35 00xd	34 37	10	800	330	331	48	1,652	1,602	599	1	1,410	247	500	...
Tezore	17 25	15 55	10	1,983	1,550	36	54	2,465	5,114	2,283	83	2,509	738	132	...
8% Pref. Cum. ad 5	9 10	10 39	10	205	...	...	-30	...	...	...	...	...	...	...	...
Tikah	10 00 N	10 00	10	375	3,75	56	34	17,50	16,15	1,94	1	8,77	1,70	85	...
Tirichannah	49 00xd	50 80	10	220	400	575	...	858	1,361	552	2	720	216	440	...
10% C. P.	11 46xd	14 09	10	100	...	...	6	1,170	1,528	307	...	734	114	16	81
Tongani	6 44	8 00	10	600	390	...	39	946	1,689	475	3	417	283	118	...
Tukar	7 44	6 00	10	801	250	...	71	2,132	5,337	1,874	53	1,425	357	84	...
Tukar	34 62	33 00	10	520	1,200	1,460	...	...	...	...	...	...	...	...	...

MILLS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESOURCES AND SURPLUS INCLUDING LAZERS ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	November 1961	November 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
	Ra. ap.	Ra. ap.													
Andhra	27 00	28 00	10	3,000	1,800	1,055	25	9,821	11,399	3,349	220	4,668	2,477	286	...
Balrampur	2 56	3 12	24	1,301	120	874	48	4,972	3,110	1,927	175	4,901	948	107	15
Bani	90 50 N	126 50	100	1,200	950	2,712	1,000	9,932	6,611	4,219	2,680	11,153	498	182	117
Ordinary 'B' Class	...	...	10	300	...	...	...	...	...	...	...	...	...	...	...
Belapur	276 00	391 00	50	7,050	11,339	1,357	76	6,291	16,116	10,888	2,375	10,461	577	8,470	...
Beland	11 12	14 56	74	1,949	775	240	1	7,551	5,317	2,960	693	4,548	2,655	262	...
Bharat	16 50	16 18	10	1,500	650	759	4	3,317	2,395	1,595	1,381	3,330	1,059	159	...
5% R.C.P.T.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Bhopal	23 76	28 00	10	1,750	1,400	268	93	4,986	4,781	2,936	55	5,675	1,745	310	117
5% C.P.	84 50	84 50	100	3,200	1,360	1,866	276	10,921	15,128	10,892	67	10,934	4,493	381	310
Carew	13 69	10 81	100	800	...	...	...	...	...	...	...	...	...	...	...
64% R.C.P.	80 50	85 50	100	1,750	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	400	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	4,000	...	1,535	74	6,381	9,635	960	...	2,765	1,757	72	600
Cauvery	118 00cd	144 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	84 00cd	101 00	100	3,000	2,850	5,667	418	12,675	17,606	10,381	256	12,240	2,851	485	617
Cawnpore	13 00	13 19	100	1,000	...	...	...	...	...	...	...	...	...	...	...
8% C.P.	118 00	108 00	10	1,800	1,500	3,955	19	13,455	8,686	5,925	37	15,042	2,578	267	45
Champaran	16 87	19 54	10	3,984	2,100	2,721	67	12,648	13,656	7,119	395	11,469	2,729	904	185
Doccan	12 15cd	15 65	5	700	...	...	...	...	...	...	...	...	...	...	...
7% Preference	4 99cd	6 33	10	958	345	250	32	4,870	3,488	2,148	937	3,925	661	24	...
Deoria	8 71	9 00	500	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	2,600	31,000	2,36	1,12	19,18	57,53	37,24	2,58	36,93	12,89	6,97	...
Darbhanga	11 62	17 12	5	2,727	7,850	4,200	26	8,094	5,973	2,380	434	7,468	6,871	2,063	2,58
Dyer Meskin	42 37	23 25	5	550	1,000	341	69	1,388	1,485	857	676	1,240	754	209	...
E. I. D. (E)	37 00	44 25	5	200	...	...	...	...	...	...	...	...	...	...	...
7% C.P.	17 50	16 80	10	2,000	150	3,866	18	5,648	7,384	2,519	2,219	3,722	863	13	...
Ganesh Sugar	19 22 N	19 87	10	5,492	702	621	86	21,293	14,506	4,545	1,822	15,336	2,049	246	30
Ganga Sugar	...	...	10	1,250	...	...	...	...	...	...	...	...	...	...	...
74% C.P.	...	...	100	500	250	127	4	2,963	3,410	1,430	...	2,427	417	20	...
Gobind	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P.	...	...	100	1,594	...	48	30	4,719	4,888	2,980	1,140	2,934	1,801	890	...
Gwalior	...	...	100	75	...	...	...	...	...	...	...	...	...	...	...
70% R. C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
70% C. P.	...	...	100	250	1,000	1,359	12	11,915	8,171	3,763	1,615	4,768	4,407	69	...
Harinagar	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
Ordinary	...	...	100	6,000	4,662	1,850	43	20,229	21,144	8,621	284	18,201	2,156	121	...
Hindustan	338 75	320 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	80 19	12 25	10	6,397	837	685	311	7,219	8,467	3,356	3,511	2,026	5,663	237	...
India	11 10	88 25	100	1,100	...	...	...	...	...	...	...	...	...	...	...
74% C. P. T.	83 63	...	100	1,109	1,266	1,426	616	5,288	3,458	2,015	866	6,975	311	110	...
Jagatjit Sugar	5 25 N	5 25	10	2,000	1,850	291	55	9,285	13,065	7,842	66	7,776	1,088	140	18
Jaswant	85 00	85 00	100	1,330	...	...	...	...	...	...	...	...	...	...	...
54% B.C.P.	16 25cd	17 87	10	2,318	744	975	...	12,490	13,651	1,614	30	4,524	1,060	48	32
Jeyore	89 00cd	95 80	100	200	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	92 50cd	101 10	100	1,000	...	...	...	...	...	...	...	...	...	...	...
70% C.P.	24 00	26 00	10	5,857	7,315	2,393	23	41,599	41,759	7,854	2,501	19,275	5,716	118	...
K. C. P.	95 45cd	100 00	10	250	...	...	...	...	...	...	...	...	...	...	...
5% R.C.P.	95 00cd	97 00	40	4,077	1,100	342	10	8,38	8,526	5,442	177	7,005	2,268	275	33
5% C.P.	253 75	232 50	100	1,800	...	...	...	...	...	...	...	...	...	...	...
Kesar	...	...	100	1,500	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P	77 00	78 00	100	1,696	...	625	41	7,533	7,637	3,496	1,412	5,675	364	103	...
Kirlampudi	136 00	118 00	100	1,600	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	100	1,950	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	10	2,000	330	307	90	1,037	2,803	1,874	1	570	72	2,193	...
Madura Sugars	189 00	261 50	50	6,750	4,525	569	162	9,517	15,205	7,221	1,734	7,369	2,641	2,294	...
Maharashtra	240 00N	240 00N	250	500	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	...	...	10	7,339	1,240	1,471	12	8,525	13,625	6,143	50	8,139	2,513	404	...
Modi Sugar	2 03	4 12	10	1,000	...	249	3,360	7,968	5,725	2,700	20	1,443	1,550	16	2
Founders	70 00 N	70 00	100	25	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	56 50	60 50	10	2,179	6,253	5,643	15	14,250	16,327	10,739	3,715	7,391	7,217	4,274	25
Mysore	...	...	100	1,200	350	1,088	479	4,161	6,477	3,340	1,552	2,171	1,028	621	37
Newabganj	60 00 N	60 00	100	500	...	...	...	...	...	...	...	...	...	...	...
'B' Class	...	...	50	500	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	...	32 62	10	789	2,225	807	35	6,160	5,767	3,325	1,702	4,791	1,698	448	...
New India	32 00	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
54% R.C.P.T.	101 00	150 00	100	49	...	...	...	...	...	...	...	...	...	...	...
74% C.R.P.P.	5 75	5 00	10	1,100	325	200	8	386	4,563	3,199	57	...	574	24	...
New Saven	352 00	325 00	100	1,351	1,835	3,547	35	6,793	8,199	3,060	714	5,164	2,102	451	...
New Swadeshi	...	...	...	8	...	...	...	...	...	...	...	...	...	...	...
Ord. P. P.	...	...	24	11,002	5,252	3,394	3	43,102	30,263	18,542	343	33,726	19,131	783	46
Nizam Sugar	...	...	24	1,200	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	...	...	25	2,380	...	...	...	...	...	...	...	...	...	...	...
4% C.P.	180 00	182 50	100	7,745	914	2,223	16	14,191	26,114	14,164	338	12,436	4,664	575	...
Oudh	...	...	...	3	...	...	...	...	...	...	...	...	...	...	...
Ord. P. P.	...	...	25	367	...	...	...	...	...	...	...	...	...	...	...
4% R.C.P.	128 00	186 00	50	5,000	4,075	1,792	22	8,332	13,853	7,765	217	9,944	2,593	379	...
Phaltan Sugar	50 00 N	63 00	100	1,200	270	957	11	4,161	3,642	2,166	1,251	2,977	580	61	25
Punjab Sugar	12 13	13 37	10	900	15	2,128	4	599	5,128	3,572	1	1,370	881	204	40
Purtapore	10 95	11 75	10	600	...	...	...	...	...	...	...	...	...	...	...
10% C. P.	29 50	27 37	10	1,660	2,000	2,008	59	2,038	7,805	3,938	...	3,824	339	6	2
Rannugger Cane	83 00	85 00	100	400	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	...	...	500	395	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	1 45 N	1 45	10	1,175	...	114	77	3,226	3,260	2,416	10	3,505	255	17	...
Ratna Sugar	...	...	100	39	...	...	...	...	...	...	...	...	...	...	...
9% C.P.	...	109 00	50	3,000	810	3,838	12	10,493	15,838	6,684	1,435	9,888	1,697	208	...
Ravalgaon Sugar	61 50	62 00	10	2,000	...	...	...	...	...	...	...	...	...	...	...
54% Cum Prof	30 00	30 00	10	400	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	500	2,000	...	...	...	...	...	...	...	...	...	...	...
Debenture	19 75	13 40	10	6,500	1,655	1,084	65	8,932	8,530	3,947	1,297	8,947	3,108	194	...
Raza Buland	11 06	15 25	10	800	130	482	5	2,750	2,840	2,361	210	3,376	624	276	...
Ryam	8 40 N	8 40	10	1,199	...	1,391	152	5,832	6,023	2,793	5	3,836	1,149	51	...
6% C.P.	10 12	13 12	10	859	450	1,938	2	17,814	16,422	7,967	671	10,711	1,737	41	81
Sannatipur	...	...	100	641	...	...	...	...	...	...	...	...	...	...	...
Shadila	...	...	100	2,000	...	2,385	6	3,332	4,860	...	1,628	2,312	1,206	20	...
8% C. preference	10 50 N	11 00	10	500	...	...	...	...	...	...	...	...	...	...	...
Shree Anand	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Dahanu	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

SUGAR

NAME	Managing Agents/ Agents/Secretaries	Cane Crushed Mds./Tons 000	Sugar Produced Mds./Tons 000	Sales Ra. 000	Stock Ra. 000	Managing Agents allowance and Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Ra. 000	Previous Ra. 000	Latest	Previous	Second Previous
Shree Chandoo	A. H. Bhiwandewalla & Co.	...	...	11,231	3,308	138	9-60	2,445	2,532	20T	23T	18
Shree Hanuman	D. Rameshwarlall	2,394	...	11,434	2,719	52	9-57	957	546	6	7	9
5% C. P.	...	...	...	...	...	...	...	...	...	5	5	5
6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Shree Krishna Gyanoday	Sahu Jain Ltd.	9,659	...	36,793	10,546	170	7-60	2,105	2,298	15T	15T	10
6% 'A' Pref.	...	...	...	...	...	...	...	...	...	7-80T	7-80T	6
5% 'B' Pref.	...	...	...	...	...	...	...	...	...	6-50T	6-50T	5
5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Shree Sitaram	Directors	3,442	...	12,372	3,592	...	8-60	685	515	10T	9	5
Sitalpur	Directors	1,781	...	6,826	2,320	...	6-58	193	193	nil	nil	...
South Behar	Directors	...	...	102,533	7,026	...	10-60	90	244	nil	nil	...
9% pref. cum. as to 7%	...	...	...	...	...	...	...	...	...	nil	nil	...
Deferred	...	...	...	...	...	...	...	...	...	nil	nil	...
6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery & Distill	K. C. Thapar & Bros.	...	...	11,278	4,388	10	12-60	256	14	nil	nil	...
5% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Travancore	Parry & Co Ltd.	...	...	11,796	4,897	60	4-61	880	12,560	7-5T	10T	10T
5% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Ugar	Shirgaulkar Bros	...	...	8,457	5,880	236	6-59	2,800	1,804	15T	8	6
Prof. "A"	...	...	...	...	...	...	...	...	...	6T	6	6
United Breweries	Directors	...	...	4,593	180	...	3-61	(u)3,394	(t)3,513	60T	60T	60
United Provinces	Directors	4,021	...	15,536	1,796	...	9-59	1,351	654	15T	10	7
Upper Doab Sugar	R. Lal Debi Prasad & Bros.	...	...	41,100	11,001	219	9-60	3,429	3,771	15T	15T	18
6% R. C. P.	...	...	...	...	...	...	...	...	...	8-57T	8-57T	6
Upper Ganges	Cotton Agents Private	6,070	...	32,529	5,245	246	6-59	2,960	3,666	7	50	50
5% C. P.	...	...	...	...	...	...	...	...	...	5	5	5
5% C. P. T.	...	...	...	...	...	...	...	...	...	5	5	5
Upper India	Mitra Mandal Private	7,828	...	23,833	16,069	282	4-59	3,263	(r)2,375	30T	25	15
'B' Class Ord.	...	...	...	...	...	...	...	...	...	15	15	15
Vizagapatam	Kantilal & Sheth	...	...	...	...	12	6-54	2,06	2,30	nil	nil	5
Walchandnagar Industries	Walchand & Co. private	206	...	55,529	6,479	377	9-59	(s)5,596	5,570	21T	21	21
7% C. P.	...	...	...	...	...	...	...	...	...	10T	7	7
4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...

(a) After transferring Rs 2,099,237 from General Reserve.

(b) After transferring Rs 25,000 from General Reserve and Rs 100,000 from Stocks and Stores Reserve and including Rs 327,187 being profit on sale of Agricultural Land.

(c) After writing back Rs 2,80,018 being provision for liabilities no longer required. (d) After writing back Rs 100,000 from Reserve for book debts and advances.

(e) After writing back Rs 98,511 being provisions no longer required. (f) Given in tons.

ELECTRIC

NAME	Managing Agents, Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allowance and Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold 000's	Revenue Ra. 000	Units sold 000's	Revenue Ra. 000			Latest Ra. 000	Previous Ra. 000	Latest	Pre- vious	Second Pre- vious
Agra Electric Supply ...	Martin Burn Ltd. 4 1/2% Debentures ...	46,544	5,355	42,780	5,067	93	3-61	(f)977	(a)1,250	11T	11T	10
Ahmedabad Electricity Co....	Killick Industries Ltd. 4 1/2% Debentures ...	...	55,415	...	50,284	846	3-61	13,065	12,574	7T	7T	6 1/2
Aligarh ...	Jain & Co. ...	...	...	...	...	31	3-54	1,70	1,68	9 1/2	10	9 1/2
Amalgamated Elec'ty Co. ...	N. C. Javeri & Co. 5 1/2% C. P. ...	71,295	10,575	57,568	9,087	370	3-61	2,322	2,050	7-15T 6-50T	7-15T 6-50T	5 1/2
Anand ...	Sonawala Co. Private 6% C. P. ...	...	506	...	474	15	3-59	92	89	10 6	10 6	...
Andhra Valley Power ...	Tata Hydro Elec. Agencies Pri. 7% C. P. ...	...	23,250	...	19,787	157	3-61	6,730	6,661	8T 7T	8T 7T	8 7
	4% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
Bareilly Elec'ty Supply ...	Martin Burn Ltd. 4 1/2% Debentures ...	14,302	2,473	14,224	2,405	45	3-61	(h)515	(d)477	11T	11T	10
Bengal Electric ...	Martin Burn Ltd. 4 1/2% Debentures ...	45,727	5,483	43,254	5,118	62	3-61	(j)962	(i)1,041	11T	11T	10
Berhampur Electric Supply...	Directors 6% C. P. ...	2,225	769	2,029	625	...	3-60	118	123	nil	3	6
										6T	6	6
Bombay Elec. Supply ...	Octavius Steel & Co. ...	5,396	1,417	4,893	1,253	36	3-59	229	189	5	5	8 1/2
Bombay Suburban Elec. ...	Killick Industries Ltd. ...	...	14,427	...	12,234	380	3-61	4,648	(e)4,279	8 1/2T	8	7 1/2
Breesh Elec. Supply ...	Rajputana Textiles Agencies 6% Debentures ...	2,180	629	2,068	588	27	3-60	173	191	6 1/2T	6	5
		...	...	...	...	...	...	...	...	...	...	...
Bombay Elec. Supply ...	Directors 5% C. P. ...	...	8,229	...	7,467	...	3-59	2,574	2,560	7	7	8 1/2
	5% Debentures ...	...	...	...	...	...	...	...	...	5	5	5
Bombay State Power ...	Chandrie & Co. ...	45,12	5,71	44,20	5,49	...	3-54	1,83	1,99	10	10	5 1/2
Bombay State Power ...	Octavius Steel & Co. Ltd. ...	5,400	1,299	4,694	1,206	45	3-59	274	276	6 1/2	6 1/2	8
		...	...	...	...	...	...	...	...	...	...	...
Bombay State Power ...	Directors 5% C. P. ...	...	408	...	371	...	3-60	162	140	8T	7	7
	4% Debentures ...	...	...	...	...	...	...	...	...	5T	5	5
		...	...	...	...	...	...	...	...	...	...	...

MILLS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	November 1961	November 1960			General	Others	Carry Forward				Investments	Stocks & Stores	Outstand- ings	Cash	Oth
	Ra. np.	Rs. np.													
Shree Chandoo ...	23 72	33 50	12 1/2	3,750	1,671	242	62	6,331	8,831	6,154	1,306	7,155	882	14	...
Shree Hanuman ...	15 75	17 00	10	2,500	50	1,050	12	5,080	6,446	3,441	66	4,765	1,524	331	...
5% C. P. ...	55 00 N	55 00	100	500	...	...	...	...	...	...	...	...	...	...	...
6% Debentures ...	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
Shree Krishna Gyanodaya ...	16 81	13 87	10	3,999	2,300	662	35	14,680	13,961	8,459	2,150	12,932	3,088	45	1,20
6% 'A' Pref. ...	63 30	73 00	100	600	...	...	...	...	...	...	...	...	...	...	...
5% 'B' Pref. ...	65 00	62 25	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Shree Sitaram ...	7 12	11 10	10	1,589	1,180	592	45	5,723	3,648	2,400	2,776	4,292	781	33	...
Sitalpur ...	6 56	6 62	10	1,000	35	25	—339	4,666	3,242	1,485	228	2,630	674	28	...
South Behar ...	3 00	3 87	10	915	...	45	—1,443	8,592	5,118	1,147	1,487	2,958	2,091	23	...
9% Pref. Cum. as to 7% ...	20 50 N	20 50	100	500	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	0 25 N	0 25	2 1/2	440	...	...	...	...	...	...	...	...	...	...	...
6% Debentures ...	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery ...	...	...	10	964	433	108	—1,332	10,844	1,176	587	...	5,046	5,744	124	...
5% C. P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Travancore ...	9 00	10 85	10	3,000	400	1,570	68	5,894	7,192	3,648	...	5,817	2,824	1,257	...
5% C. P. ...	6 95	8 40	10	1,500	...	...	...	...	...	...	...	...	...	...	...
Ugar ...	140 00 N	140 00	100	2,795	1,377	1,236	30	11,909	10,800	5,731	844	9,476	1,192	150	...
Prof. "A" ...	...	...	100	34	...	...	...	...	...	...	...	...	...	...	...
United Breweries ...	101 55cd	114 50	10	2,000	3,825	2,175	54	3,596	6,037	2,100	5,531	1,820	310	51	...
United Provinces ...	14 87	17 37	10	1,600	356	902	109	2,371	3,853	2,880	68	2,731	1,240	72	...
Upper Doab Sugar ...	...	...	100	4,906	1,100	4,401	26	17,633	22,892	9,160	197	13,473	1,912	102	...
6% R. C. P. ...	...	...	...	1,351	...	...	...	...	...	...	...	...	...	...	...
Upper Ganges ...	77 00	67 00	10	800	2,200	2,167	44	10,911	18,328	9,743	852	7,243	2,032	110	...
5% C. P. ...	65 00	69 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5% C. P. ...	65 00	69 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T. ...	...	...	100	350	2,200	1,382	51	21,064	10,605	4,961	101	17,620	4,275	86	...
Upper India ...	77 00cd N	102 00	100	2,568	...	...	...	...	...	...	...	...	...	...	...
'B' Class Ordinary ...	7 75 N	8 75	25	747	42	...	—4,83	39,40	29,22	8,99	25	14,44	7,00	55	...
Vizagapatam ...	...	...	100	10,100	2,800	9,613	178	20,814	34,734	12,906	931	24,045	3,283	920	...
Welchandnagar Indrs. ...	167 00	297 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
7% C. P. ...	120 25	120 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLOSING LAST ALLOCATION			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	November 1961 Ra. np.	November 1960 Ra. np.			General	Other	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Other
	Ra.	np.	Ra.	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Dishargarh Power ...	93 00	87 00xd	100	4,320	2,500	218	406	2,872	10,416	4,008	3,460	1,061	1,404	770	13
5% A.C.P. ...	62 50	73 50xd	100	1,608											
4 1/2% B.C.P. ...	55 75	70 50xd	100	1,200											
Ellore Electric Supply ...	20 25	16 55xd	10	300		37	4	2,33	6,26	1,73	18	75	61	67	1
Gourepore Electric Supply	...	...	100	5,000	1,400	1,324	31	4,543	17,713	5,981	423	1,609	1,583	51	...
4% Debenture ...	...	...	1000	2,500											
Jhansi Electric Supply ...	5 90	6 62	10	535		29	3	9,71	21,44	9,16	5	2,98	4,18	25	...
6% Debentures ...	...	...	1000	380											
Jorhat Electric Supply ...	...	...	10	250		8	-17	1,48	5,88	2,44		32	82	17	1
6% Cum Preference ...	...	...	100	50											
6% Debenture ...	...	...	...	35											
Jubbulpore Electric Supply	11 00	13 12	10	2,250	1,398	1,402	33	4,378	11,204	4,293	281	570	968	262	468
Kanadukathan ...	...	...	500	500		1	10	2,14	8,92	4,35	57	81	62	11	56
Karaikkal Electric Supply	9 80xd	9 75cd	10	210		58	22	374	588	178		116	110	29	...
Kumbakonam Elec. Supply	10 78	9 85	10	1,500	75	593	2	2,168	5,182	1,672	85	414	331	187	...
5% Cum. Pref. ...	8 45	9 00	10	250											
Mangalore Electric Supply	...	...	10	560	28	3,09	57	5,49	20,16	8,99	56	1,92	1,35	1,41	...
5% Debentures ...	...	...	500	137											
Mirzapur Electric Supply	6 28	7 50	9	495	125	99	39	386	1,310	640	29	231	133	80	...
Monuferepore Elec. Supply	9 81xd	9 87	10	582	183	210	9	2,402	3,633	1,233	28	368	365	135	90
Muttra Electric Supply	9 85	10 00	10	780	9	99	22	988	1,784	783	126	250	300	137	...
Nadiad ...	54 00	54 00	50	250		359		414	1,345	332	14	91	1,23	86	26
6% C. P. ...	39 00	39 00	50	350											
Nasik Deolali ...	105 00	105 00	100	1,168		1,000	1	1,424	4,237	1,460	222	394	286	340	28
7% Cum Pref. ...	91 50	91 50	100	100											
6% Debenture ...	...	...	1,000												
Negapatnam Electric Supply	10 70	8 90	10	498		198	1	440	1,534	576	54	143	174	108	...
5% C. P. ...	8 20	8 90	10	100											
4 1/2% Debentures ...	...	...	100	200											
Patna Electric Supply ...	10 87	10 25	10	3,507	2,605	1,440	79	4,628	14,185	5,606	439	2,188	2,367	527	...
5% Debentures ...	...	...	500	2,000											
Poona Electric ...	100 00	108 50	100	4,889		1,257	4	7,588	15,773	6,160	2,411	525	959	1,158	191
7% Cum Pref. ...	101 90	101 00	100	400											
6% Debentures ...	...	...	...	800											
Saharanpur ...	...	...	100	469		93	4	872	1,415	570	181	158	227	6	...
Partly Paid ...	...	...	10	28											
Salem Erode Electricity ...	14 00	12 50cd	10	880	600	733	33	2,967	5,452	1,962	278		468	544	814
6 1/2% R. C. P. ...	8 25	8 75	10	400											
Saugor Electric Supply ...	...	...	10	300	225	182	3	1,606	2,026	518	40	364	250	103	...
Shahjahanpur Elec. Supply	6 25	6 87	10	910	165	52	37	636	1,120	545	154	398	535	124	14
Shillong Hydraulic ...	...	...	2	773	1,66	1,56	60	911	21,61	9,00	21	53	102	88	3,40
Partly Paid ...	...	...	...												
Sijua (Jherria) Elec. supply	9 50	9 12	10	1,680	321	1,178	12	1,466	7,187	4,654	388	1,388	950	369	48
5% Debentures ...	...	...	1000	1,020											
South Madras Electric ...	10 25cd	10 20cd	10	7,000		2,373	12	9,607	22,251	7,428	351	2,469	1,630	2,284	...
5 1/2% 1st Cum Preference	8 00cd	8 55cd	10	2,200											
5 1/2% 2nd Cum Preference	7 95cd	8 75cd	10	800											
4% Debentures ...	...	...	100	200											
5% Debentures ...	...	...	100	100											
5 1/2% Debentures ...	...	...	100	200											
Surat Electric Co. ...	97 00	84 00	100	6,997	454	1,821	5	4,462	15,174	5,153	400	1,530	1,711	254	1,323
10% Cum Preference ...	107 00	108 50	100	508											
Tata Hydro Electric ...	100 00	103 50	100	23,999	6,801	5,502	26	36,310	85,168	20,375	4,798	3,411	3,855	260	4,650
7% C. P. T. ...	160 50	105 75	100	8,928											
Tata Power Company ...	1090 00	1035 00	1000	51,536	12,440	18,594	33	74,318	267,853	43,157	4,601	12,345	11,945	349	8,571
7 1/2% C. P. T. ...	1040 00	1103 75	1000	8,497											
4% Debentures ...	...	...	...	12,089											
5% Debentures ...	...	...	...	25,000											
Tinnevely Tuticorin Elec.	11 75	12 50cd	10	970	438	529	30	2,040	4,550	1,783	267	600	386	234	...
6% R. C. P. ...	8 24	8 90	10	450											
United Provinces Electric	115 50	124 00	100	5,600	2,680	5,121	89	20,527	42,950	15,485	1,581	2,902	3,254	1,785	31
4 1/2% Debentures ...	...	...	100	3,000											
Upper Jumna Valley ...	14 65	16 84cd	10	500	529	721	36	4,707	5,775	1,366	201	426	717	726	14
Vellore Elec. Corporation	14 2	12 20xd	10	400	48	1,57	1,45	16,94	24,17	6,57	63	2,46	2,16	2,76	9
1% Cum Preference ...	5 81	6 33xd	10	125											
West Coast Electric ...	14 00	14 00	10	1,000		1,67	52	15,16	26,59	6,42	45	3,25	2,68	1,41	1,00
5 1/2% Cum Preference ...	5 74	6 13xd	10	250											

(a) After transferring Rs 69,000 from Deferred Taxation Reserve.	(d) After transferring Rs 30,000 from Deferred Taxation Reserve and Rs 20,326 from Tariff and Dividend Control Reserve.	(g) After writing back Rs 69,147 from Deferred Income Taxation Reserve.
(b) After transferring Rs 179,857 from Tariffs and Dividend Control Reserve.	(e) After transferring Rs 190,000 from Deferred Taxation Reserve and Rs 294,224 from Tariffs and Dividend Control Reserve.	(h) After transferring Rs 77,480 from Deferred Taxation Reserve and Rs 13,805 from Tariffs and Dividend Control Reserve.
(c) After writing back Rs 628,388 being Provision	(f) After transferring Rs 528,808 from Tariffs and Dividend Control Res. and Rs 69,000 from Deferred	(i) After transferring Rs 475,000 from Tariffs and

SOUTH INDIA

NAME	Managing Agents, Agents/Secretaries	CROP HARVESTED			Sales Rs. 000	Stocks Rs. 000	Managing Agents' Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER SHARE		
		Tea 000 lbs.	Coffee 000 Cwt., —Tannies	Rubber 000 lbs.					Latest Rs. 000	Previous Rs. 000	Latest	Previous	2nd Pay. Previous
Alageswar	Ramani & Co.	...	...	...	1,125	35	18	3-61	208	100	15 t	7 1/2	7 1/2
Amalgamated Coffee	Directors	...	...	...	2,314	612	...	3-61	415	316	10 t	10 t	7 1/2
	6% Cum. Prof.	...	...	...	...	...	...	...	...	...	...	...	6
	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Anandam	A. V. George & Co.	288	...	112	613	69	13	12-59	145	106	15 t	10	15
	7% C. P.	...	...	...	...	...	...	...	10	...	7	7	7
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Anapalai	Associated Planters Private	...	9	...	1,663	1,400	43	6-60	432	620	20 t	25	35
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Arthala	R. N. Kapur & Co. Ltd.	2,86	...	...	4,35	76	...	3-59	40	14	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Ashimattam	M. Sebastian	...	...	...	190	42	4	2-61	34	14	5 t	nil	nil
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Attickhan	Patco Agencies	...	...	...	...	...	1	3-61	277	...	12 t	...	...
	9% R. C. P.	...	...	...	...	...	...	...	...	...	9 t	...	...
Bababudin	A.V. Thomas & Co. (Mysore)	...	2	...	411	...	8	6-60	59	132	8 t	12 1/2	25
	6% C. P.	...	...	...	...	...	...	...	...	...	6	6	6
Badra	Young India Agencies Private	...	...	...	594	378	14	5-60	146	164	15	17 1/2	17 1/2
	7 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	7 1/2	7 1/2	7 1/2
Balanoor	Young India Agencies Private	338	2	43	1,221	440	17	3-60	266	336	15	15	17 1/2
	7 1/2% C. P.	...	...	...	...	...	...	...	...	...	7 1/2	7 1/2	7 1/2
Balmadies	Planting Agencies Private	...	...	...	...	...	6	5-61	48	53	5 t	7 1/2	7 1/2
	6% C. P.	...	...	...	...	...	...	...	...	...	6 1/8 t	6 t	6 t
Be Be	Mg. Director	...	...	360	610	27	...	3-59	152	168	5	5	5
	6 1/2% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
	6 1/2% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
Blue Mountain	Kothari & Sons Agencies Pri...	1,621	...	...	7,800	231	309	6-60	2,933	907	12 1/2	12 1/2	12 1/2
	7 1/2% Cum. Prof.	...	...	...	...	...	...	...	...	...	...	...	...
Chandramalai	Directors	362	...	...	777	150	...	6-60	154	111	10 t	12	15
	7 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Chembra Peak	Peirce Leslie & Co. Ltd.	1,818	225	...	3,923	677	92	3-61	1,229	736	20 t	20 t	15
	7% C. P.	...	...	1,264	6,692	392	160	2-61	2,082	(1) 1,544	20	17 1/2	15
Cochin Malabar	Peirce Leslie & Co. Ltd.	...	...	...	...	...	...	...	...	...	...	...	...
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Coffee Lands	Consol Coffee Estates	...	...	...	5,200	317	2	6-60	551	1,601	6 t	25	20
	5% C. P.	...	...	...	...	...	...	...	...	...	5	5	5
Consolidated Coffee	Mg. Director	...	...	...	...	...	...	6-60	(b) 3,141	4,710	20 t	25	20
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Connoor Tea	Matheson Bosanquet & Prvt. Co.	350	...	...	946	144	18	9-59	241	259	20 t	20	20
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Coorg Tea	Srinivas Agencies	182,344	...	...	...	...	25	3-61	260	177	20 t	20 t	20
	6 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Cottanad Plantations	Associated Planters pri.	160	...	49	672	272	13	3-61	143	114	10 t	10 t	15
	7 1/2% C. P. P.	...	...	...	...	...	...	...	...	...	...	...	...
Cowcoody	Peirce Leslie & Co.	...	...	...	...	...	13	6-60	185	126	25	25	65
	...	...	...	...	...	...	...	...	...	...	...	...	...
Devashola	Mg. Director	325	...	...	908	108	...	12-59	283	341	25 t	25	17 1/2
Devon	Young India Agencies Private	302	1	...	766	197	5	3-60	97	110	15 t	15	17 1/2
	7 1/2% C. P.	...	...	...	...	...	...	...	...	...	7 t	7 1/2	7 1/2
Emerald Valley	Perkins Private Ltd.	128	...	...	262	64	8	12-58	75	38	6	6	10
	...	...	...	...	...	...	...	...	...	...	...	...	...
Gokul Rubber	Young India Agencies	...	...	83	131	51	7	12-59	68	59	9 t	6	6
	...	...	...	...	...	...	...	...	...	...	...	...	...
Haileyburia	Perkins Private Ltd.	1,722	...	...	2,705	807	48	12-59	(d) 623	1,079	12 1/2 t	20	15
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Highland	A. V. Thomas & Co.	1,271	...	11 t	2,544	237	56	12-58	557	472	15	7 1/2	20
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Kadur	Young India Agencies Private	...	...	...	124	115	2	5-60	18	18	7 1/2	7 1/2	7 1/2
	6 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Kalies	A. V. George & Co.	...	...	959	1,662	171	65	2-60	637	588	22 1/2 t	20	25
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Kalasa	Peirce Leslie & Co.	...	...	...	1,280	196	34	3-61	477	282	25 t	20 t	15
	7% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Kalpetta	A. V. Thomas & Co.	292	...	267	939	227	15	4-60	188	202	12 1/2 t	12 1/2	10
Karibode Rubber	E. I. Agencies Private	...	...	133	187	64	8	12-59	34	56	4 t	10	10
	6% Cum Prof	...	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Kil Kotagiri	Peirce Leslie & Co.	1,044	...	...	2,955	619	96	10-60	1,344	897	25 t	35 t	15
	6% C. P.	...	...	...	...	...	...	...	...	...	7 t	...	6
Kumergode	Peirce Leslie & Co. Ltd.	...	...	...	789	...	20	10-60	273	220	20 t	20 t	20
	7 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Kurchemala	Ipe Oommen & Co. Pr. Ltd.	257	147	...	626	103	17	3-61	171	150	4 t	nil	8
	6 1/2% Cum Prof.	...	...	...	...	...	...	...	...	...	...	...	...
Lingspur	Peirce Leslie & Co. Ltd.	...	...	...	...	...	8	3-61	67	349	25 t	25 t	30
Lucky Valley Tea	Matheson Bosanquet & Co. Pri.	260	...	...	747	81	14	12-59	183	163	10 t	10 t	10
Malabar Agricultural Co.	Vimsons Private Ltd.	403	...	...	849	114	10	6-60	131	33	nil	nil	nil
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Malabar Industrial	Mg. Director	85	...	320	626	8	...	2-60	49	76	6	7 1/2	10
Malankara	Johnson's Estates & Agencies	...	...	670	1,145	96	37	3-60	483	519	15 t	16	17
Manar	Vasantha & Co. Private	135	...	...	121	118	10	3-60	97	9	10 t	5	12
Manimala	Ruby Industries Private	...	...	...	29	3	6	12-58	26	34	nil	2 1/2	5
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Marcaru	Associated Planters Private	...	...	260	431	164	12	6-60	120	128	20 t	20 t	20
	6% Preference	...	...	...	...	...	...	...	...	...	...	...	...
Midland	A. V. Thomas & Co. Ltd.	1,501	...	930	4,504	429	101	3-60	1,332	1,058	12 1/2 t	10	10
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...

*Overseas.

PLANTINGS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	November 961 Rs. np.	November 1960 Rs. np.			General Rs. 000	Others Rs. 000	Carry- forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
Alageswar	2 95	2 3/4d	2	600	530	22	30	570	1,685	457	76	81	286	81	...
Amalgamated Office	11 06	13 25	10	675	...	236	15	721	1,988	350	1	816	209	56	...
6% C. P.	6 69	6 90	10	600	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	500	475	...	...	...	...	...	...	...	...	...	...	...
Anandam	13 80	14 37	10	250	...	579	31	245	1,382	125	...	83	9	5	...
7% C. P.	7 30	7 81	10	250	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	100	123	...	...	...	...	...	...	...	...	...	...	...
Anapara	3 40cd	4 82	2	1,208	228	...	34	2,602	2,059	233	259	1,452	852	66	...
6% Debentures	...	...	100	384	...	...	...	...	...	...	...	...	...	...	...
Arthala	4 00	4 00	5	300	...	11	119	1,360	992	148	723	115	49	11	10
6% C. P.	9 20	9 20	10	200	...	...	...	...	...	...	...	...	...	...	...
Athimettam	0 83	1 12	2	325	...	...	3	96	602	22	...	57	14	66	7
7 1/2% Debentures	...	...	...	150	...	...	...	...	...	...	...	...	...	...	...
Attikhan	2 96	2 89	...	400	100	126	8	522	853	23	...	464	...	62	...
9% R. C.	9 68	9 63	10	200	...	...	...	...	...	...	...	...	...	...	...
Bababuddin	8 00	9 00	5	400	100	86	2	168	730	106	74	336	14	8	...
6% C. P.	7 67	8 14	10	300	...	...	...	...	...	...	...	...	...	...	...
Badra	3 39	3 84	2	425	300	100	26	424	856	93	12	392	158	99	...
7 1/2% C. P.	7 97	9 50	10	150	...	...	...	...	...	...	...	...	...	...	...
Balanoor	14 00	16 70	10	1,099	386	30	4	698	1,725	339	22	541	421	95	...
7 1/2% C. P.	9 74	10 30	10	250	...	...	...	...	...	...	...	...	...	...	...
Balmadies	2 03	2 36	2	300	150	75	5	99	468	62	34	30	170	90	...
5% C. P.	7 57	8 38	10	75	...	...	...	...	...	...	...	...	...	...	...
Be Be	2 78	3 06	5	866	...	336	1	225	1,336	...	268	52	30	20	150
6 1/2% C. P. T.	1 97	2 70	5	143	...	...	...	...	...	...	...	...	...	...	...
6 1/2% R. C. P. T.	5 18	6 02	10	286	...	...	...	...	...	...	...	...	...	...	...
Blue Mountain	2 90	4 11cd	2	5,250	1,850	1,091	284	3,411	7,901	1,366	18	475	2,489	2,386	...
Chandramalei	2 74	3 02	2	550	500	9	19	314	1,646	340	...	146	73	34	...
7 1/2% C. P.	1 78	1 94	2	137	...	...	...	...	...	...	...	...	...	...	...
Chembara Peak	3 58	5 13	2	1,400	1,300	143	44	1,136	2,760	937	...	879	149	1,172	...
Cochin Malabar	7 43	7 20	3	2,691	2,000	34	10	2,269	5,526	9 2	...	836	331	1,363	...
7% C. P.	48 50	50 75	50	113	...	...	...	...	...	...	...	...	...	...	...
Coffee Lands	17 00	20 00cd	10	2,250	2,850	261	92	1,774	5,364	1,319	118	789	2,732	583	...
5% C. P.	71 08	75 00	100	1,041	...	...	...	...	...	...	...	...	...	...	...
Consolidated Coffee	20 62	22 71cd	10	7,155	6,025	606	61	5,738	15,860	4,090	598	1,420	7,499	372	...
6% C. P.	19 67	23 25	25	1,873	...	...	...	...	...	...	...	...	...	...	...
Coonoor Tea	26 50	27 25	10	378	335	946	29	403	2,163	164	3	199	19	21	...
6% C. P.	80 25	89 65	100	130	...	...	...	...	...	...	...	...	...	...	...
Coorg Tea	5 65	5 40	2	480	...	520	2	299	1,375	242	1	256	120	40	...
6 1/2% R. P.	4 20	4 46	5	250	...	...	...	...	...	...	...	...	...	...	...
Cottanad Plantation	10 10	12 25	10	600	30	480	2	550	1,495	99	1	296	93	15	...
7 1/2% C. P. P.	8 82	10 80cd	10	106	...	...	...	...	...	...	...	...	...	...	...
Cowcoody	4 63	5 16cd	2	409	200	...	28	273	312	77	15	223	8	427	...
Devasahala	31 06	30 00	10	600	455	27	1	283	1,226	338	131	124	16	204	...
Devon	13 76	14 37	10	449	255	71	4	348	1,081	229	10	248	142	76	...
7 1/2% C. P.	82 09	95 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Emerald Valley	5 25	5 65	5	350	125	8	3	97	369	60	...	87	12	175	...
Gokul Rubber	2 05	1 93	2	450	20	...	1	101	380	16	115	54	41	37	...
Haileybury	14 00	14 50	10	2,500	850	928	2	1,530	5,208	926	4	1,184	476	310	...
5% C. P.	62 00	72 50	100	250	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	1000	230	...	...	...	...	...	...	...	...	...	...	...
Highland	14 20	14 35	10	1,800	481	518	21	678	3,013	640	416	401	219	389	...
6% C. P.	7 25	8 03	10	300	...	...	...	...	...	...	...	...	...	...	...
Kadur	2 78	2 74	2	120	35	14	2	102	165	5	...	124	10	25	...
6 1/2% C. P.	6 04	6 15	10	50	...	...	...	...	...	...	...	...	...	...	...
Kalar	5 40	5 30	2	1,185	578	500	27	774	2,090	288	18	214	5	525	...
6% Debentures	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Kalan	5 56	4 57	2	600	750	136	60	424	1,577	394	...	346	33	521	...
7% Debentures	...	...	500	165	...	...	...	...	...	...	...	...	...	...	...
Kalpetta	12 20	11 15	10	800	638	266	1	371	1,797	349	22	335	95	177	...
Karikode Rubber	8 22	9 22	10	200	...	125	2	103	539	31	15	70	19	23	...
5% Cum. Pref.	6 99	7 20	10	150	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	55	...	...	...	...	...	...	...	...	...	...	...
Kil Kotagiri	5 25	5 55cd	2	1,717	915	297	16	1,130	3,315	571	...	710	17	854	...
6% C. P.	8 40	8 50	10	250	...	...	...	...	...	...	...	...	...	...	...
Kumernode	4 60	4 95	2	400	375	...	15	235	982	185	...	144	5	141	...
7 1/2% Debentures	...	...	500	94	...	...	...	...	...	...	...	...	...	...	...
Kurchimala	4 97	8 20	10	690	214	...	1	287	1,267	116	1	117	29	21	...
6 1/2% Cum. Pref.	5 31	5 85cd	10	130	...	...	...	...	...	...	...	...	...	...	...
Lingsapur	3 90	6 20	2	426	200	507	7	354	538	57	206	413	16	356	...
Lucky Valley Tea	11 35	14 25	10	500	70	1	36	386	928	61	...	104	21	1	...
Malabar Agricultural Co.	7 30	7 30	10	500	50	50	11	1,105	2,280	240	1	127	44	4	...
4% C. P.	14 93	16 56	20	500	...	...	...	...	...	...	...	...	...	...	...
Malabar Industrial	10 62	12 00cd	10	450	61	92	1	387	738	52	45	33	197	29	...
Malankara	17 00	17 70	10	1,350	173	312	10	515	2,119	408	...	175	8	456	...
Manar	2 10	2 60	2	350	10	17	18	83	341	22	6	120	5	26	...
Manimala	8 75	8 75	10	400	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	9 00	9 00	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	100	...	...	...	...	...	...	...	...	...	...	...
Marara Rubber	8 80	8 85	5	325	250	...	10	221	758	...	...	197	51	48	...
6% Preference	7 10cd	7 65	10	250	...	...	...	...	...	...	...	...	...	...	...
Midlands	11 00	12 15	10	4,050	310	1,311	66	1,998	9,079	1,184	189	964	290	177	...
6% C. P.	6 62	8 15cd	10	1,720	...	...	...	...	...	...	...	...	...	...	...

SOUTH INDIA

NAME	Managing Agents Agents/Secretaries	CROP HARVESTED			Sales Rs. 000	Stock Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea 000 lbs./kgs.	Coffee 000 Cums.	Rubber 000 lbs.					Latest Rs. 000	Previous Rs. 000	Latest %	Previous %	2nd Previous %
Miamalay	Directors 74% C. P.	469			780	106		3-60	168	198	15T	20	18
Mysore Amalgamated	W. T. Industrial Corp. 6% C. P.				217		4	3-60	28	53	10T	10	10
Mysore Coffee	Pavan & Co. (Private)				882		24	6-59	212	157	15	15	15
Mysore Plantations	Mg. Director 6% C. P.	122	1		400	108		3-60	5	61	nil	6	nil
Neelamalai	A. V. Thomas & Co. 5% C. P.	1,430	2		4,637	939	71	6-60	746	(c) 571	74	74	74
Nelliampathy	A. V. Thomas & Co. Ltd. 6% C. P.	745		83	1,902	301	20	6-59	230	492	10	15	20
Nellithanam	Directors 7% C. P.			67	176	21		3-59	30	58	7	10	12
Nanneny	A. V. George & Co. 7% C. P.			512	887	172	18	12-59	185	290	15	15	7
New Glen Morgan	Renu & Co. Private	4,15			5,86	78	23	12-55	94	221	nil	nil	nil
Nilambur	Associated Planters (Private) 6% C. P.			133	181	58	7	12-60	63	73	15T	15	20
Nilgiri Tea	Debtentures A. V. George & Co. 64% C. P.	999			2,006	299	39	3-0	416	198	8	5	6
Nonsuch Tea	Harrisons & Crossfield Peirce Leslie & Co. 5% Debentures	1,276			3,942	550	69	6-60	1,419	1,097	20	20	35
Ochterlooy	Peirce Leslie & Co. Directors	1,108			5,731		40	10-59	(f) 597	(b) 336	15 T	10	30
Pachure	Math. Bosanquet & Co. Aspinwall & Co. (Trav.) Ltd.	655			2,202	310	58	6-61	29	115	25T	40	40
Parkside	Peirce Leslie & Co.	1,005			4,402		58	6-59	837	954	24	25	17
Peermade	6% C. P.							12-60	1,090	1,321	22T	22	16
Pennamul	Directors		15*	383	826	180		2-60	375	378	20	20	21
Periakaramalai	Peirce Leslie & Co. Ltd.	2,332	142		11,588	1,738	244	3-61	3,138	1,845	21T	13	12
Periyar & Parakkanni	E. I. Agencies Private Ltd. 74% R. C. P.				108	137	9	12-59	109	151	4	12	
Ponmudi Rubber	Directors 64% C. P.				102	15		7-59	39	38	nil	5	6
Pullangode	Aspinwall & Co. Ltd. 6% C. P.			313,433	1,084		29	3-61	282	57	6T	3T	5
Pathottottam	Ruby Co. Private	282		7	2,012	69	54	3-60	542	514	12T	10	10
Rajagiri	A. V. Thomas & Co. Ltd. 6% C. P.			1,435	2,099	196	93	6-59	859	927	20	20	20
Rajendra Coffee	Associated Planters Private 6% Cum. Prof.						17	3-61	187	(k) 33	25T	25T	50
Sangameswar	54% Redeem Cum. Prof. Patco Agencies 7% Cum Preference						11	3-61	244	251	6T	6T	9
Servamalai	7% Debentures Peirce Leslie & Co.				1,264		16				7T	7T	7T
Shervay	A. V. Thomas & Co. (India) Ltd. T. Stanes & Co. Ltd.				825	357	20	11-60	213	293	14T	15T	12
Stanes Amalgamated	54% Debentures	653			1,437	150	16	6-59	(o) 61	300	7	7	10
Swinton	Directors 64% Debentures				243			3-60	67	9	12T	7	7
Talayar Tea	Srinivas Agencies 6% C. P.						52	3-61	532	304	10T	8T	5
Tenkor	East India Agencies Private 6% C. P.		431		660	68		3-59	173	186	6	6	6
Thamarapally	64% Debentures A. V. George & Co.			240	373	48					6	6	6
Thirumbadi	64% C. P. Peirce Leslie & Co.				1,413	152	20	12-59	130	143	30T	30	30
Tirumalai	74% Debentures Directors				1,413			9-60	256	335	6T	7T	10
Tirumalai	Directors				785	104		12-59			7T	7T	
Tirumalai	Aspinwall & Co. (Trav.) 6% C. P.	568,260		550,862			122	12-60	160	138	10T	10	15
Tropical Plantations	Directors	473		638	1,751	186		12-59	1,245	1,250	7T	7T	5
Twyford	Parkins Private Ltd.	969			1,725	365	25	12-59	299	296	10T	6	15
Udayagiri	A. V. George & Co. 7% C. P.	292			487	49	7	2-59	73	35	15T	7T	6
United Nilgiri	64% Debentures T. Stanes & Co.	1,349					80	3-60			7T	7	7
Vaidundam	Directors Padinjareka Bror.			4,94	695	148		12-59	1,087	1,334	21T	19T	16
Vayitri	54% Debentures	74		2	181	7	4	3-59	447	(l) 4,57	25	30	35
Velmalai	Oppopotil Kurien & Co. (Pri.) 7% C. P.	54		415			23	2-61	40	29	6	6	6
Waterfall	6% Debenture Kothari Mehta & Co. Private								206	231	10 T	12T	10
Wartyhully	6% R. C. P. Peirce Leslie & Co.	1,213			4,627	264	143	6-60			7T	7T	7
Woodcote	Directors							3-61	1,410	1,203	12T	12T	12T
Woodlands	64% C. P. 64% R. C. P.								379	309	6	6	6
Woodlands	6% Debentures	221		231	777	129					15T	15T	15
Woodlands	Directors							6-60	10	1	nil	nil	6
Woodlands	64% C. P. 64% R. C. P.										6T	6T	6T
Woodlands	6% Debentures										6T	6T	6T

(a) Includes Rs. 100,000 from General

(b) After transferring Rs. 82,000 from Dividend

(c) After transferring Rs. 64,842 from General

(d) After transferring Rs. 100,000 from General

(e) After transferring Rs. 100,000 from General

(f) After transferring Rs. 100,000 from General

(g) After transferring Rs. 100,000 from General

(h) After transferring Rs. 100,000 from General

(i) After transferring Rs. 100,000 from General

PLANTINGS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	REVENUE & SURPLUS INCLUDING LAYERS ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	November 1961 Rs. np.	November 1960 Rs. np.			General Rs. 000	Other Rs. 000	Carry-forward Rs. 000				Investments Rs. 000	Stocks & Shares Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
Miamalay	35 80	39 38	25	300	...	623	1	192	1,248	289	77	129	119	131	...
74% C. P.	22 13	24 94	25	300	...	...	...	...	...	...	...	...	...	...	...
Mysore Amalgamated	5 55	6 25	5	225	40	...	1	159	337	31	...	196	27	13	...
6% C. P.	6 35	6 38cd	10	117	...	...	...	...	...	...	...	...	...	...	...
Mysore Coffee	5 19	5 60cd	2	680	100	150	18	978	1,207	114	...	166	550	36	...
Mysore Plantations	1 95	2 00	2	500	95	50	-17	492	1,140	166	...	138	132	26	...
6% C. P.	7 00	7 00	10	250	...	...	...	...	...	...	...	...	...	...	...
Neelamalai	4 25	4 90	5	3,600	875	1,305	5	1,769	8,196	1,403	55	1,129	911	468	...
5% C. P.	6 10cd	7 17	10	1,800	...	...	...	...	...	...	...	...	...	...	...
Nelliampathy	2 71	2 77	2	1,200	583	204	...	672	2,624	536	7	408	178	347	...
6% C. P.	7 32cd	7 90	10	450	...	...	...	...	...	...	...	...	...	...	...
Nellithanam	11 00	12 05	10	190	279	...	94	114	497	121	21	21	64	12	...
7% C. P.	...	...	10	10	...	...	...	...	...	...	...	...	...	...	...
Nanneny	23 00	20 25	10	335	408	5	46	495	1,632	276	...	207	14	12	...
7% C. P.	8 86	9 35	1	300	...	...	...	...	...	...	...	...	...	...	...
New Glen Morgan	...	...	2	650	2,00	3,02	4	3,48	11,68	1,30	82	1,09	1,51	1,11	...
Nilambur	14 50	16 95	10	200	120	335	2	185	894	56	...	65	50	208	...
6% C. P.	6 10	6 48	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	100	...	...	...	...	...	...	...	...	...	...	...
Nilgiri Tea	8 55	7 70	10	1,406	70	675	27	516	3,987	633	9	355	109	90	...
64% C. P.	3 62	3 77	5	281	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	508	1,000	...	...	...	...	...	...	...	...	...	...	...
Nonsuch Tea	26 59	26 55cd	10	2,310	...	1,213	13	1,468	3,395	356	449	668	95	753	...
Ochoor	2 85	3 35	2	650	500	71	47	314	798	83	95	323	15	435	...
5% Debentures	...	...	...	400	...	...	...	...	...	...	...	...	...	...	...
Ochterlooy	3 55	4 95	2	1,946	1,040	1,243	3	771	4,892	1,666	...	1,115	64	598	...
Panchura	5 10cd	5 00cd	1	150	150	1	52	253	307	33	128	101	100	2	...
Parkside	28 00cd	30 50cd	10	1,354	450	1,197	50	1,09	3,158	472	...	406	119	936	...
Pennamul	22 87	22 75	10	1,700	200	958	37	1,471	4,352	1,592	69	875	220	602	...
6% C. P.	87 50cd	92 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Penniculer	22 00	21 35	10	600	300	36	109	457	868	78	187	200	16	304	...
Periakaramalai	3 65	3 74	2	5,795	2,980	125	65	3,415	11,416	3,913	65	2,407	726	1,598	...
Periyar & Parakkani	...	...	10	500	...	40	16	196	1,024	66	18	155	22	105	...
74% R. C. P.	...	...	...	303	...	...	...	...	...	...	...	...	...	...	...
64% Debenture	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...
Ponmudi Rubbers	...	1 40	2	165	48	...	1	43	314	11	...	18	2	5	...
64% C. P.	...	8 70cd	10	70	...	...	...	...	...	...	...	...	...	...	...
Pullangode	1 70	1 90	2	1,650	200	29	1	412	2,327	738	201	155	80	417	...
6% C. P.	7 57cd	8 05	10	150	...	...	...	...	...	...	...	...	...	...	...
Puthuchottam	2 13	2 70	2	2,100	1,200	365	91	733	3,463	366	195	117	1,066	16	...
Rajagiri	20 85cd	20 12cd	10	1,350	300	600	45	1,469	4,774	448	...	283	113	1,230	72
6% C. P.	6 35cd	6 98cd	10	2,260	...	...	...	...	...	...	...	...	...	...	...
Rajendra Coffee	11 25	14 25cd	5	208	150	15	17	289	310	48	180	398	24	17	...
6% Cum. Prof.	6 35cd	7 73cd	10	100	...	...	...	...	...	...	...	...	...	...	...
54% Redeem Cum. Prof.	5 98cd	7 00cd	10	100	...	...	...	...	...	...	...	...	...	...	...
Sangameswar	1 82	2 35	2	1,200	25	210	4	490	1,979	158	...	572	8	88	3
7% C. P.	9 50	9 51	10	350	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	500	504	...	...	...	...	...	...	...	...	...	...	...
Savarnalai	2 93	3 55	2	550	325	...	22	212	474	143	...	87	28	...	...
Shervoy	1 68cd	1 90	2	1,350	170	128	1	473	1,113	184	317	280	522	203	460
Sures Amalgamated	16 62	15 62cd	10	900	190	1,105	4	389	2,735	763	208	222	248	74	...
54% Debentures	...	...	508	200	...	...	...	...	...	...	...	...	...	...	...
Swinton	2 92	3 30cd	2	125	15	...	4	149	198	8	...	8	96	...	...
64% Debentures	...	...	505	75	...	...	...	...	...	...	...	...	...	...	...
Talayar Tea	1 70	1 78	2	1,250	365	813	2	1,596	3,225	412	877	718	349	19	...
6% C. P.	6 61	7 50cd	10	750	...	...	...	...	...	...	...	...	...	...	...
Tenkey	5 05	6 10	10	1,000	...	248	4	457	2,250	179	...	89	72	387	...
6% C. P.	6 80	7 20	10	600	...	...	...	...	...	...	...	...	...	...	...
64% Debentures	...	...	108	300	...	...	...	...	...	...	...	...	...	...	...
Thamarapally	16 85	28 00	18	250	75	200	28	222	614	47	45	51	2	185	...
64% C. P.	3 30	4 17	5	75	...	...	...	...	...	...	...	...	...	...	...
Thirumbadi	1 58	1 52	1	915	505	100	15	516	2,414	219	...	244	44	28	...
74% Debenture	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Transcare Rubber	12 25	11 30	10	600	...	47	2	287	821	170	...	122	29	133	...
T. R. T. & Co.	10 80	9 70	10	4,100	750	757	11	1,910	8,923	2,080	400	786	273	827	...
6% C. P.	9 05cd	9 50	10	1,600	...	...	...	...	...	...	...	...	...	...	...
Tropical Plantations	18 87	18 50	25	2,000	...	136	12	658	3,217	868	...	255	15	187	...
Twyford	11 85	12 50	10	1,575	1,543	58	1	594	2,801	330	1	784	262	293	...
Udayagiri	19 00	17 00	10	220	148	282	24	218	1,001	107	1	60	6	1	...
7% C. P.	8 50	9 11	10	80	...	...	...	...	...	...	...	...	...	...	...
64% Debentures	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
United Nilgiri	23 50	23 31	10	2,193	317	1,210	24	1,130	4,653	1,787	540	384	225	859	...
Vaikundam	32 50	30 40	10	880	165	119	1	619	966	39	275	182	31	369	...
Vayitri	1 36	1 45cd	2	400	75	30	29	54	559	57	2	12	52	19	...
64% Debentures	...	...	...	32	...	...	...	...	...	...	...	...	...	...	...
Velmalai	5 45	5 70cd	5	600	375	183	2	370	1,842	144	1	158	133	138	...
7% C. P.	8 20	9 10cd	10	250	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	500	348	...	...	...	...	...	...	...	...	...	...	...
Wartyhully	3 05	3 35	2	1,200	1,150	91	112	700	1,615	152	757	694	38	301	...
Werrall	2 80cd	5 02	2	3,150	2,200	1,096	194	1,844	6,375	897	27	674	1,499	1,306	...
6% C. P.	8 50cd	9 00cd	10	500	...	...	...	...	...	...	...	...	...	...	...
Woodcote	1 65	1 65	1	100	...	32	1	20	351	...	5	13	17	20	...
64% C. P.	2 94	3 14	5	60	...	...	...	...	...	...	...	...	...	...	...
74% Debentures	...	...	1000	125	...	...	...	...	...	...	...	...	...	...	...
Woodlands	7 85	7 65	10	695	42	205	2	196	1,419	72	1	196	102	92	...
64% C. P.	7 45	7 45	10	100	...	...	...	...	...	...	...	...	...	...	...
64% R.C.P.	7 22	7 22	...	132	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	500	415	...	...	...	...	...	...	...	...	...	...	...

ENGINEERING COMPANIES

NAME	Managing Agents/ Agents/Secretaries	Year Ended	Net Profit		Dividend %		Market Quotation as on Last Day of		Paid-up Capital	Reserves & Income Transfer Allocation			Depreciation	Liquid Assets																																																																																																																																																																																																																																																																																																																																																																																																																													
			Latest	Previous Period	Latest	Previous	November 1961	November 1960		Rs. 000	Rs. sp.	Rs. 000		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000

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BOMBAY														
Orient Engineering	K. C. Thapar & Bros S.B. Ind. Dev. Co. 5% C.P.	9-60	35,82	31,91	12	12	8 19 N	5 40 N	100	250	17,01	21	1,446	1,257
Sera	B. Subramaniam & Private Co 5% C.P.	3-61	788	624	10	10	7 12	7 00	4	6,00	1,500	16	2,324	3,344
Steel Product	D. Kishan & Sons 5% C.P.	4-52	49	17	Nil	Nil	3 03	3 87	30	3,00	1,00	...	...	...
Text Mach.	Birla Bros. Private 5% R.C.P.	12-60	5,872	8,090	10	10	21 85	23 35	15	15,000	1,925	59	75,507	48,751
Acme Mills	Wahland & Co. Private 6% C.P.	6-56	3,51	1,81	Nil	Nil	...	...	18	240	...	...	...	...
Alexand Ash-John	Turner Morrison 5% C.P.	12-58	6,662	958	12	12	319 00	249 00	100	3,542	3,090	24	4,000	7,736
Brady Engineering	W.H. Brady & Co. 5% C.P.	12-60	405	275	5	5	95 00	81 00	60	1,999	210	100	651	2,170
Copper Engineering	Wahland & Co. Pvt. Ltd. Directors	6-56	8,11	6,06	7	7	194 00	169 50	100	2,520	1,000	95	43,25	52,91
Jee's Engrs.	Directors	3-59	121	143	10	10	101 50	82 00	50	600	200	215	5	586
Kamati Engineering	Kamati Bros. Private 5% C.P.	9-60	1,927	1,784	8	8	18 00	15 52	10	4,496	275	93	3	14,405
Larsen & Toubro	L. & T. Management 5% Pref.	3-61	65,364	64,502	18	18	38 80	36 75	10	11,000	1,638	99	36,117	12,161
Machineries	Directors	7-60	542	513	10	10	140 00	130 00	100	1,100	...	...	...	...
Mahindra & Mahindra	5% C.P.	10-59	5,741	6,678	12	12	55 00	55 00	100	3,500	3,000	118	59,881	13,487
Mahand Iron	6% R.C.P.	3-60	3,680	3,424	12	12	101 00	106 50	100	3,500	2,000	2,530	3	8,679
Myers Kishor	Kishor & Associates Ltd. Only shares	6-59	2,796	2,782	12	12	142 00	142 00	100	1,500	1,020	1,934	4	8,400
Premier Construction	Wahland & Co. Ltd. Promoters	12-59	2,638	2,757	60	60	191 50	300 00	30	5,625	1,335	12,097	136	4,124
Tata Iron	6% C.P.	3-61	2,49,331	179,151	9	9	144 75	141 75	75	275,542	112,505	34	97,457	1,777,812
Tata Locomotive	7% C.P.	3-61	36,287	36,287	10	10	103 00	103 00	100	79,997	6,412	248	215,797	245,095
Brattin & Co.	A. V. Thomas & Co. 6% C.P.	12-59	60	92	Nil	Nil	5 25	5 25	10	750	56	146	1,077	1,045
Indian Steel Rolling	Directors	12-59	428	380	7	7	11 90	10 25	10	2,378	4	246	3	869

(a) After transferring Rs 102,003 from provision for taxes. (b) After transferring Rs 83,000 from General Reserve. (c) After writing back Rs 6,666,949 from General Development Reserve and transferring Rs 1,800,000 from Taxation Contingencies Reserve. (d) After writing back Rs 81,268 being provision for doubtful debts. (e) Includes dividend paid at 10 per cent in July 1960 from Reserve in respect of years 1964 and 1965. (f) After transferring Rs 127,543 from provision for taxes. (g) After transferring Rs 87,046,728 from General Reserve. (h) After writing back Rs 4,200,000 being Stock Price Acquisition Reserve. (i) Includes Rs 10,50,000 from Taxation Contingencies Reserve and Rs 10,94,286 being General Development Reserve. (j) After writing back Rs 137,864 from provision for taxation. (k) After transferring Rs 22,448 from General Reserve and Rs 10,50,000 from Taxation Contingencies Reserve. (l) Includes Rs 10,50,000 from Taxation Contingencies Reserve. (m) Includes Rs 10,50,000 from Taxation Contingencies Reserve. (n) After transferring Rs 46,904,469 from General Reserve No. 1 and Rs 12,00,000 from General Reserve No. 2. (o) After writing back Rs 871,628 being excess provision. (p) After transferring Rs 64,000 from Deferred Taxation Reserve. Rs 140,000 from General Reserve No. 1 and Rs 75,000 from General Reserve No. 2.

GILTDED SECURITIES

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30.11.61	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30.11.61	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30.11.61
GOVERNMENT OF INDIA LOANS						MADHYA PRADESH						MUNICIPAL LOAN					
Rupee Loans						BOMBAY MUNICIPAL LOAN											
NON-TERMINABLE LOANS																	
8,93,34,000	3	1896-97	3 Months' notice	30-6/31-12	71-75	2,01,28,000	3	1948	1964	1-3/1-9	93-50N	25,00,000	5	1928	1958	1-1/1-7	95-00
						1,02,18,100	3	1951	1962	17-3/17-9		26,21,000	5	1929	1959	1-2/1-8	
						1,02,18,100	4	1953	1963	15-1/15-7		17,97,000	4	1950	1960	1-6/1-12	
						1,50,00,000	4	1955	1967	1-3/1-9		110,00,000	4	1951	1961	1-3/1-9	
						1,50,00,000	4	1956	1968	3-3/3-9		215,00,000	4	1952	1962	1-3/1-9	
						2,00,00,000	4	1958	1970	15-1/15-7		244,14,500	4	1953	1963	1-3/1-9	
								1959	1971	19-5/19-2		200,00,000	3	1950	1965	15-2/15-8	
								1960	1969	28-2/29-8		10,00,000	3	1951	1965	16-2/16-8	
TERMINABLE LOANS						UTTAR PRADESH											
17,00,69,000	2	1946	1961	1-2/1-8	99-50	2,20,93,600	2	1946	1961-66	1-3/1-9	93-50N	9,80,000	3	1951	1965	14-3/14-9	
46,63,07,000	2	1946	1960	15-1/15-7	99-75	1,57,42,600	3	1936	1961-66	15-3/15-9	93-00	175,34,000	3	1951	1965	14-3/14-9	
75,86,72,000	2	1947-48	1962	15-5/15-11	99-15	1,94,11,700	3	1951	1962	17-3/17-9	99-75	33,00,000	3	1951	1965	14-3/14-9	
14,77,48,000	2	1948	1976	16-3/16-9	83-45	5,65,15,500	3	1953	1963	15-1/15-7	100-00	98,00,000	3	1952	1966	14-3/14-9	
116,17,46,000	3	1938	1963-65	1-6/1-12	98-75	6,11,45,200	4	1952	1964	1-2/1-8	99-85	24,50,000	3	1952	1966	16-2/16-8	
30,33,10,000	3	1945	1966-68	1-4/1-10	96-15	8,50,00,000	4	1955	1967	1-3/1-9	98-25	69,00,000	3	1936-37	1967	1-2/1-8	
110,11,78,000	3	1945	1970-75	15-4/15-10	90-28	7,00,00,000	4	1956	1968	3-3/3-9	99-10	30,00,000	3	1938	1968	14-3/14-9	
115,05,83,000	3	1946	1986	16-3/16-9	70-90	...	4	1958	1970	15-1/15-7	101-75	64,00,000	3	1939	1969	1-3/1-9	
248,91,37,000	3	1946	1962	16-1/16-7	99-90	...	4	1959	1971	19-1/19-8	98-15	48,00,000	3	1940-41	1971	1-3/1-9	
87,27,36,000	3	1953	1961	1-6/1-12	99-95	...	4	1960	1969	28-2/29-8	97-90	25,00,000	3	1941-42	1972	1-3/1-9	
75,29,00,000	3	1958	1963	12-5/12-11	99-95	...	4	1960	1969	28-2/29-8	97-90	20,00,000	3	1943-44	1973	1-3/1-9	
58,54,92,000	3	1958	1964	19-4/19-10	99-85	...	4	1960	1969	28-2/29-8	97-90	20,00,000	3	1943-44	1973	1-3/1-9	
158,17,90,000	3	1958	1965	1-1/1-7	99-80	...	4	1960	1969	28-2/29-8	97-90	20,00,000	3	1943-44	1973	1-3/1-9	
103,67,92,000	3	1958	1965	1-1/1-7	99-80	...	4	1960	1969	28-2/29-8	97-90	20,00,000	3	1943-44	1973	1-3/1-9	
63,81,83,000	3	1958	1965	1-1/1-7	99-80	...	4	1960	1969	28-2/29-8	97-90	20,00,000	3	1943-44	1973	1-3/1-9	
30,00,00,000	3	1958	1965	1-1/1-7	99-80	...	4	1960	1969	28-2/29-8	97-90	20,00,000	3	1943-44	1973	1-3/1-9	
1,37,90,98,000	3	1958	1965	1-1/1-7	99-80	...	4	1960	1969	28-2/29-8	97-90	20,00,000	3	1943-44	1973	1-3/1-9	
66,63,54,000	3	1958	1965	1-1/1-7	99-80	...	4	1960	1969	28-2/29-8	97-90	20,00,000	3	1943-44	1973	1-3/1-9	
56,99,30,000	3	1958	1965	1-1/1-7	99-80	...	4	1960	1969	28-2/29-8	97-90	20,00,000	3	1943-44	1973	1-3/1-9	
34,33,89,000	3	1958	1965	1-1/1-7	99-80	...	4	1960	1969	28-2/29-8	97-90	20,00,000	3	1943-44	1973	1-3/1-9	
49,17,27,000	3	1958	1965	1-1/1-7	99-80	...	4	1960	1969	28-2/29-8	97-90	20,00,000	3	1943-44	1973	1-3/1-9	
69,51,44,000	3	1958	1965	1-1/1-7	99-80	...	4	1960	1969	28-2/29-8	97-90	20,00,000	3	1943-44	1973	1-3/1-9	
86,06,33,000	3	1958	1965	1-1/1-7	99-80	...	4	1960	1969	28-2/29-8	97-90	20,00,000	3	1943-44	1973	1-3/1-9	
STATE GOVERNMENT LOANS						MYSORE GOVERNMENT						CALCUTTA MUNICIPAL LOANS					
WEST BENGAL						KERALA GOVERNMENT											
1,75,00,000	3	1951	1962	17-3/17-9	98-25 N	2,95,85,200	4	1953	1963	1-6/1-12	100-30	10,00,000	5	1932	1962	1-4/1-10	105-25N
3,60,23,300	4	1952	1963	15-1/15-7	100-00	3,33,47,200	4	1953	1963	15-1/15-7	99-90	33,91,000	3	1933	1963	1-1/1-7	97-25N
2,00,00,000	4	1952	1964	1-2/1-8	98-90	3,25,80,000	4	1955	1967	1-3/1-9	97-50	60,00,000	3	1936	1966	1-4/1-10	90-25N
7,00,00,000	4	1955	1967	1-3/1-9	98-40	4,10,00,000	4	1956	1968	3-3/3-9	97-50	47,50,000	3	1938	1968	1-6/1-12	88-50N
7,00,00,000	4	1955	1968	3-3/3-9	99-50	...	4	1957	1969	28-2/29-8	98-30	17,64,400	3	1942	1969	1-5/1-11	96-50N
5,00,00,000	4	1958	1970	15-1/15-7	101-05	3,00,00,000	4	1957	1969	28-2/29-8	98-30	21,10,000	3	1942	1969	1-5/1-11	96-50N
7,69,69,400	4	1959	1971	19-8/19-2	98-90	5,00,00,000	4	1958	1970	15-1/15-7	99-80	15,49,000	3	1942	1969	1-5/1-11	96-50N
7,00,00,000	4	1959	1969	28-2/29-8	99-12	...	4	1958	1970	15-1/15-7	99-80	16,35,000	3	1942	1969	1-5/1-11	96-50N
BOMBAY						KERALA GOVERNMENT											
5,63,12,200	3	1949	1962	1-2/1-8	99-50	...	4	1953	1963	1-6/1-12	100-30	66,88,000	3	1942	1969	1-5/1-11	96-50N
2,97,86,500	3	1951	1962	17-9/17-3	99-80	...	4	1956	1968	3-3/3-9	98-10	87,36,000	4	1942	1969	1-5/1-11	96-50N
5,54,35,400	4	1953	1963	15-1/15-7	100-10	...	4	1958	1970	15-1/15-7	99-80	72,50,000	4	1944	1969	1-5/1-11	96-50N
3,61,30,000	4	1952	1964	1-2/1-8	99-90	...	4	1958	1970	15-1/15-7	99-80	2,22,72,000	4	1944	1969	1-5/1-11	96-50N
9,00,00,000	4	1955	1967	1-3/1-9	99-25	...	4	1958	1970	15-1/15-7	99-80	1,69,32,000	4	1944	1969	1-5/1-11	96-50N
1,50,00,000	4	1956	1970	3-3/3-9	99-10	...	4	1958	1970	15-1/15-7	99-80	1,00,36,000	4	1944	1969	1-5/1-11	96-50N
6,58,12,500	4	1958	1971	19-8/19-2	99-25	300,00,000	4	1958	1970	15-1/15-7	99-80	...	...	...	...	...	...
6,00,00,000	4	1957	1969	16-3/16-9	101-30	...	4	1958	1970	15-1/15-7	99-80	...	...	...	...	...	...
10,00,00,000	4	1958	1970	15-1/15-7	101-50	...	4	1958	1970	15-1/15-7	99-80	...	...	...	...	...	...
10,00,00,000	4	1958	1970	15-1/15-7	101-25	...	4	1958	1970	15-1/15-7	99-80	...	...	...	...	...	...

Calcutta Stock Exchange

PRICE TRENDS DURING NOVEMBER, 1961

	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	13th	14th	15th	16th	17th	18th	19th	20th	21st	22nd	23rd	24th	25th	26th	27th	28th	29th	30th
Indian Iron	24.54	24.78	25.08	25.00	25.18	25.22	24.90	25.10	25.34	25.64	25.78	25.92	26.10	25.78	25.92	26.10	25.78	25.92	26.10	25.78	25.92	26.10	25.78	25.92	26.10	25.78	25.92	26.10	25.78	25.92
TEKMACO	18.70	19.65	18.70	19.05	19.95	20.05	19.65	20.05	20.25	20.60	20.50	20.60	20.70	20.35	20.10	19.85	20.05	20.40	20.65	20.20	21.15	21.95	22.40	22.80	23.20	23.60	24.00	24.40	24.80	25.20
Orient Paper	36.60	37.45	37.90	37.95	38.80	38.00	37.90	38.35	37.90	38.30	37.60	38.60	37.90	37.95	38.40	37.90	38.65	39.00	41.20	41.70	40.15	40.95	40.75	40.55	40.35	40.15	39.95	39.75	39.55	39.35
Shree Gopal	26.12	26.62	26.75	26.50	26.75	26.87	26.50	26.96	26.75	27.12	27.00	27.25	27.00	27.25	27.00	27.25	27.00	27.25	27.00	27.25	27.00	27.25	27.00	27.25	27.00	27.25	27.00	27.25	27.00	27.25
Rohitas	18.19	18.31	18.58	18.50	18.69	18.73	18.50	18.69	18.75	17.58	17.25	18.28	18.34	17.58	18.00	17.44	17.94	18.08	18.28	17.34	17.62	17.69	17.44	17.25	17.05	16.85	16.65	16.45	16.25	16.05
Dunlop Rubber*	55.00	55.82	56.44	57.00	57.94	58.12	57.75	58.25	58.87	59.12	59.78	59.31	59.56	59.12	58.25	58.44	60.00	40.50	42.50	40.50	40.87	40.06	40.12	40.32	40.52	40.72	40.92	41.12	41.32	41.52
Hindustan Motor	20.08	19.87	20.09	19.94	20.47	20.56	20.19	20.47	20.50	21.31	21.09	21.50	21.62	21.19	21.59	21.19	21.56	21.87	21.94	20.75	20.62	21.12	20.94	21.12	20.94	21.12	20.94	21.12	20.94	21.12
Indian Cable	36.06	36.62	36.50	36.56	36.81	36.50	36.75	36.50	...	37.12	37.44	37.62	37.37	36.69	36.31	35.81	36.31	36.62	36.87	35.87	36.37	36.12	36.19	36.12	36.19	36.12	36.19	36.12	36.19	36.12
Indian Aluminium	35.86	36.81	36.94	36.81	37.31	37.00	37.62	38.56	39.19	38.00	37.94	38.69	37.81	37.69	37.50	37.12	38.00	38.31	38.72	37.87	37.56	38.12	38.00	38.12	38.00	38.12	38.00	38.12	38.00	38.12
Indian Copper	4.81	4.69	4.94	4.87	4.88	4.93	4.86	4.89	4.94	5.00	5.07	5.10	5.12	4.99	4.94	4.92	4.96	5.00	5.01	4.85	4.92	4.89	4.89	4.89	4.89	4.89	4.89	4.89	4.89	4.89
Howrah	21.12	21.19	21.12	21.12	21.26	21.12	21.12	21.12	21.00	21.25	21.12	21.25	22.52	22.75	22.19	22.00	21.81	22.06	21.62	21.75	21.25	21.50	21.50	21.50	21.50	21.50	21.50	21.50	21.50	21.50
Burrakur	18.37	18.44	18.75	18.60	18.87	18.19	18.44	19.50	19.37	19.44	18.87	18.94	18.94	18.69	18.90	18.37	18.61	18.90	18.69	18.26	18.12	18.62	18.37	18.37	18.37	18.37	18.37	18.37	18.37	18.37
Bengal Coal	...	363.50	...	...	...	...	...	...	...	...	367.00	...	...	...	366.00	360.00	...	...	...	...	...	...	...	...	...	...	...	...	...	...
New Central	17.19	17.44	18.06	16.90	...	19.00	18.56	17.62*	17.69	19.00	18.44	18.87	19.00	18.50	18.12	17.90	17.75	17.87	17.94	17.44	17.06	16.87	17.31	...	...	...	...	...	...	...
Brooke Bond	...	...	...	...	15.62	15.62	...	15.56	...	...	...	...	...	...	...	16.50	16.62	16.81	...	17.12	17.50	17.62	17.26	...	...	...	...	...	...	...
Dyer Meakins	36.50	36.56	...	...	37.06	36.50	41.09	40.87	...	42.00	43.26	43.87	45.00	42.50	...	42.00	43.37	43.50*	48.25	43.87	...	42.87	...	...	...	...	...	...	...	...
Jessop	20.84	21.06	21.12	21.12	21.25	20.75	20.81	...	21.06	21.25	21.06	21.56	21.31	21.12	20.87	...	21.12	20.87	21.06	21.06	20.62	21.06	21.06	...	...	...	...	...	...	...
J. E. Steel	22.89	23.06	23.19	22.75	22.94	22.62	22.75	23.12	23.06	23.56	23.62	22.44	21.87	23.00	22.81	23.12	23.00	22.50	22.25	21.06	21.06	20.62	21.06	21.06	...	...	...	...	...	...
India Steamship	7.62	7.75	7.66	7.62	7.75	...	...	...	7.59	...	7.72	7.53	7.69	7.75	8.00	7.62	7.62	7.75	7.66	7.81	7.69	7.69	...	...	...	...	...	...	...	...
India Chemical	39.00	40.00	...	39.75	...	...	...	...	40.12	...	42.50	44.25	43.25	40.50	42.00	42.12	42.00	...	42.50	...	...	...	...	...	...	...	...	...	...	...
Kecoram	31.75	32.35	32.56	...	32.44	31.75	31.87	31.50	31.87	32.00	31.75	32.25	...	31.75	31.62	31.81	31.87	...	32.56	30.75	31.00	31.80	31.80	...	...	...	...	...	...	...
Jay Shree Tea	18.62	19.31	20.37	20.69	20.75	...	20.25	20.50	...	20.19	20.06	20.06	20.06	20.75	...	20.06	19.87	19.94	20.06	20.25	19.87	19.69	...	...	...	...	...	...	...	...
J. K. Rayon	19.99	20.06	20.12	...	20.44	20.69	20.94	21.12	21.37	21.50	20.94	20.87	21.06	20.94	20.21	20.44	20.19	...	...	...	...	...	...	...	...	...	...	...	...	...
Punjab National	19.87	...	...	...	...	...	...	19.69	...	19.91	20.56	...	...	...	20.62	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
United Commercial	...	...	...	94.50	...	...	...	...	...	...	...	...	...	94.00	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
3% 1986 Loan	72.55	72.15	...	...	71.70	71.94	72.05	...	...	...	...	...	71.75	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

Indian Finance

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16 December 1961

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

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Credit to Small Industries

THE Reserve Bank's Guarantee Scheme for enlarging the supply of credit to industrial units in the small scale sector was introduced as an experimental measure from 1 July, 1960. Some aspects of its working during the first year of operation were explained in answer to questions in Lok Sabha recently. The Reserve Bank of India operates the Scheme designated the "Guarantor Organisation" as agent of the Government of India. The credit institutions which extend credit to small scale units under the scheme do not receive advances from the Reserve Bank of India. But any losses incurred on advances made by them to small scale units under the Scheme are shared by the Reserve Bank to the extent of 75 per cent. The facilities under the Scheme are now available to 93 specified credit institutions, namely, the State Bank of India and its subsidiaries (9), other scheduled Banks (48), State Cooperative Banks (21) and State Financial Corporations including the Madras Industrial Investment Corporation Ltd., (15). Other credit institutions can also participate in the Scheme and become eligible for the guarantee provided they are prepared to share the risk to the extent of 25 per cent.

The Scheme was introduced in 22 districts in the first instance and was subsequently extended to 30 other districts. At present all the more important industrial centres in the country are covered by the Scheme. But so far none of the districts in industrially backward regions has been brought under the Scheme. This is one of the serious drawbacks in its working, for one of the main arguments for encouraging the development of small scale industry is that it helps to even out regional disparities in economic development. The strident demand from backward regions for the establishment of large scale industries in their areas is met by the argument that, whereas suitable locations for large units are, by their very nature, limited to a few regions which have the necessary facilities, there is nothing to prevent the development of small scale units in any part of the country. But in the development of small industries, as in Community Development, it appears that the main beneficiaries of schemes of Government assistance are the comparatively better off sections of the particular groups which are intended to be benefited, rather than those who are most in need of special assistance. This phenomenon suggests the need for re-examination of Government's promotional efforts, whether in the field of Agriculture, Culture or Industry.

On purely humanitarian grounds a case can be made out for pumping tax payers' money to help the population of depressed areas. A Welfare State cannot very well evade the obligation to do so. The case of the handloom weavers who were driven to the wall a few years ago is an instance where assistance was clearly necessary and has been well utilised. But if the present pattern of governmental assistance to small industries is sought to be justified on the ground that considerations of rapid growth cannot be ignored, economic criteria must be equally applied to the Scheme

as a whole. The districts where the Scheme is now in operation, it is stated, have been selected on the basis of the relative importance of outstanding loans to small scale units and the potentiality of further expansion of such loans in the area. If the small scale units in these areas were able to secure substantial volume of credit even before the Scheme was introduced, it is not clear why the Guarantee Scheme should be introduced in such districts in preference to others which are comparatively backward.

About the actual working of the Scheme itself—the number of loans guaranteed by the Reserve Bank, their distribution, the total amount, the number of defaults if any, etc.—there is no information in the answer furnished by the Minister. But in reply to a specific question whether it had come to the notice of the Reserve Bank that some of the 'affidavits' of the credit institutions sponsoring the loan applications were "in some cases false", the answer given was that the "institutions specified for the grant of facilities under the scheme are all established institutions of repute." But the main point, which perhaps was not clearly brought out by the question, is whether the Reserve Bank's guarantee, which is intended solely to assist small units which might not otherwise be considered creditworthy, is being taken advantage of to strengthen the credit rating of establishments which do not come under the category of small units as defined by the Scheme.

For the purposes of the Scheme a small scale unit is defined "as one which is engaged in manufacturing, processing or other operation (not trading) and whose investment in assets of a capital nature like land, buildings, machinery, equipment etc., together with the capitalised value of rented premises, if any, but excluding the amounts spent on housing and amenities for workers, is not in excess of Rs 5 lakhs". It is also laid down that in computing the total capital investment, land and buildings owned by the industrial unit and machinery and equipment used to do business should be evaluated on the basis of original cost incurred by the owner (and not written down value) and in case of rented premises, value should be calculated by capitalising the rent at the rate of 8 per cent per annum. It may be noted that the definition relates to the capital assets of the unit and not of the owner. There is nothing to show that a "small unit" forming part of a big industrial complex and owned by a company set up for the purpose will not be eligible for assistance under the Scheme.

The ease with which the severe restrictions clamped by the Reserve Bank of India, to check speculation in food grains or in the stock market, have been foiled by experts as the game would suggest that the fear, that assistance to small units may be diverted to others are not so small, may not be entirely unwarranted. To raise the question does not mean casting doubt on the standing or repute of the specified credit institutions. The point is whether the scrutiny of the applications by the Reserve Bank is searching and comprehensive enough to spot out the "wrong'uns".

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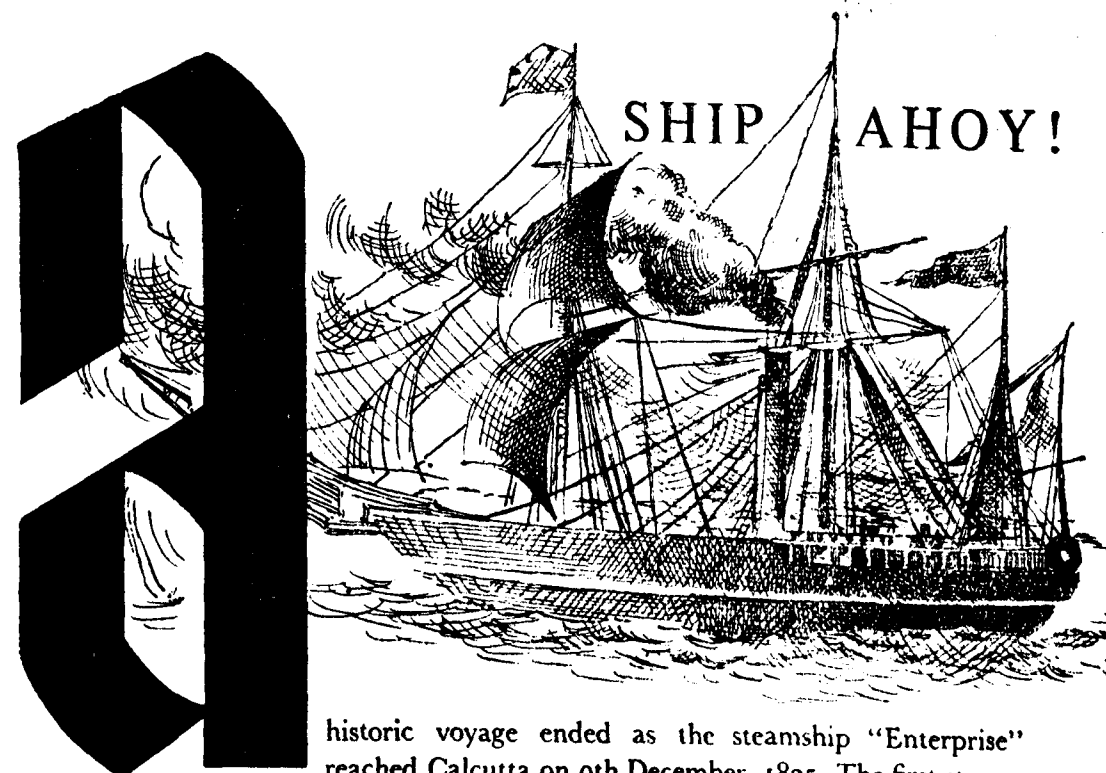
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A Hopeful Beginning

THE Afro-Asian Conference, inaugurated by the Prime Minister last week, affords heartening evidence of the progress towards intra-regional economic co-operation. The topic, as Mr Nehru pointed out, came up at the Bandung Conference when it was decided that further steps should be taken to strengthen economic and trade relations. But subsequent efforts to pursue the matter through correspondence between the Governments concerned did not yield results and the hopeful initiative of the late Prime Minister of Ceylon was cut short by his assassination. In the meantime non-Governmental agencies have been active in exploring the scope for regional co-operation in trade and economic development and their efforts resulted in the establishment of the Afro-Asian Organisation for Economic Co-operation (AFRASEC) following the Economic Conference of Asian and African countries which met in Cairo in December, 1958.

The Second Afro-Asian Conference, also held in Cairo in April/May, 1960, was attended by representatives of 39 Afro-Asian countries and observers from seven countries outside the region. This Conference, which was inaugurated by President Gamal Abdel-Nasser, adopted and confirmed the constitution and by-laws of the organisation. The Conference resolved that the national federations of chambers of commerce, industry and agriculture and similar institutions existing in such Afro-Asian countries as have participated in the Asian-African Conference held in Bandung in 1955 were eligible for full membership. It was also resolved that central chambers of commerce in other Afro-Asian countries which shall attain independence thereafter, as well as in any other such independent sovereign country as has its seat of Central Government situated in Asia or Africa, would be eligible for membership. Associate membership is open to the national chambers of commerce or similar institutions in African countries and territories which have not yet attained independence. The central chambers of commerce of thirty-eight countries were accepted as members at the Conference held in May, 1960.

The Third AFRASEC Conference currently in session in Delhi has on its agenda the following topics:

1. Arbitration arrangements in the region.
2. Possibility of increasing the regional trade in specified commodities along with world trade.
3. The impact of external market groupings on the trade and economic development of Afro-Asian countries.
4. Economic development of the Afro-Asian countries through mutual aid and investment.

The Conference is being attended by delegates and observers from thirty countries in Africa and Asia and seven international organisations, namely, the United Nations, Economic Commission for Asia and Far East, Economic Commission for Africa, ILO, ICC, League of Arab States, and the General Union of the Chambers of Commerce, Industry and Agriculture in Arab countries.

A notable feature of the present session is that the discussion of the topics on the agenda is accompanied by bilateral and multi-lateral trade talks among representatives of different sectors of trade. These talks should help to give a practical direction to the discussions which might otherwise get bogged in generalities. As Mr K. C. Reddy, Union Minister for Commerce and Industry, who inaugurated the Trade Talks Session, pointed out, the Conference is almost like an assembly of trade missions and it may be possible to achieve within one week

or so, almost the same advantages as could be gained by visiting the different countries.

Prevailing trends towards formation of regional trade blocs, initiated by the EEC, have directed thinking in Asian and African countries toward possibilities of establishing a similar pattern in their region. In fact this appears to be the dominant theme of most of the speeches made at the open session of the Conference. While the difficulties in the way—the result of historic and geographic factors which have kept the countries of this region isolated from one another in a state of underdevelopment—cannot be ignored, there is also growing realisation that a beginning has to be made for closer economic collaboration. While industrially advanced countries of the West are organised in closed economic blocs, Afro-Asian countries which are keen on economic development in conditions of freedom have not much choice in the matter. The surprising thing, as Mr Nehru said, is not that Afro-Asian countries are feeling the urge towards closer economic collaboration, but that they should be so slow about it. Progress would be easier if, as he has suggested, the problem is broken down to manageable dimensions, and within the broad general approach comprehending all Afro-Asian countries, measures are taken for closer integration on a regional basis of countries which fit with the pattern of co-operation.

Mr Shriyans Prasad Jain in his welcome speech has made the eminently practical suggestion that the best point to start with is to bring about an increased flow of trade within the present economic set-up. In this context he has also suggested for consideration of the Conference the question of a scheme of regional tariff preferences and the feasibility of having a common market for certain specified commodities.

The lack of complementarity in the economies of the different countries of the region can be exaggerated and it is not likely to remain a permanent feature, especially in view of the planned development undertaken by many countries in the region. Mr K. C. Reddy has done well to emphasise that the existing proportion and the pattern of intra-regional trade among the countries of the region need not themselves determine the possibilities of future growth, and that, among countries with more or less similar or comparable stage of economic development, substantially increased opportunities of trade can be created through a co-operative process of economic development. Such a process will itself alter both the volume and pattern of intra-regional trade. For the major barrier to the development of trade among these countries is not so much lack of complementarity as the lack of contacts and of means of rapid communications and transport between them. A close and detailed examination of the trade of the region, which can be most advantageously undertaken by AFRASEC, should indicate the scope for development of intra-regional trade on lines which will strengthen the economy of the region as a whole as well as of the individual countries in their relations with the outside world.

If regional co-operation is to yield positive results it should not be restrictive in its approach and effects. Mr Mohamed Rouchdy, in his presidential address, declared that the co-operation envisaged "does not wage war against any other group, but we seek it in fact as a means to develop our economic resources. Naturally this co-operation aims primarily at expanding trade and strengthening economic relations between our countries". At the same time it is also necessary, as Mr Reddy reminded the Conference, to look forward to increased trade, not only within the region, but also with the rest of the world.

US and World Trade

By LEONARD WEISS

SINCE the days when the reciprocal trade programme was first introduced in 1934, the United

States has consistently worked for the maximum feasible expansion of multilateral international trade, free of discrimination among countries and with a minimum of government interference with such trade.

The United States pursues this basic objective of maximizing free multilateral trade largely through active participation in the General Agreement on Tariffs and Trade (GATT). There are 39 countries which are now full contracting parties to the GATT and a number of additional countries variously associated with it.

This agreement, which has been in existence for 13 years, is essentially a trade agreement in which we participate by authority of our Reciprocal Trade Agreement Act.

Reduced to its basic essentials the GATT comprises, first, a series of tariff schedules which have resulted from a number of multilateral tariff negotiations. These schedules provide the maximum level of tariffs which the member countries will apply to each other on specified articles or commodities.

Second, the GATT contains provisions governing the conduct of trade among its members; for example, it establishes the principle of non-discrimination in the application of trade regulations by its members and it prohibits quotas on imports or exports as a normal means of trade restriction.

Third, the members of GATT hold periodic meetings which are highly important as a broad international forum for the settlement of current trade problems.

Through its leadership and the strong trading relationships which it has built up through the GATT, the United States has made substantial progress toward the achievement of this goal of maximizing free multilateral trade. Unjustified discrimination against our trade has to a large degree been eliminated, and the general level of barriers to profitable international trade is the lowest it has been in modern times.

We have not, of course, eliminated all of our problems in this area. There is much to be done, and no doubt there will always be problems in this field, because the pursuit of our objective is a highly complex operation in which the United States must exhibit considerable flexibility and employ imaginative new approaches to deal with the rapidly changing international situation.

This is true now as it never has been before. Let me illustrate by describing two major aspects of our current relations with other free-world nations.

The first aspect is the rapid emergence of regional trade groupings such as the European Economic Community, the European Free Trade Area, and the Latin American Free Trade Area.

The radial reorientation which characterizes the European Economic Community constitutes a major challenge to our own ability to respond with the fullest degree of imagination and resourcefulness. The basis of the EEC, or European Common Market, as it is popularly called, is the creation among the six participating countries of a customs union and the removal of all types of barriers to trade, investment, and mobility of labour under the aegis of a central executive with certain supranational powers.

The EEC is a part of a concerted effort to achieve eventual political integration of Western Europe. The United States has steadfastly supported the political and economic integration of Western Europe and has welcomed the prospect of the United Kingdom's participation in the institutions of the Treaty of Rome.

There are basic similarities of approach between the early years of our Republic and this present impetus toward integration which place us in a peculiarly advantageous position to understand and sympathize these bold and imaginative steps. Just as the United States went through its early period arguing the pros and cons of the power of the States to regulate commerce among themselves, so also the states composing the EEC today are coming to recognize the tremendous possibilities inherent in a large, freely accessible market.

Our political support for the EEC stems even more from the great promise which it holds for contributing to the future peace and stability of Western Europe and the rest of the world. The overwhelming importance of this is certainly self-evident to our own generation.

However, in giving our support to such groupings as the EEC and the LAFTA, we are concerned that the legitimate trading interests of ourselves and other outside countries be adequately taken into account.

We accept the fact that, in the process of formation, trade adjustments are necessary, and we believe that any adverse trade effects will be minimal and temporary. We look to the new prosperity which should arise as the result of market integration to create new and increased demands for our exports. Accordingly, it is particularly essential that these groupings be "outward looking" in their commercial policies.

We feel that the best way to assure ourselves that this will be the case is to make certain that these regional arrangements are consistent with the provisions of the GATT. The conditions and criteria for the acceptability of customs unions set forth in the GATT are carefully designed to protect the legitimate trading interests of the other GATT participating countries, and the GATT forum is well suited to work out on an amicable basis such trading problems as may arise on this score.

The round of tariff negotiations with the European Common Market at Geneva will give an indication of whether the EEC intends to be an truly outward looking and to provide a common external tariff which will assure to the United States and other countries that they can share in the greatly expanding market which will result.

We are confident that the EEC will demonstrate the same vision which inspired its establishment and will adopt a far-sighted commercial policy in this respect.

The second major area of our foreign economic relations which illustrates why we must adopt new and imaginative approaches is the pressing need for giving real recognition and assistance to the hopes and aspirations of the less developed areas of the world, particularly the newly emerging independent nations in these areas.

Our record of assistance to the less developed countries toward economic development is a good one, but it must be improved. We must not only continue to provide them with financial and technical assistance; we must make greater efforts to provide proper conditions for the expansion of their export earnings.

Only thus can they finance an ever-increasing percentage of the great volume of imports of capital goods and industrial raw materials that they must have if they are to reach the economic "takeoff" stage.

It goes without saying that we wish to assist the less developed countries—that we do assist them—in developing their potential in traditional export products, the raw materials that we need for our industrial complex and the tropical food-stuffs and beverages that we consume.

One way in which we are doing so is in giving more attention to commodity stabilization problems, in the hope of finding ways to reduce wide fluctuations in export earnings in such commodities as coffee and cocoa, where a decline of a few cents per pound can wipe out the benefits of millions of dollars in development loans.

However, a major problem for the less developed countries is the expansion of outlets for industrial products.

These countries are not satisfied to expand their exports of primary commodities alone. They see that the most advanced countries are industrialized countries. They equate economic progress with industrialization, and they demand the opportunity to share in the progress associated with it.

As they begin the process of industrialization, they call upon us and the other industrial coun-

tries to help them by keeping our markets open to them.

The extent to which the industrial countries have so far responded is inadequate. A committee of the GATT which for the past two years has been seeking ways of expanding the export earnings of the less developed countries has found the chief difficulties to be barriers maintained by the industrial countries in the form of high tariffs, high excise taxes, and quantitative import restrictions.

We and other industrialized countries must recognize that the less developed countries have a comparative advantage in the production of a number of simple manufactures, although our own advantage is overwhelming in the production of most complex products. It is to our own advantage, as well as the advantage of the less developed countries, to encourage rather than hinder the shifts in production, when those shifts add to our economic strength and well-being.

Worldwide economic development can proceed best on a joint basis, that is, with industrial and less developed countries developing together and co-operating with one another in that development.

Upsurge in Consumer Buying

By GILBERT GRANT

THE long awaited upsurge in consumer buying seems to be under way at last, bearing out the expectation that retail sales in the US would reach record rates by the end of the year.

The latest official report places sales of all retail stores at a seasonally adjusted total of \$18,600 million for October. This was an increase of three per cent over September, and just a shade below the all-time monthly high of April 1960.

All signs point to a continuation of the upward trend, and to the probability that the previous monthly record will be eclipsed when the November and December results are tallied.

There is a good chance, too, that a new annual record will be established for 1961 despite the slow start at the beginning of the year.

No definitive over-all statistics are yet available beyond October, but unusually strong sales records were chalked up in November, by department stores and automobile dealers—both good barometers of over-all retail activity.

Meanwhile, with two weeks of the traditionally heavy Christmas selling season behind them, retailers are reporting that their sales are exceeding even the optimistic early forecasts. A recent survey by the newspaper *Wall Street Journal* finds that retailers now expect their Christmas sales to top the 1960 level by better than five per cent.

There is good reason to believe that what is under way is more than a temporary spurt. A sharp rise in instalment credit extension in October, points to a continuing uptrend in consumer buying. (This kind of credit rise historically has been the prelude to a period of rising activity in consumer markets, particularly for durable goods.)

This tends to bear out the optimistic sales predictions that are being made for the months ahead. Automobile manufacturers, for instance, look for a substantial rise in sales in 1962 over 1961, after having sold more cars this past November than in any November in history. Also, the head of a leading merchandising organization is on record as saying that total US retail sales next spring should show an increase of more than five per cent over 1961 levels.

These trends must be viewed, of course, in relation to US economic activity as a whole.

According to the *Wall Street Journal* survey, most retailers are attributing their brisk sales pace to the continuing upturn in the economy.

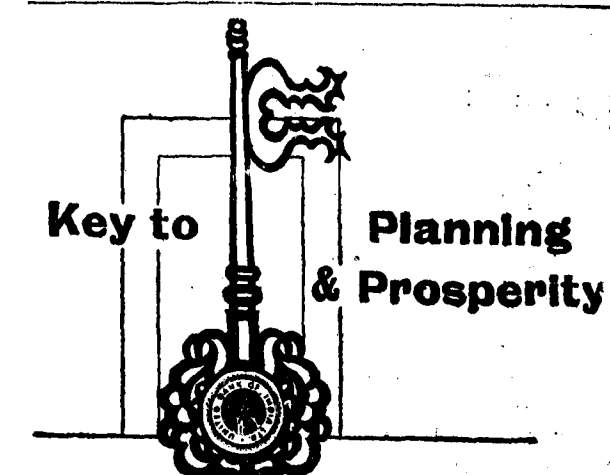
As far as consumer buying is concerned, this is reflected most pertinently in the rising levels of employment and incomes. As has been noted on several occasions, the total personal income of all Americans has been on the upgrade since the early part of this year, with new highs being reached virtually every month.

In October last—the latest month for which such data are available—personal income hit another new high at a seasonally adjusted annual rate of \$425,000 million. This compares with \$421,000 million in September, and with \$406,000 million in October 1960. The average weekly wage of factory workers, meanwhile, rose to a new high of \$94.71 in October.

A particularly significant development is the sharp improvement in the employment situation reported for November, when the number of gainfully employed in the United States totalled better than 87.3 million—a record for the month. Especially encouraging is the fact that the seasonally adjusted rate of unemployment dropped to 6.1 per cent of the labour force after having hovered just under the seven per cent mark for more than a year. The sharpest dip in the unemployment rate in three years brought the rate to the lowest point since September 1960.

Deserving special note is the fact that results far exceeded seasonal expectations. Unemployment was hardly changed at just under 4 million, although a rise in joblessness of about 500,000 is normal during November. Indeed, total non-farm employment actually rose by 300,000 to a total of 82.1 million despite the fact that it usually drops at this time of the year.

Government officials have been expecting this kind of improvement in the employment picture for some months. Now that the improvement seems to be coming about, they look for it to continue.



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CAPITAL

Bank of India Shows the Way

With its offer of a rights issue the Bank of India Limited has shown that even before the Reserve Bank could finalise its plan for raising the ratio of Capital and Reserves to Deposits it is possible for a bank to go ahead in this direction. But the Controller of Capital Issues has seemingly insisted on a stiff premium, justified though it may be by the Bank of India share quotation; in fact the share market greeted the news by putting up the price of the scrip by Rs 16.50. We may anticipate more rights issues from banks, with The Economic Times going so far as to mention three banks specifically. But the question is, on the enlarged capital, will Indian banks generally be in a position to maintain dividends or at least offer a reasonable return to shareholders?

In the view of banks the answer to the question seems to be, yes. It is true, working during the current year should prove exceedingly profitable. Meantime there has not been much further increase in the charge of interest paid on Deposits, despite the raising of Deposit rates earlier in the year and notwithstanding the accrual of fresh resources in the course of the past eleven months. The net profit of banks should therefore be rising satisfactorily.

However, banks are being called upon not merely to raise their capital but also to add to reserves. It is understood that the Indian Banks Association has submitted to the Reserve Bank that the ratio of Capital plus Reserves to Deposits should be 6 per cent rather than the 7½ per cent suggested by the central banking institution. Toward this end the IBA has stated that, under certain conditions, it would undertake to persuade members to transfer 20 per cent of the net profit to Reserve with a view to realising such an objective in a period of 5 years or so. If the alternative plan mooted by the IBA finds acceptance, automatically the disposable surplus of banks will be reduced by one-fifth.

Here is the rub: banks can raise share capital only if they convince shareholders that the return on rights issues will be attractive; but if the rate of dividend so implied is in fact paid out, the profit may not allow of the required quantum of transfer to Reserve. The qualification is, unless either earnings improve more sharply than we can presently anticipate or expenditure is cut down more than we can currently hope for.

It is inevitable that banks should begin to impose commitment charges, or levy some interest upon unutilised portions of overdraft limits; it is also inevitable that more and more of banking facilities and services will have to be paid for, and at dearer rates. So on the earnings side of the ledger it is reasonable to expect steps being taken by the banking system to augment income.

We would emphasise that it is as necessary and desirable for banks to cut down on the

expenditure. We do not favour what we believe to be the currently high rates of interest paid on Deposits. They do little good, in that Deposits lured in by the interest available thereon probably form but a small and negligible proportion of the aggregate of newly accruing resources.

For it is necessary to remember that besides the responsibility for raising Capital and adding to Reserves, banks will have to incur the expenditure tantamount in a branch expansion programme. Branch expansion is essential both for enlarging the share of the organised money market in the total of economic activity in the country and for mobilising the new resources that will be needed to meet the industrial demand for funds.

BRANCHES

Implications of New Development

National and Grindlays Bank Limited has hit the World of Finance headlines with the opening, in Calcutta, of two new branches in quick succession. A number of interesting issues arise. It is patent that new Deposits are being assiduously sought, and that the lesson has been learnt now that a new branch in a reasonably populated area is productive almost immediately of new resources in excess of the demand for Advances therefrom. The savings deposit campaigns of the exchange banks have been most fruitful, and the logical consequence has been the decision to expand the branch net-work. The interest rate structure in India, the continued existence of the three-tier bank rate and the uneconomic cost of funds from the home offices, coupled with the desire to participate more fully in Indian industrialisation, may all be taken as the reasons why exchange banks have become keenly aware of the need to augment Deposits—by opening new branches, if that were necessary. To the extent that the Reserve Bank accords the required sanction we may therefore expect further expansion of exchange banks' operations in this country.

This raises the second issue. Why shouldn't the establishment of exchange banks' branches in India be "reciprocated" in Britain? It is not wholly or even mainly in London that there is a concentration of Indian business activity. Manchester and Glasgow are centres which Indian Scheduled Banks would be well advised to have a second and thoughtful look at. We would welcome initiative shown in this regard, though it would be desirable to add that caution is called for, since Britain already suffers from near-saturation of banking facilities. But, from the Government point of view, such a development would be devoutly to be wished for, in so far as prospects would be there of an increase in "invisible" earnings of foreign exchange.

In the third place the vigour thus shown by National and Grindlays is surely worthy of emulation by the Indian banks in respect

of expansion of the branches net-work within the country. We trust the challenge will be taken up, so that the banking habit spreads and in order that banks will be able to mop up the resources that will be required for meeting the industrial demand for finance which will be thrown up during the Third Plan.

BANK RETURNS

Vast Expansion in Currency Circulation

Steep currency expansion, caused largely by beginning of the month disbursements and perhaps partly by busy season demand for funds, is disclosed in the returns of the Reserve Bank for 8 December.

Active Note Circulation is sharply higher by Rs 39.48 crores at Rs 1,947.89 crores, and there has been outflow of Rupee Coin in the unusually large amount of Rs 2.52 crores. With Foreign Securities unchanged at Rs 116.86 crores, currency has been expanded for Rs 45 crores against Rupee Securities mostly by transfer from the Banking Department; an element of Rs 10 crores of the rise is likely to be traceable to deficit financing. As a result, the Reserve Bank's cash in the till is better by exactly Rs 3 crores at Rs 12.38 crores.

Investments in the Banking Department, by dint of the transfer to Rupee Securities, are lower by Rs 35 crores as against the expansion of Rs 45 crores in the Issue Department; hence the inference that the Centre has instituted deficit financing for Rs 10 crores. As such beginning of the month disbursements could be met from these proceeds, and the Centre's balances are practically unchanged (up by Rs 0.35 crore) at Rs 53.76 crores. On the other hand, in the case of State Governments, their balances are seen to have been run down by Rs 5.15 crores to Rs 10.19 crores and their ways and means borrowings from the Reserve Bank higher by Rs 5.93 crores at Rs 72.10 crores—clearly the pressure of month-end expenditure.

Banks have apparently felt some strain, though not much. Their Reserve Balances are down by Rs 3.83 crores to Rs 74.33 crores while, at the same time, higher recourse to central banking credit is implicit in the rise of Rs 1.33 crores to Rs 132.36 crores in the Reserve Bank's other Loans and Advances.

The Reserve Bank's portfolio of Treasury Bills purchased and discounted is higher by Rs 12 crores at Rs 32.09 crores, but this may be attributed to State Bank "disinvestment" in gilt-edged during the week for such amount.

Balances Held Abroad have moved up slightly by Rs 1.11 crores to Rs 29.93 crores, and foreign assets held by the Reserve Bank, at Rs 146.79 crores, are now in sight of the Rs 150 crore mark.

Spillover of month-end disbursements is fully reflected in the return of the State Bank for 8 December. On the one hand constituents have drawn upon their Deposits, which are lower by Rs 3.89 crores at Rs 528.16 crores. On the other their borrowings are also higher, the State Bank's Advances being marked up by Rs 0.67 crore to Rs 244.50 crores. The bank has disinvested in gilt-edged for about Rs 13 crores, reducing the portfolio to Rs 253.36 crores. However, Other Assets are higher by Rs 7 crores or so at Rs 34.96 crores. The State Bank's borrowings

from the Reserve Bank have gone up by Rs 0.70 crore to Rs 1.56 crores, thus exceeding the Rs 1 crore mark after a long, long pause. As a consequence cash in hand and with Reserve Bank, balances with other banks and money at call in the aggregate have improved by Rs 1.05 crores to Rs 25.85 crores.

The beginning of the month has similarly made its impact felt upon the return of Scheduled Banks for 1 December. Net Demand Deposits have declined by Rs 3.80 crores to Rs 824.76 crores though this is partly offset by the rise of Rs 2.95 crores to Rs 1,130.57 crores in net Time Deposits. However, if regard is had for the rise in Deposits reported in the relevant week by the State Bank, it would be seen that other Scheduled Banks have had a drain of nearly Rs 4 crores in Deposit resources. The total of Advances has gone up by Rs 6.21 crores to Rs 1,239.98 crores, with slightly less than half of the rise attributable to the State Bank. It follows that borrowings from the Reserve Bank should have risen. But the extent of the rise is, at Rs 0.91 crore to Rs 3.23 crores, rather small. Banks have apparently preferred to run down their cash balances, which are markedly lower by Rs 7.61 crores at Rs 188.62 crores. At the same time, however, indebtedness to the State Bank has been reduced by Rs 1.53 crores to Rs 16.40 crores, and there has been an addition of just under Rs 6 crores to Rs 624.49 crores in the gilt-edged portfolio; the State Bank accounting for Rs 4 crores of the increase.

PROGRESS OF BUSY SEASONS (In Rs Crores)			
	1959-60	1960-61	1961-62
Reserve Bank:			
Active Notes	+45.17	+68.54	+65.66
Rupee Coin	—2.20	—3.54	—5.44
Banks Deposits	—4.90	—7.34	—12.04
Other Loans and Advances	—1.52	+8.75	+2.83
State Bank:			
Deposits	+6.52	—5.34	—2.93
Borrowings	+1.87	+1.23	+1.39
Cash Balances	—2.27	+2.40	—7.09
Gilt-edged	+8.31	—10.21	—12.99
Advances	—2.02	+2.81	+5.66
—As Percentage of Deposits	(27.6)	(37.9)	(46.3)
Net Deposits	+21.24	—29.99	+1.58
Borrowings from RBI	—8.17	+2.10	—4.05
Cash Balances	+1.59	—5.36	+2.81
Gilt-edged	+8.40	—3.92	—0.43
Net Advances	—3.61	+2.71	—2.32
—As Percentage of Net Deposits	(62.1)	(69.7)	(69.1)

Notes:—As at second Friday in December for Reserve Bank and State Bank.

As at first Friday in December for Other Scheduled Banks.

Figures in Brackets are percentages.

Still Conspicuous by its Absence

The call money rate has again declined, after an initial firmness earlier in the month. The inference is that the pressure at the time experienced in the money market was owing to the demand implicit in the beginning of the month disbursements rather than seasonal enquiry, as much. It may also be that growth of Deposits has contributed to the comfortable position of the banking system. In other words, the 1961-62 busy season has yet to put in its appearance, at least as reflected in the banking returns.

However, the fact that tax payments are due this month may serve to disturb the equi-

librium, and tightness, though temporary, may be expected to be thrown up in the next week. The nearing of the end of the year may also cause transactions of a winding-up nature by banks. Both these may mean that, though the busy season has not yet started, by the end of December we may expect a hardening of money rates.

Treasury Bills

Tenders for Rs. 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 12 December 1961. Total amount offered was Rs 2,00,00,000. Tenders at Rs. 99.375 per cent were allotted in full. Total amount accepted was Rs. 2,00,00,000, the average rate of accepted tenders being Rs. 2.500 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, 18 December 1961. Successful tenderers should make payment on Friday, 22 December 1961. Other conditions are as usual.

During the week ended 8 December 1961 Government of India Treasury Bills for Rs 18,36,75,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from 13 to 16 December 1961 at Rs 99.391 per cent. Sales can be stopped at any time without notice if Government think it necessary.

91 days' Intermediate Treasury Bills sold from 6 to 9 December 1961 amounted to Rs 1,38,25,000.

That Floating Sterling Nonsense

By Paul Einzig

IN recent weeks there has been a strong revival of agitation in favour of abandoning stability and adopting the system of a floating pound. A recent public statement by the Chancellor of the Exchequer conveyed the impression that he is not so firmly opposed to that solution as to a devaluation, even though it is safe to assume that he would only resort to it if and when he could do so out of strength not out of weakness. A by no means negligible section of opinion in the Treasury and the Bank of England too regards the floating pound, if not as an ideal solution, at any rate as a tolerable evil. And in many unofficial quarters a fanatical crusading fever is developing in favour of that singularly unintelligent solution.

It has often been suggested that Britain is always prepared for the last War instead of the next. In a similar way those campaigning for a floating pound seem to be prepared for the last peace instead of the present one. Because in the 'thirties amidst the deflationary conditions and competitive currency depreciations prevailing then, flexibility was preferable to rigidity, they assume unthinkingly amidst our totally different conditions the same formula would be equally satisfactory. Yet it ought to be obvious to everybody that in existing conditions the adoption of floating sterling—which in practice means an attempt to correct our adverse balance of payments by allowing sterling to depreciate to a level at which imports would be balanced by exports—would not produce the desired effect.

A large number of countries would link their currencies to sterling so that as far as they are concerned the depreciation of sterling would not stimulate exports or handicap imports. As for the countries which would not follow sterling, it is anybody's guess whether the increase of exports and reduction of imports would be sufficient even to compensate for the adverse change in the terms of trade resulting from the depreciation of sterling.

In any case in many lines in which British exports would become more competitive as a result of a sterling depreciation, industry is working to capacity and the result of the depreciation would be merely longer order books. It would be little short of a miracle if the trade unions could be induced to work harder in order to be able to benefit by improved export possibilities. Before the War there was an immense unused productive capacity and a very large reserve of unemployed labour. Today there is only unused capacity in certain industries and virtually no unemployment.

This brings us to another major difference compared with pre-war conditions. The bargaining power of the trade unions is incomparably stronger than it was during the 'thirties'. If the higher prices of imported goods resulting from the depreciation should lead to a rise in the cost of living it would be followed immediately by new wage demands. The rise in wages would soon offset and possibly more than offset, the stimulating effect of sterling depreciation on exports. On the other hand, even if an appreciation of sterling were to reduce the cost of living, this would not be followed by wage reductions.

The proof of the pudding is in its eating. The only important country which has adopted a floating exchange since the War is Canada, which did not save her from being the victim of the gravest and most persistent trade recession that any country has experienced since the War.

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Notes

COAL Problem of Finance

The financing of the expansion programmes of the private sector collieries has assumed considerable importance in the context of the schemes for coal development in the Third Plan. The target for the private sector has been fixed at 17 million tons of additional coal and this is estimated to call for a capital expenditure of nearly Rs 100 crores. The foreign exchange part of the capital requirements has been assured by the World Bank which has already agreed to provide an amount of nearly 35 million dollars in foreign loans on account of procedural difficulties is causing considerable difficulties to the private sector collieries and it has been reported that for want of spare parts and components machinery and equipments are lying idle in the collieries. In this connection it is worth pointing out that the World Bank loan is to be made available only to the Government which is to decide the allocation colliery-wise. The screening of applications of the private sector collieries for foreign exchange is reported to have been completed.

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The fact that the collieries have to find and provide the rupee equivalent of the World Bank loan to the Government in exchange for the foreign exchange has posed an immediate problem to the collieries. While the overall requirements of rupee finance for the entire Plan period has been assessed at about Rs 60 crores, the immediate requirements are placed at about Rs 25 crores. The problem is acute for the small collieries which have no access to sources of credit that are available to the bigger ones. It was to arrange facilities for credit for these collieries that a conference was called in Calcutta at the instance of the Reserve Bank. The object was to draw up a scheme whereby the commercial banks could be prevailed upon to meet the requirements of the private sector collieries for their Third Plan expansion schemes. Though much was expected of the conference particularly in view of the sponsorship by the Reserve Bank, it is a matter for regret that it should have ended indecisively without any concrete proposals for meeting the immediate credit requirements of the private sector collieries. In this circumstance it is inevitable that the expansion plans in the private sector collieries which are part of the Third Plan schemes for raising total coal production to 97 million tons, should be further delayed. The shortage of funds experienced by the private sector collieries in embarking on expansion plans also draws attention to the inequity of the present pricing scheme for collieries. That the present system leaves but a bare margin of profit has been one of the main points of criticism against the Government's policy toward the private sector collieries. The earnings of a number of collieries have also been adversely affected by indiscriminate downgrading of coal by the Coal Board. The plea for a more equitable system of prices should be appreciated in the context of the development schemes envisaged for the private sector in the coal industry in the Third Plan.

Mechanisation

The problems relating to mechanisation of the coal mining industry were discussed at a symposium held in Dhanbad early this week. Mechanisation has assumed special significance in the context of the development schemes for raising coal production in the Third Plan, and also of the pro-

gressive increases that are envisaged in the subsequent Five Year Plans. While the Third Plan target has been fixed at 97 million tons, the targets for the Fourth and Fifth Five Year Plans are envisaged at 200 million tons and 300 million tons respectively. At present it is manual labour that predominates and arising from this, the output per man shift continues to remain the lowest in India. The Third Plan demands on mechanisation are of an order that call for heavy investment on import of machinery and equipment. This holds particularly true of the development programmes in the public sector which are being undertaken by the National Coal Development Corporation. The Corporation has already done some pioneering work in mechanisation of coal industry in the Second Plan and the near attainment of its targeted production in the Second Plan has been owing to such schemes of mechanisation which it initiated.

A serious handicap to headway being made in respect of mechanisation of coal mines is the absence of internal capacity for manufacture of mining machinery and equipment. The Third Plan envisages the setting up of a mining machinery manufacturing plant at Durgapur. The project will be ready for commissioning only by the end of 1965-66. Imports to meet the Third Plan requirements are inescapable. Many countries like the USA, Poland and Hungary have evinced interest in supplying mining machinery to meet the country's Third Plan requirements. The recent visit of the British Mission has highlighted British interest in helping India mechanise coal industry. Shortage of foreign exchange would preclude liberal imports to sustain the tempo of development required by the Third Plan programmes for coal production. Progress in mechanisation is also bound up with the availability of power to the coal mines and the attitude of labour. The importance of other factors such as technical supervision and considerations of cost cannot also be ignored. Mechanisation also leads up to questions relating to the safety aspect of mining which has tended to be neglected owing to financial reasons. For encouraging colliery owners to pay more attention to safety aspect Mr J. B. Jabbi, Chief Inspector of Mines, has suggested that a system must be devised by which cost of works carried out essentially for safety could be reimbursed.

BANKING

Dearer Money

The proposal to increase the paid-up capital of banks has been implemented by more than one bank. The Canara Bank, the PNB, the Dena Bank and the Bank of India are asking for extra

share capital in order to follow the rise in their own deposits. The silver jubilee of the Indian Overseas Bank (in 1961-62), may lead to the usual jubilee issue of shares on advantageous terms and the lead held by Indian Overseas over Indian Bank shares is based on the prospect of a rights issue. But the major problem for banks is one of keeping up dividends and maintaining allocation to reserves in line with increased capital. That means interest rates on advances will not go down and dearer money—a generic condition of economic growth—will persist in spite of the present illusory 4 per cent bank rate. The consequences for investors in Securities and preference shares or debentures can only be gloomy and the influence of the money market will compel many to look for a spread between the yield on gilt-edged and the yield on equities. The normal factors have been ignored long but a new mood of realism and nervousness has come lately and the 2 per cent difference may soon reappear.

That is one reason why ordinary shares are talked down eagerly and Indian operators have come to forget rudely that growth is a nebulous factor and dividends actually received matter more. The investor who feels that half a loaf means more than somewhat is coming to see that economic policy by itself does not create dynamism all the way and the shadow of politics may be deeper than presumed, for Goa has proved a market factor in a new sense. And the recent deflation has spread far beyond tyre shares like Dunlop or Premier. The safest shares are those of financial institutions that go on adding to reserves, distribute risks care-

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MADRAS Interim Budget

The interim budget of the Madras State that was presented by Mr C. Subramaniam, the State's Finance Minister, discloses a deficit of Rs 637 lakhs for the next financial year. Revenue receipts are estimated at Rs 9,271 lakhs and expenditure at Rs 9,907 lakhs. Against this, estimates for the current year show a deficit of Rs 637 lakh, with the revenue receipts and expenditure being placed at Rs 8,969 lakhs and Rs 9,606 lakhs respectively. Substantial additional expenditure over original estimates are being incurred under education (Rs 87 lakhs) Public Health (Rs 32 lakhs) Community Development (Rs 57 lakhs) Civil Works (Rs 43 lakhs) and Harijan Uplift (Rs 34 lakhs). The capital outlay schemes are expected to take up Rs 1,820 lakhs against the budgeted amount of Rs 1,541 lakhs.

For wiping out the deficit, hopes are placed on increased share from the divisible pool which shows a higher growth than anticipated. Further, a larger devolution of the divisible Central revenue is also anticipated as a result of the recommendations of the Third Finance Commission.

The budget provides for a number of novel schemes intended to benefit the poor. These include a proposal for giving to poor students interest-free loans repayable in easy instalments after the students begin to earn and a scheme for the grant of old age pensions of Rs 20 per mensem to all destitutes over the age of 65. The age restriction is to be relaxed to 60 in the case of persons handicapped by loss of sight, speech or limbs and lepers. The scheme for the grant of educational loans will in the first instance be initiated for children of all non-gazetted officers and teachers.

The other new schemes provided for in the budget include the starting of an engineering college at Salem, setting up of industrial training institutes at Tiruchirappalli, Dindigul, Paramakudi and Mettur. In addition, general purpose engineering workshops are also proposed to be set up at Tuticorin and Mayyaram.

An important feature of the interim budget is the top priority accorded to power projects. Provision for such schemes at Rs 54.35 crores amounts to nearly one-third of the total outlay during the year. It is also noteworthy that this provision for the

Plan schemes in the current year which is the first year of the Third Plan is expected to exceed the target fixed by the Planning Commission. While the budget estimates for the current year anticipated an outlay of Rs 47.87 crores, the actual expenditure is expected to reach Rs 50.60 crores which works out to more than 17 per cent of the total Third Plan outlay at Rs 291 crores. The outlay during the Second year of the Plan is expected to exceed Rs 58 crores or nearly 20 per cent. At this rate, it can confidently be asserted that the total outlay on the Third Plan will exceed the target fixed by the Planning Commission by a considerable margin.

The claims to be made on the Centre by the Madras Government suggest that all States will soon do the same. The additional taxation envisaged because of the Third Plan is rather vague: the scope of such taxation may de-

pend on the Finance Commission's coming award. The growth of revenue does not prevent a deficit and that alone may lead to taxes especially as charitable outlay of various kinds is proposed. The Revised Estimates for 1961-62 also leave the impression that extra taxation is inescapable. The closing balance is adequate but the 100 new schemes will strain resources. And fresh borrowing is contemplated. That depends largely on the position of the big banks in 1962. The State will rely on Central loans to a greater extent. That may be possible on account of the rise in Central Excise revenues this year, as also the repayment promised.

A fall in capital outlay will probably help to raise new loans and if no reference is made to a tax on urban lands to obtain extra revenue, the explanation is the coming election. Moreover local bodies may have an eye on taxation of land values. Lloyd

George's ideas have to be worked out by the authorities. And revenue deficits may be a spur to fresh thinking on the taxation of capital gains on land and houses.

The budget has only sought sanction for public expenditure required for some months. The new legislature alone will have to consider new tax measures and it is evident that a caretaker budget has no effect on the market whereas the interim wage award has led to some prejudice against planting shares in Madras as well as Kerala. The more important factor is Goa at present and the drop in Mysore shares is taken as a symptom of growing mistrust. The Madras budget, is, however, a hint that the Union Government too will do nothing drastic for some months and the status quo will perhaps promote confidence in the prospects of industry which is, however, handicapped by raw material shortages and export difficulties due to high costs.

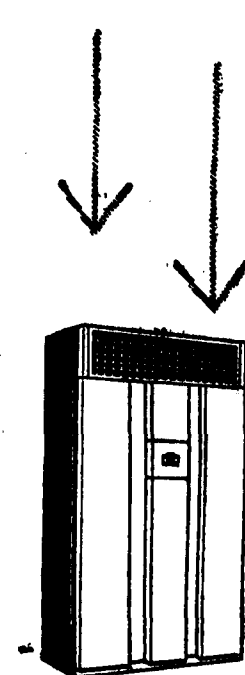
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TANGANYIKA

Prospects for Aid

As talks are to take place the programme of aid to Tanganyika will probably be defined in detail. Yet the advance to self-government may lead to the withdrawal of Asian capital. Whether India can induce Indian capitalists to stay on when independence has been attained is debatable. The official programme contemplated may be one of technical aid and the emigration of skilled personnel under guarantees may be arranged. India cannot offer loans but an assured market for cashew or cotton may be got here. The famine this year may limit exports of sisal or coffee and it is evident that purchase of minerals in return for Indian exports may not be easy to arrange as Tanganyika may look to Japan for textiles or other goods. The industrialisation of East Africa is very limited and only the Congo

has plenty of minerals. The scarcity of labour is as acute as the lack of capital. And though Mr Nyerere may not blame the USA like Dr Jagan he may hope for less help from the Asian countries than from the USA or West Germany because the German connection as in S. W. Africa has not faded out. As a trust territory Tanganyika may be unwilling to impose high tariffs. She too may rely on export duties on produce like coffee or oilseeds. Economic nationalism cannot raise its head very soon and if a customs union is prepared and the development of road transport in East Africa is speeded up the chances are in favour of bigger exports. Access to the capital market abroad may depend on the export surplus kept up over a decade and it is certain that new plantations may be created if the European market is within reach. The Colombo Plan leaves out the African countries. Only Liberia is well placed because the USA

is developing both rubber plantations and iron ore. Curiously, a recent survey in the *Guardian* failed to mention the shipping industry of Liberia which is a major maritime power.

GOA

The Stakes

The preoccupation with India's frontiers is not due merely to the latest White Paper on China but to the international complications envisaged by professional pessimists in markets on account of Goa. The situation is not likely to clear up soon for the big Powers have to look to Berlin and other problems. In fact, Goa may be regarded as a side-show—not at all like Suez—because the problem is one really of persuading Salazar to negotiate for withdrawal. The opportunity may have gone, but it is still open to ascertain whether Portugal's investment in Goa, particularly the

harbour can be bought by the Indian Government. The economic stake that Britain has in Portugal, the investments in communications and mines as well as a new fertiliser plant, may make a financial approach legitimate, and if nobody has cared to mention discreetly the idea of a deal for barracks, berths, etc. it is because of the assumption that an internal revoult can secure all that is wanted. The fact that enough compensation can be got later on by including Goa in Indian territory and obtaining customs revenue has been ignored and the Goan leaders have evidently offered no suggestion about purchase or perpetual lease.

Transactions in relation to territory have been many in the past. Russia sold Alaska and the Virgin Islands were bought by the USA. The British got cash for La Guayana harbour in order to avoid complications. The fact that Afro-Asian support can be got easily for India must not obscure the point that Pakistan may support Portugal for her own reasons, if an appeal were made. That should certainly be avoided and the Indian Government should realise that Portugal (and Spain) have good reason to expect the backing of the Anglo-Saxon powers. The transfer of territory is by no means difficult. Withdrawal from Tangier by an international authority in order to oblige Morocco was arranged. And the procedure may be copied with variations in regard to Goa and other places under Portuguese rule. The simplicity of a commercial transaction may not appeal to our idealists but some will see the point that in the Congo financial considerations prevail over UN directives as Dr O'Brien has pointed out after leaving his post. The theory of aggression cannot be easily applied for Albuquerque established Portuguese authority which was not shaken by either the rise of the Maratha power or the rise of British dominion in India. Perhaps any reference to history may be inexpedient, for the really important point is that Portugal is a poor country and may need money as recompense for what she has put in.

TEA
Favourable
Outlook

That the outlook for tea exports has turned distinctly favourable is suggested by the figures for exports during the first nine months of the current year. Exports up to the end of October this year are estimated at 329.98 million lbs valued at Rs 92.38 crores compared with 304.09 million lbs valued at Rs 85.31 crores in the corresponding period of last year. Considering that the lower level of production in 1960 was responsible for the fall in exports, it may be seen that

the rise in exports in the first nine months of the current year has been made possible by the increased production of tea that has been registered. It is to be noted that total production of tea in the first nine months of the current year is placed at 549.4 million lbs as compared with 487.3 million lbs during the corresponding period of last year. At the current rate of exports, it is expected that the country would be able to record a total exports during this year of 475 million lbs valued at Rs 126 crores.

Tea being the principal foreign exchange earner, it is important that measures are taken to stimulate its exports. Though India faces keen foreign competition from Ceylon, Indonesia and East Africa, the potentialities of exports do not seem to have been properly assessed either by the industry or the Government. The crushing burden of taxation which the indigenous industry has to bear places the Indian exports at a distinct disadvantage as compared with exports from other countries. Schemes of development with accent on better output per acre have assumed considerable significance. The Third Plan target for production is 900 million lbs is seemingly unachievable in view of the record of progress in the past decade and the difficult circumstances of shortage of fertilisers and lack of adequate capital funds in which the industry has to operate. While shortage of fertilisers is not peculiar to the tea industry, it is harsh that the tea industry should be asked to pay higher price for fertilisers than other agriculturists. Even at this higher price there is no guarantee of adequate supplies. There are also difficulties experienced by the tea industry in securing other raw materials and stores, while the problem of finance has proved to be the most taxing.

The Government has done well in deciding to suspend the quota system for exports. That the quota system is not adapted to the need for stimulating exports of tea was long evident. And though its abolition might not have any direct effect on tea exports, at least the free flow of exports should be facilitated by the new measure. This may sustain the tempo of rising exports that has been discernible in the first nine months of the current year. All these would seem to point to further rise in exports if only such rise could be matched by corresponding increase in production. There is however one adverse sign that calls for notice and this relates to the lower level of prices that is realised for exports in the current year. It has been disclosed by Mr Satish Chandra in the Lok Sabha that prices at the Calcutta tea auctions have after keeping steady until recently have shown a downward tendency since August. This is a matter for con-

cern since the fall in prices will inevitably affect the total export earnings realised from export of teas.

RICE

Research Makes
Headway

The importance of rice research to improve the per acre yield particularly in the developing countries was underlined at the meeting of the working parties of the International Rice Commission in New Delhi this week. Considerable headway has already been made in the course of the last decade, as the rise in production from 151 million tons to 265 million metric tonnes in the course of the last decade would testify. But the growing demand arising from rise in population and the improvement in the standard of living calls for more intensified efforts. For, more

people depend on rice for their subsistence than on any other grain, and it is also noteworthy that rice is grown on larger areas than any other crop. The scope for improvement is particularly great in the developing countries since present yields are extremely low in comparison with output in other countries.

The holding of the meeting at New Delhi has particular significance to India which has just embarked on its Third Five Year Plan, a major aspect of which is the improvement of agriculture and achievement of self-sufficiency in foodgrain production. Mr K. R. Damle, Secretary to the Union Department of Agriculture, referred to the programmes that have been included in the Third Plan for promoting research in agriculture. It has been stated that the programme for rice research would entail a total cost of Rs 20 crores. The programme provides for a rice specialist in each State assisted by an agro-

nomist, statistician and other supporting staff. The engineering problems relating to rice cultivations are also sought to be covered by the research and development work.

In his speech, Mr S. K. Patil, Union Minister for Food and Agriculture, who inaugurated the conference, laid special emphasis on the use of pure and improved seeds to the ever-growing circle of farmers. Presently, there are more than 4,000 Government farms and go-downs and many other private farms for the supply of improved seeds to the farmers. Still, the use of improved seeds is far from being wide-spread. This is not only owing to lack of adequate propaganda machinery, but also due to the inadequacy of the existing seed-farms to meet the requirements. Mr Patil underlined the scope for co-operation between countries in promoting research and referred to the arrangement made by the FAO for the interchange of seed of

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It is refreshing that the industrial backwardness of the State of Kerala is gaining the attention of the Government of India. Though the efforts will bear fruit only after some time, the decision of the Government to set up new industries both in the large scale and small scale sectors, will be widely appreciated. Quite recently Mr Shriman Narayan, member of the Planning Commission, after having detailed discussions with the members of the Kerala Cabinet, is reported to have stated that for the speedy industrialisation of the State, greater emphasis should be accorded on setting up rural-based industrial undertakings. Mr Narayan's suggestion is of topical interest in view of the abundant supply of raw materials in the State that are suited for the development of small scale industries. The National Council

The implementation of these schemes should give greater momentum to industrial progress.

The report of the Indian Textile Delegation to North and West Africa sponsored by the Cotton Textiles Export Promotion Council has brought to sharp focus the paramount need for rationalising and modernising the textile mills in the country, setting up adequate propaganda machinery abroad and to manufacture goods to suit the taste of consumers in order to stimulate exports of cotton textiles to those countries. The delegation, deputed to visit these countries and to explore the potentialities of our exports, had to face handicaps like the lack of time, inadequate background material and statistical data in the newly independent States. Nevertheless, the suggestions made in the report show that it has done a magnificent job in assessing the export potentialities and channels through which our cotton textiles can be exported on a large scale to those destinations. Apart from the fierce competition from other exporting countries and the

The Second annual report of Heavy Engineering Corporation and the review of the Corporation's work that was presented to the Lok Sabha last week, highlight the production programmes of the heavy machinery building project, the heavy machine tool building project, the foundry project and of the coal mining machinery project. It may be recalled that the Third Plan lays considerable emphasis on making good the lack that currently exists in respect of production capacity in all these vitally important sectors. Projects for heavy machinery plants are in the nature of priority schemes on whose implementation the future industrial progress of the country depends.

The coal mining machinery project is intended to manufacture 45,000 tons of coal mining machinery per annum. The important items that are proposed to be manufactured at this plant are coal cutters, loaders, conveyors, electrical winders, booster fans, pumps, automatic cages etc. The capital cost of the project including the township is estimated at Rs 200 crores. Already some progress has been recorded in respect of preliminary work at Ranchi and Durgapur. The completion of the arrangements for supply of water and power has laid the ground-work for starting of the construction work on the project.

There is little doubt that the scope for promoting exports of cotton textiles will largely depend on the Government and the textile mills. The need for speedy modernisation of our mills with a view to stepping up production without impairing the quality hardly requires special mention. A true assessment of the tastes of consumers in those countries will offer greater opportunities to manufacture quality goods to cater to the specific demand as to colour, design and finish at competitive prices. The suggestions to appoint Trade Commissioners in the newly independent States and the sponsoring of Industrial Missions to find out

The heavy machine building plant is designed to have a capacity of 80,000 tons of machinery a year and will produce machinery and equipment primarily for the iron and steel industry. The project is also expected to meet some of the requirements of the other heavy industries like the mineral industry, coal mining industry and also of the general engineering items like heavy cranes, excavators etc.

The foundry forge project is intended to serve as a metallurgical base to the heavy machine building plant and will provide

One important prerequisite for the scheduled implementation of these projects is the availability of the trained personnel of the type and quality suited to the various projects. To meet such requirements of trained personnel, the Corporation has a proposal to set up a training institute complete with workshop facilities to train approximately 800 trade apprentices and 200 graduate and technical apprentices from the second year of its operations. A comprehensive programme of training in India, Czechoslovakia and Russia is also designed to be implemented.

Speaking at the fifteenth annual general meeting of the Indian Tool Manufacturers' Association in New Delhi last week Mr S. L. Kirloskar, the President of the Association, called upon the Government of India to offer the requisite incentives, particularly financial assistance, to encourage prospective entrepreneurs to take up the production of various types and ranges of machine tools with a view to expediting the growth of the industry to cater to the needs of the country during the Third Plan period. While appreciating the fine gesture of the Government in placing a total ban on the import of machine tools comparable to the types produced indigenously, Mr Kirloskar spotlighted some of the loopholes in the Government's policy that stifle rapid growth of the industry in the country. This is particularly distressing at a time when the indigenous production is lagging behind the mounting demand. The main grouse of Mr Kirloskar pertained to the Government's procedure in channelling the Government orders through public sector factories despite the solemn assurance given by the authorities to treat all the units on equal footing. With the imposition of ban on imports, the Government has insulated the units in both the public and private sectors from foreign competition. There is therefore no need for further pampering of the public sector at the expense of the private sector.. The President also underlined the significance of imparting technical

Another interesting point which Mr Kirloskar made was the need to provide more flexibility for development. The large-scale manufacturing units should be allowed to undertake a compre-

hensive range of production of the highest standard required, but at the same time small and medium-sized units also should be given equal opportunity to develop single lines of manufacture, which will generate dynamic development of this crucial industry. Mr Kiroloskar was also confident that the industry would attain the production target of Rs 35 crores per annum fixed for the current Plan period provided the manufacturing units realise their opportunity and the Government offers adequate support to them.

The Mining Inspectorate's report for 1959 contains no data on titanium production, perhaps for strategic reasons. The metal is used for paints and other purposes associated with Kerala which has very few minerals compared with Bihar or even Rajasthan. Like Madras, the State is very poor :

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minerals, but the rutile sands make as export business possible. The progress of titanium oxide production has led to the confirmation of protection recently, and a new plant with the help of Laporte Industries of UK is to be set up in Maharashtra. Increased output of sulphuric acid in India is an advantage.

The transfer of the mineral concern by the Madras Government to a new company associated with Indian Rare Earths at Alwaye will ensure a bigger supply of illuene and other sands. Titanium dioxide output has risen to 10 tonnes a day and the inflow of essential imports has been maintained. British Titan products can claim to have kept the Indian industry going and has financed so far the ex-

pansion programme independently from its own resources. The record may be called exceptional because export of illuene or other sand in bags can be soon reduced and the special paints and chemicals made in India. The increased demand in India for titanium oxide is stated to be a reason for continuance of protection and the most important consideration for many is that a "war baby" has grown up. The best thing about the paint industry is that it contributes to excise revenue and the foreign capital and knowhow have been obtained for its development without much difficulty. There is certainly no private interest in titanium oxide but if a new Indian company comes in the investor will be ready, able and willing to subscribe to its capital

because British Paints proved a real draw to the stock exchange this year.

★ ROURKELA Expansion of Capacity

With the expansion of its present capacity from 1 million tons of ingot steel per year to 1.8 million tons under the Third Five Year Plan, the Rourkela Steel Plant bids fair to be the most modern of the steel producing units in the country.

Preliminary work regarding the testing and the preparation of the site for the expansion has already started and tender invita-

tions for the various units of the main plant have been issued.

The project report and the necessary technical specifications for the expansion programme were prepared by the Central Design Bureau of the Hindustan Steel Ltd. The tonnage of finished products planned under the expansion scheme is as follows:

	1 million tons per annum.	1.8 million tons per annum.
Wide and Heavy Plates	200,000	280,000
Hot rolled sheets, narrow light plates & strips	300,000	300,000
Cold rolled sheets and strips	170,000	300,000
Hot dipped tin plates	50,000	50,000
Electrolytic tin plates	...	100,000
Galvanized sheets	...	160,000
Electrical steel sheets	...	50,000
Total	720,000	1,240,000

The main plant units to be erected under the expansion programme are:

One coke oven battery of 80 ovens with necessary by-product plant.

One blast furnace with a capacity of 1500/1800 tons per day with the ancillary units.

Two 60-ton L.D. converters with necessary additional ancillary facilities.

An additional 200-ton per day capacity oxygen plant.

One 5-stand Tandem Cold Rolling Mill, with one 2-stand 4-high Skinpass Mill, one continuous annealing plant, one continuous electrolytic tinning line and two continuous strip galvanizing lines, and

Extension of power plant by installing two 25,000 KW generating sets.

While one battery of 80 ovens is going to be erected under the 1.8 million tons expansion programme, the by-product plant will be laid out to handle 35,000 Ncbm per hour of gas to accommodate any additional expansion of the battery. Ammonia in the raw gas from the new battery and ammonia from the existing plant now recovered as 15 per cent concentrated Ammonia Liqueur, will be converted into Ammonium Sulphate after expansion.

The new blast furnace will have arrangements for injection of steam and oxygen in the blast and with prepared burden it would be able to produce upto 1,800 tons per day.

The expansion of the steel making capacity will be only on the L.D. side by the addition of two 60-ton L.D. converters. A gas de-dusting plant to clean the exit gases from the new converters, as well as the existing converters will be installed. This has been planned to eliminate the dust nuisance from Rourkela.

Most of the units coming under the expansion in the Cold Roll-

16 December 1961

ing Mills will be the first of their kind in India. These include, the 5-stand Tandem Cold Rolling Mills and the 2-stand Skinpass Mills with the necessary pickling and annealing plants. For the production of tin plates and galvanized sheets from wide strips, up-to-date processes such as acid ferrosan process for electrolytic tin plates and continuous Armco-Sendzimir process for strip galvanizing have been proposed.

A significant feature of the expansion programme is that all engineering and supervision in respect of construction will be done by the Indian engineers of the Hindustan Steel Ltd. The Central Designs Bureau, which has prepared the project report, will act as consultants, and the construction of the plant will be under the supervision of the Construction Organisation. The preparation of design drawings for structural steel work and column foundations of the Rolling Mills and other buildings, is now in an advanced stage.

Work in connection with the testing and preparation of the site of expansion is going on at a steady pace. Bore hole tests for the Rolling Mills have also been completed and those for the other units are in progress. Tenders for preparation of the site in Rolling Mills and By-Product Plant have been called and the clearance of the site for the Coke Oven has already started.

US Economic Development

The upturn in United States economic activity is proceeding rapidly once again, after September's brief and largely seasonal letdown. With the underlying trend thus re-established, it is possible to take a close look at this year's significant developments in major industries, and at the prospects for the coming year.

All in all, it now appears that the industrial production index which measures the physical volume of total US industrial output and which already is at a record high, will hit 115 per cent of the 1957 average by the end of 1961. This would mark a continuing gain over October's index reading of 113, and would represent about a 12 per cent advance during the year as a whole.

The general production trends clearly indicate that the expansion is based on an increase in real consumption rather than a rebuilding of inventories. The available statistics show a rise of \$3,000 million in manufacturers' sales from the recession low in the early months of 1961, as compared with an inventory rise of about \$1,000 million.

The bulk of the increase in manufacturers' inventories, moreover, appears to have taken the

form of goods in process of production, rather than of purchased materials or finished products.

Consequently, the inventory situation appears to be favourable, with stocks in almost all lines low in relation to present and prospective sales. It follows that inventory building could continue at a strong pace for some time without risk of overburdening supplies.

Conditions are shaping up favourably for a number of key industries. Steel production has increased 44 per cent since the end of 1960 on the basis of seasonally adjusted figures. New orders point to a continuing rise in output. Production this year is expected to approximate 99 million short tons (one short ton equals 0.91 metric tons). The industry looks for further improvement, with the 1962 steel production total rising to a level of 110-115 million short tons.

Production and sales of major non-ferrous metals—aluminium, copper, lead, zinc and tin—have picked up during the course of this year along with the business recovery. Consumption is expected to rise in 1962.

Automobile production is moving into high gear now following scattered labour difficulties in the past few months. Sales were strong in October and have hit record rates in recent weeks. Production in the fourth quarter of 1961 is running about double the rate of the first quarter, and automobile makers are trying to build up their dealers' stocks.

Estimates are that 1962 sales of domestic automobiles could run to 6.5 million or even 7 million, which would represent a sizable increase over the estimated 1961 level. Sales of imported cars are expected to hold at about the 400,000 mark.

Machinery production has been scoring significant increases since the early part of the year, and has now regained its pre-recession peak.

Electronics sales are in a definite upturn. In particular, the market for computers, controls and similar equipment, much of it related to technological progress, is strong.

Appliances—television, radio, furniture, rugs etc.—are all being produced in relatively large volume.

Production and sales of such building materials as lumber, stone, clay and glass have risen along with construction activity. Housing starts, on a seasonally adjusted basis, have been running more than 1.3 million units a year in recent months, compared with 1.0 million at the beginning of the year. Total construction outlays have climbed five per cent to new highs since February. The outlook appears to be poor continuing gains in housing and construction in 1962.

Textile and apparel production and sales are up 17 per cent since last January. The industry is

planning to increase its capital expenditures 10 per cent in 1962.

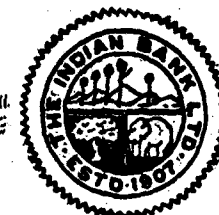
Demand for petroleum products has improved in recent months, although still lagging somewhat behind the general recovery pace. Estimates for next year point to a rise in consumption of about three per cent.

Chemical industry sales are at record levels, running 15 per cent above their year-ago levels. Sales and output of paper and paper products also have reached new high ground; packaging materials, used widely in industry and hence a leading indicator of basic business trends, have been doing exceptionally well.

★ PLANTING COMPANIES Depression in Scripts

Planting company reports bear witness to the fall in prices and crop too in some cases in 1961-62. The result is a deep depression in

planting scrips, leaving the Madras market inactive as manuscripts are on offer. The increase in wages proposed by the Wa Board will only create a mistri of plantings marked down already. The 10% of Blue Mountain caused disappointment natural but the 20% of Cons. Coff Estates has also led to disappointment and the shares have been offered for a week with the mark price quoting below Rs 20 cd. The trend of safe prices is watch with some anxiety and it is clear that an export trade can be built up if a cut in export duty is made. The wisdom of extending the acreage will be questioned, if India has a big surplus and famine in East Africa does not mean much, because African supplies to London are margin. The planting outlook has worried many since August and it is clear from a look at share prices that Madras prefers 'growth' not 'growth' shares, and the distaste for coffee shares is in striking contrast to the passion for coffee



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at NEW DELHI

(15th November 1961 to 1st January 1962)

drinking. The cut in Stanes Amalgamated dividend to 10 p.c. has been accompanied by a reference to the poor prospects for Indian coffee and promotion of sales at home may have to be undertaken on a large scale.

AUSTRALIA Menzie's Wins

The Australian election represents another personal victory for Mr Menzie's. The fear of inflation under Labour rule has been laid and the Labour party can examine how defeat arose from internal division. Dr Evatt's exit has again put Australian Labour out of the running for office and Mr Calwell has to maintain opposition without any advantage. The rise of a new class of voters who think of international conflicts and connections in a new way has not upset Mr R. G. Menzie's hold on the voter. And

if the export outlook is bad the Australian Government is thinking of sending another trade ship into Eastern waters in order to stimulate export trade with S. E. Asia.

The chances of capital influx on a large scale are improved by the prospect of another innings for Mr Menzie's. There may be fear of Asian capital coming in unexpectedly or secretly but Australia is an underdeveloped country and the need for capital is greater than the need for markets for wheat or wool. The enlargement of trade with China goes on without any reference to Communist designs or policy and Japan has been forgiven much, because she is a good customer. The voters in the State may like Mr Menzie's more than the Labour leaders. The trade unions will perhaps retain power and apply it as usual, but the Government can keep economic controls in force and to keep up borrowing abroad

for emergencies. The financial standing of Australia is now better than that of South Africa. That is one of the results of 1961 because most of Africa is reckoned less safe than the Asian countries where the risk of civil war is or was confined to Laos. And there too, the princes are patching up their differences.

INDUSTRIAL INDIA Shock Absorber Factory

The inauguration of the shock absorber factory of the Gabriel India Limited by Mr Y. B. Chavan, the Chief Minister of Maharashtra, at Mulund near Bombay constitutes an important landmark in the chequered annals of the automobile industry in the country. Production of shock absorbers within the country is significant

in more than one respect. It marks another step forward toward making the Indian automobile industry self-reliant and the saving of foreign exchange is an added attraction of the new project. The production capacity of the new plant in the initial stages will be of the order of 120,000 shock absorbers per annum which will subsequently be stepped further with the completion of the second and third stages of this plant. Another remarkable feature is the decision for progressive utilisation of indigenous contents, which at present will be about 40 per cent. Plans are also finalised to enhance it to 60 per cent by the completion of the second stage and when the third stage is completed it will be increased to 85 per cent. The three stages will be covered within a span of three and a half years. The saving of foreign exchange will also record a corresponding increase in each stage and when all the three phases of development programmes are implemented the total foreign exchange saving will amount to Rs 50 lakhs per annum.

In his inaugural address Mr Chavan drew pointed attention to the immense scope of ancillary industries to accelerate the pace of industrialisation in the country. While gratefully acknowledging the endeavours of the Gabriel India Limited, Mr Chavan observed that the new plant will bear eloquent testimony to the Indo-American collaboration. Gabriel Limited is a medium-sized industrial undertaking in the private sector, for which substantial financial assistance is provided by the Export Import Bank. As stated by Mr D. C. Anand, the Managing Director of the Company, production of shock absorbers in the new plant, would make a notable deletion in the imported components of automobile industry. It may also be remembered that this plant is the first of its kind established by the Gabriel Company (USA) outside the North American countries.

PERSONAL

A three-man delegation lead by Mr A. M. Thomas, the Deputy Minister for Food and Agriculture, left for Geneva to attend the international sugar conference.

Mr Govinda Narain has succeeded Mr S. N. Bilgrami, as the new Managing Director of the State Trading Corporation on Thursday last week.

The Board of Directors of the Press Trust of India has appointed Mr K. S. Ramchandran, chief of its Delhi Bureau, as the General Manager of the Trust. Mr K. N. Ramaswami, the present General Manager is due to retire shortly.

16 December 1961

Clive Street Gossip

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

MR G. L. Mehta was, in town last week, and though the primary purpose of his visit could, I reckon, be put down to the meeting of the Board of Directors of the Industrial Credit and Investment Corporation of India, a by no means subsidiary objective of his was to propagate the Indian Investment Centre, of which also he is Chairman. Since the Board of Governors of the IIC shares five among them with the ICICI's Board, naturally the "official" business could be conducted one after the other. That done, Mr Mehta felt free to expand upon the raison d'être of the IIC and to indicate the services that were available therefrom. Such elucidation was eminently desirable for the public knowledge about this (relatively) new institution is scant. Mr Mehta and Mr R. S. Bhatt, who is the Executive Director of IIC, met the Bengal Chamber and the Indian Chamber, made their facts known precisely and then proceeded to answer the questions that with machine gun rapidity were fired at them.

But first, if I may, something about the ICICI. You might justifiably argue that the ICICI can take credit for "pioneering" the new issue boom with its judicious underwriting of many an offer emanating not unoften from entrepreneurs of, at the time, less than national renown and reputation. Projects have been examined under a microscope; market conditions studied; the credentials, whether of the Indian entrepreneur or of the foreign collaborator, subjected to a close scrutiny. Then, and only then, and not till then, did the ICICI give the green signal for a new issue with its blessing and approval in the form of an underwriting operation. The ICICI has been in the nature of a catalytic agent: I dare say for every Rs 5 lakhs underwritten by this institution, ten times that amount has been vouchsafed by a (very properly) trusting shareholder public; and I may add that besides the spectacular success of the ICICI's operations has been responsible for practically every new issue to be offered only after it was duly underwritten; banks and brokers have climbed aboard the new issue bandwagon, and industries in the private sector have found it rather less hard to raise their capital needs from the market. If I remember right only two issues underwritten by

the ICICI resulted in large parcels left "unlifted." Phase II started with the availability of foreign exchange funds for companies to borrow: the World Bank has, I think, given three loans of \$10 million each, and a further amount of \$5 million was allotted from DLF. With foreign exchange reserves at a low level, industrialists were perforce increasingly compelled to go to Bombay rather than to New Delhi for their requirements in respect of any new projects they might have had. The result is that almost all the foreign exchange at the disposal of the ICICI has by now been committed, and we may expect Mr Mehta (or perhaps Mr H. T. Parekh) to hie himself to Washington early next year for negotiating, and may be even finalising, the next tranche of World Bank assistance for the private sector in India funnelled through the ICICI.

Nuff said, now, about ICICI. Those on Clive Street know how long it takes and how exasperating it is to conclude negotiations with a foreign collaborator. It often happens that a money-happy nouveau riche Indian entrepreneur thinks in grandiose terms of manufacturing practically everything that today is not made in India: so, he betakes himself to Delhi and sometimes succeeds in wheedling away an industrial licence therefor (that is, for practically everything, etc.). Then we have the commencement of discussions with 'A' in America, 'B' in Britain and down the alphabet, if that were possible, with 'Z' in Zanzibar. Muddled thinking causes delay; and it is a matter of months that elapse before agreement is reached that productive endeavour is to be concentrated on such-and-such items. Then another round of discussions in Delhi for fulfilling various other formalities, like clearance for getting the necessary foreign exchange. Placement of orders follows, and with luck, five to seven years after Genesis, things get a humming on the production line.

Time-wasting, effort-dissipating, hope-destroying and irritating, this rignarole. Hence the Indian Investment Centre, which seeks efficiently to do the following: (1) Advise Indian entrepreneurs as to the formalities that have to be gone through. (2) Inform foreign collaborators of the terms and conditions that

could be acceptable to Government. (3) Suggest the areas of production where the Indian entrepreneur would be well advised to restrict himself. (4) Compile a dossier of Indian entrepreneurs who are interested in new projects, also listing the fields of industry that they have experience in. (5) Compile a dossier of foreign companies that have given indications of wanting to invest in India. These are themselves necessary enough tasks that it is imperative should be done. But why the IIC has, I think, become very important indeed for Indian industrialisation is because, for reasons I shall be giving, prospects are now better than ever before of foreign investment in this country.

Investment in Europe is nearing saturation point; South America is politically a risk; labour shortage is imminent, and already present in some of the West European countries. As it is Sperry Rand (for example) chooses to manufacture its typewriters in Europe, closing down all productive units within America. Hence the growing interest in India; and there is also the consideration that the establishment of sub-

sidaries or affiliated companies (in the case of American enterprises) is attractive because of the desire, for the sake of prestige, to set up a global organisation. India seems again to be preferred because it is potentially a vast market. The Indian Investment Centre is therefore a very necessary institution for fostering industrialisation, and in broad terms it may be said to be entrusted with the task of liaison, in the preliminary stages of projects, between foreign collaborator and Indian entrepreneur. I am inclined to think that the IIC would be suggesting two kinds of projects which would be readily, and even gratefully, approved by Government. Industries with a high export potential will undoubtedly receive prompt and favourable clearance; industries set up with the intention of, say, direct export of the manufactures to the country wherein the foreign collaborators operate would similarly be accorded high priority. Then, projects whose net outflow of foreign exchange (royalty, consultants' fees, interest on loans, etc.) is exceeded by prospective earnings from export should be dealt with speedily by Government. I have high expectations of what the IIC can achieve, in the way of bringing about collaborative projects; I don't think that, with Mr Mehta and Mr Bhatt at the controls, I shall be disappointed.

EAVESDROPPER.

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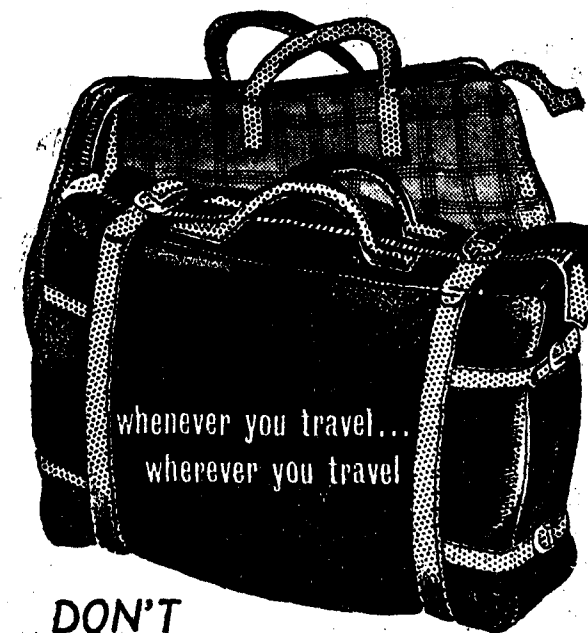
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MINERALS DEVELOPMENT Assessment of Resources

SHORTAGE of foreign exchange may necessitate rigorous scrutiny and reordering of priorities in the implementation of the programmes for Industries and Minerals in the private sector. These programmes it is learnt, would be reviewed every six months and allotment of foreign exchange-credit would be made in the light of priorities which suggest themselves from time to time. This indication is available from what the Informal Consultative Committee of Parliament was understood to have been told by the Finance Minister last week, about the resources available for private sector programmes.

Total resources required for the approved industrial/mineral programmes of the private sector are estimated at Rs 1350 crores, including foreign exchange component of Rs 530 crores. As against this, total available resources were estimated in the Third Plan at Rs 1250 crores, including Rs 300 crores of direct foreign credit/participation in

capital. Government, it has been stated, is not in a position to make good the shortfall out of the foreign aid secured by it. Attainment of private sector targets in full will, therefore, necessarily depend on the success achieved in securing foreign collaboration and investment. At the same time it has been made clear that so long as foreign resources remained short of requirements, every effort will be made to ensure full attainment of targets in the case of 'high priority' programmes. The priorities, as indicated above, will be reviewed every six months and allocations of foreign exchange made accordingly. An important consideration which has been frequently stressed in connection with the allocation of priorities is the contribution an industry can make towards relieving the pressure on foreign exchange either through import saving or through additional exports.

The Planning Commission's estimates of the funds from different sources available for investment in private sector industrial/mineral programmes is given below along with comparative figures of the estimates of the funds drawn from different sources in the First and Second Plans.

	(Rs Crores)		
	First Plan	Second Plan	Third Plan
Loans from institutional agencies	18	80	130
Direct loans from Central and State Governments	26	20	20
Foreign Capital including Suppliers' Credit	42 to 45	200	300
New Issues	40	150	200
Internal and other sources	211 to 214	400	600
Total	340	850	1250

The figures in the last column above, it may be noted, do not represent rigid allocations made by the Planning Commission of the funds which private sector may draw from different sources, but are in the nature of broad estimates of the funds likely to be available from these sources.

While the position in regard to the private sector programmes is as indicated above, the total amount of external assistance available for disbursement by Government during 1961-62 for the implementation of Third Plan projects amount to Rs 1012 crores. The entire amount would be committed during the first two years of the Plan, but actual disbursements may be spread out over a longer period. The total of Rs 1012 crores available in the first year is made up of: (1) carry-over of assistance authorised for Second Plan projects amounting to Rs 368 crores; (2) external assistance for Third Plan projects

authorised during the Second Plan Rs 329 crores; and (3) aid authorised by the World Bank consortium for 1961-62 at the meeting held May/June in respect of which agreements have been finalised with donor countries up to 25-11-1961 Rs 315 crores.

Out of the total consortium aid promised of \$2286 million or Rs 1069 crores, aid totalling \$1295 or Rs 616 crores is expected to be authorised during the current financial year and, so far, bilateral agreements have been concluded with the donor countries for \$661.5 million or Rs 315 crores against the amount promised for 1961-62. In this connection it is pointed out that sometimes authorisation of the promised aid takes time when it is dependent on legislative approval. Then again more time is required for preparation of project reports, appointment of consultants etc. before inviting tenders for import of machinery and equipment. Actual utilisation of

the aid authorised for the current year may, therefore, not start till the very end of the financial year. In the meantime another meeting of the Consortium is scheduled to be held in January 1962 to review the position and consider what further resources may be made available, for the Third Plan.

Tax Collections

An optimistic assessment of the internal resources available for implementation of the Third Plan is justified by the resiliency of the economy as indicated by collections of taxes both direct and indirect. Collection of Income-tax including Corporation-tax during the six months from April to September amounted to Rs 109.84 crores as compared with Rs 93.93 crores during the corresponding period of last year, showing an increase of Rs 15.91 crores. The increase is attributed to the better performance of industry and commerce during the current year as compared with the last which is reflected in higher dividend declarations. Other direct taxes such as the wealth tax, gift tax and expenditure tax show small variations either way. As regards indirect taxes, while collections of Customs duties are running at about the same level as last year, Central Excise show increase of Rs 15.21 crores. The increase, though not very large, is an indication of expanding production. Out of the fifty-five items on which Central Excises are levied, all except nine items show more than the pro-rata expectations based on budget estimates for the year. Central Excise collections during April/September 1961 amounted to Rs 214.20 crores (Rs 193.78 basic duties and Rs 20.42 crores additional duties) against pro-rata expectations of Rs 229.41 crores (Rs 209.85 basic and Rs 19.56 additional duties.)

Incidence of Indirect Taxes

Recent years have seen a marked expansion of indirect taxation. More commodities have been brought under Central Excise, while the sales tax has been extended to areas where formerly it was not levied, such as Part B and Part C States. A study undertaken by the Tax Research Unit of the Department of Economic Affairs, Ministry of Finance, of the distribution of the money burden of indirect taxes shows the changes that have taken place since the first systematic study of the incidence of these taxes was undertaken by the Taxation Enquiry Commission in 1953-54. In the interval revenue collected from indirect taxes has gone up from Rs 431 crores in 1953-54 to Rs 968 crores according to the budget estimates of 1961-62. The actuals for the year according to current indications will be over a thousand crores.

The main findings of the study, which relates to the year 1958-59, are:

- In 1953-54 indirect taxes formed 3.6 per cent of consumer expenditure of all households in the country. By 1958-59 the proportion went up to 5.7 per cent. The rise was mainly under Central Excise Duties and Sales Taxes.
- The proportion of consumer expenditure paid in indirect taxes by rural households rose from 2.9 per cent in 1953-54 to 4.4 per cent in 1958-59, and by urban households from 5.9 per cent in 1953-54 to 9.3 per cent in 1958-59. Central Excise Duties were mainly responsible for raising the proportion for rural households and both Central Excise Duties and Sales Taxes for increasing the proportion for urban households. The increase in the relative burden on urban households over the period was slightly more than the increase on rural households. While urban households paid in 1953-54 twice the proportion of the consumer expenditure paid in indirect taxes by rural households, by 1958-59, the proportion paid by urban households increased to 2.1 times than paid by rural households.
- The distribution of the money burden of indirect taxes among different expenditure groups was progressive both in 1953-54 and 1958-59. The proportion of consumer expenditure paid in indirect taxes by different expenditure groups rose progressively from 2.4 to 5.5 per cent in 1953-54 and from 3.1 to 9.3 per cent in 1958-59. The proportions paid by different expenditure groups of rural and urban households separately also showed a similar trend. The progressive rise was: from 2.2 to 4.1 per cent in 1953-54 and from 2.5 to 6.9 per cent in 1958-59 for rural households; and from 3.6 to 8.2 per cent in 1953-54 and from 5.8 to 13.8 per cent in 1958-59 for urban households.

The burden of taxes was analysed for households divided into five categories according to monthly expenditure. The lowest category consisted of households with monthly expenditure not exceeding Rs 50 while the highest category consisted of households with monthly expenditure of Rs 301 and above.

GENERAL TYRES LIMITED

Production will Commence by Middle of 1962

Sir A. Ramaswami Mudaliar, the Chairman, on the Scope of New Activities

Chairman's address delivered by Sir A. Ramaswami Mudaliar at the First Annual General Meeting of your Company. Meeting of the Company held on 11th December, 1961.

Gentlemen:

I have great pleasure in welcoming you to the First Annual General Meeting of your Company. The Director's Report and audited Accounts for the period upto 30th June 1961 have been in your hands for sometime now and with your permission, I take them as read.

You will have observed from the audited accounts that there has been a net loss of Rs. 1,05,203 during the period under review which has been carried forward. The loss is really due to necessary expenditure incurred during course of construction of the factory. In this context the provision of Rs. 8,000 for Income-tax may appear to be paradoxical, but according to existing tax law this had to be done in respect of the interest on bank deposits earned during the period to the extent of Rs. 15,000.

If the structure of share holdings may be taken as an index, your Company has been favoured by a wide degree of public support. Subscriptions were widely distributed on a regional basis and also according to the size of applications.

I think it is desirable to review briefly the progress of the automobile tyre industry in the recent past and its prospects for the future in the light of road transport development in the country before referring to the progress made by your Company. Since the beginning of the First Plan period there has been remarkable expansion of motor transport in India and both road mileage and the number of motor vehicles have recorded substantial increase. During the decade covered by the First and Second Plans total road mileage in India increased from 1,48,500 to 3,94,000 and the number of commercial vehicles on road from 1,16,000 to 2,10,000. The automobile tyre industry fully kept pace with this development, production of tyres having increased from 9,00,000 Nos. in 1950-51 to 13,50,000 Nos. in 1960-61 representing a rise of 50 per cent. In fact the performance of the tyre industry compares very favourably with the trend of overall industrial growth in the country; taking 1951 as the base the indices of production of tyres and tubes in July 1961 were 298.1 and 259.8 respectively as against the general index of 174.2.

PRESSURE ON RLY. TRANSPORT

In view of the great pressure on railway transport and the need for coordinated development of various forms of transport as anticipated for the Third Plan period, there is substantial scope for expansion of road transport and consequently the tyre industry. According to the Third Plan the number of road vehicles (including passenger cars commercial vehicles, jeeps and station wagons, motor cycles and scooters) is expected to be 3,65,000 in 1965-66 representing an increase of about 75 per cent over that in 1960-61. The target for the production of automobile tyres to be achieved by 1965-66 has been fixed at 3 million Nos. (against an installed capacity of 3.7 million numbers) constituting a rise of more than 120 per cent over the production of 1960-61. It is understood that the Government of India are considering a further upward revision of the aforesaid target capacity.

The Government of India have issued licences to a number of industrial undertakings for expansion of capacity and/or setting up of new units for the production of automobile tyres and tubes within the Plan target. At present there are ten units licensed for the manufacture of automobile tyres and tubes out of which six are in operation as against only two in 1950-51. In the genuine interest of a healthy growth of the industry as a whole, the Government would, I am certain, consider the desirability of regulating their licensing policy in such a manner as to enable the new enterprises sanctioned to achieve economic production and establish themselves on a sound footing.

Your Company represents one of the undertakings licensed for establishing a new tyre plant in West Bengal with a capacity of 15,000 Nos. each of tyres and tubes per month. You will have got an idea about the progress of this Company from the Directors' Report already circulated to you. Construction of the main factory building, stores and offices is fast nearing completion. Out of the Import Licence for Licence for plant and machinery worth Rs. 80 lakhs obtained by the Company a major portion has already been received at the factory site and further shipments are on the way. It is expected that delivery of all plant and machinery to be imported from Czechoslovakia will be completed by 1962. According to arrangements with the Techni-

cal Collaborators a team of erectors is expected to be at the factory site shortly to supervise the erection of plant and machinery. The technical personnel deputed by the Company to Czechoslovakia for training and finalisation of the Project Report have returned to India. If there is no serious hold-up in the present programme the plant at the factory will be commissioned for trial production by the middle of next year, which will be accepted as a good performance.

In order that your Company may play its proper role in the growing tyre manufacturing industry in the country your Directors have decided to expand the scope of its activities and accordingly an application has been made to the Government of India for permission to expand and diversify the Company's operations by installing further and/or fresh capacity for the manufacture of tyres and tubes for cars, trucks and buses, motor cycles and scooters, etc.

RAW MATERIALS

As regards raw materials, the cost of the principal raw material for the tyre industry i.e. Indian rubber has increased since April 1961 due to the levy of a substantially higher rate of cess the increase being from approximately 13 nP per Kg to 30 nP per Kg. The supply of Indian rubber has been lagging behind the requirements of the tyre and general rubber industry, being about 25,000 tons as against the consumption of about 58,000 tons during the 12 months ending September 1961. It has been necessary to meet this gap by import of natural and synthetic rubber; estimated imports thereof during 1961 would be 21,000 tons and 8,450 tons respectively.

In regard to other important raw materials also, viz., tyre cord, bead wire, valves, carbon black, the country is yet largely dependent on imports. It is, however, gratifying to note that steps are being taken to arrange for production of these items in India and it is hoped that by the end of the Third Plan period the tyre and rubber products manufacturing industry in India will be substantially self-sufficient in this regard as certain projects are likely to be implemented by that time, viz., the 20,000 tons synthetic rubber plant at Bereilly, the three units licensed with a total capacity of 34 million lbs. of rayon cord, the unit licensed for manu-

facture of automobile tyre valves, the carbon black plant being set up at Durgapur with a capacity of about 15,000 tons per annum and the rubber chemicals plant near Calcutta. Grant of license for the setting up of a bead wire factory is also reported to be under the active consideration of the Government of India. When all these plants licensed or to be licensed hereafter go into full production not only will there be a substantial saving in foreign exchange now being spent on import of the materials but also the tyre industry will be saved a good deal of uncertainty and delay in the matter of such imports.

Before I conclude you will, I am sure, wish to join me in expressing our warm appreciation of the co-operation and assistance received from the Technical Collaborators Messrs. Technoexport Foreign Trade Corporation of Czechoslovakia, the services rendered by the Managing Agents of the Company Messrs. National Rubber Manufacturers Ltd., and also of the loyal and devoted work of the officers, staff and workers of the Company.

NOTE: This does not purport to be a record of the proceedings of the Annual General Meeting.

THE BENGAL FLOUR MILLS CO. LTD.

NOTICE is hereby given that the Board of Directors has declared an Interim Dividend of 5% (subject to deduction of Income-Tax) in respect of the year ending 31st December, 1961, payable on or after 29th December, 1961 to those members whose names are entered in the Register of Members of the Company on that date. Dividend Warrants will be despatched to members and no application to the Company is necessary.

NOTICE is also hereby given that the Register of Members of the Company will be closed from 20th December, 1961 to 29th December, 1961, both days inclusive.

By Order of the Board,
BALMER LARIE & CO. LTD.
D. MANSON
Secretary,
Managing Agents.

21, Netaji Subhas Road,
Calcutta.
11th December 1961.

Markets

TE Sharp Rise in Jute Output

DE price fluctuations characterised trading in the jute markets, especially the gunny market. Sentiment was quite firm in early alings following the publication of the figures relating to jute goods stocks. It was generally expected that goods stocks at the end of last month would show a substantial rise as it was believed that offtake during the month had been at a disappointingly low level. But the actual stock position as disclosed by the figures is quite different. Total stocks of jute goods at the end of November were placed at only 57,400 bales at the end of October, owing a rise of only 1,900 bales. Hessian stocks at 17,700 bales were 700 tonnes higher than other goods at 9,800 tonnes are higher by 1,400 tonnes. Stocks of sacking at 29,900 tonnes, however, were 200 tonnes lower. The performance of sacking came as a surprise because indications were that this category of goods was not in active demand. The impression was strengthened by reports of the continued prefer-

ence of foreign buyers to jute goods from Pakistan because of the lower prices offered by that country. From the figures for sacking stocks at the end of November, it would appear that the offtake of sacking had been on quite a satisfactory level.

The figures relating to production of jute goods during November released a few days later confirmed that despatches last month had been quite large. Jute goods production in November amounted to 93,700 tons showing a sizable increase from October production of 77,700 tonnes. The rise in production is partly due to the increase in working hours. Mills in November had worked 208 hours as compared with only 178.5 hours during the previous month. It is also partly due to the fact that mills have unsealed a further 2½ per cent of their total looms from 13 November. From the two sets of figures it will be clear that total goods despatches during November should have been in the neighbourhood of 90,000 tonnes as compared with 75,000 tonnes recorded in the previous month.

The period of high production is likely to continue upto the end of January as the Committee of the Indian Jute Mills Association

has decided that the working of the additional 2½ per cent of the looms should be extended for a further period of one month up to the end of January 1962. The Committee has come to this decision after considering the market situation in the light of the stocks of jute goods held by the mills at the end of November. The extension by one month is expected to relieve the shortage of ready goods in the Calcutta market. It may be recalled at the time of the decision to unseal the looms with effect from 13 November, it was stated that the period of the unsealing would be to the end of the year. The Committee has further pointed out that the level of production after January will be determined on the basis of the stock position at the end of December and the matter will be reviewed when the stock figures are available next month. This will be about this time in January.

Following this announcement the jute markets have been running easy. B Twills Ready which was

Jute Goods Stocks as at 30th November, 1961.

	(000 metric tons & tons)			
	31-11-61	31-10-61	30-11-60	
Hessian Cloth & Bag	17.7	17.0	30.6	
	(17.4)	(16.8)	(30.1)	
Sacking Cloth & Bag	29.9	30.1	43.9	
	(29.4)	(29.6)	(43.2)	
Others	9.8	8.4	9.0	
	(9.7)	(8.3)	(8.9)	
Grand Total	57.4	55.5	83.5	
	(56.5)	(54.7)	(82.2)	

Production of Jute goods, November 1961.

	(000 metric tons & tons)		
	Nov. 61	Oct. 61	Nov. 60
Hessian	36.4	31.5	32.5
	(35.9)	(31.0)	(32.0)
Sacking	47.2	37.6	48.0
	(46.4)	(37.0)	(47.2)
Others	10.1	8.6	6.8
	(9.9)	(8.5)	(6.7)
Grand Total	93.7	77.7	87.9
	(92.2)	(76.5)	(85.9)
Hours worked	208.0	178.5	208.0

at one time was done upto Rs 133.50 from an opening level of Rs 130.65 has come down sharply to Rs 127.90 by close on Wednesday.

Prices have moved both ways in hessian also but both the rise and fall have not been so sharp as in the case of sacking. 40"×10 oz Hessian Ready was quoting at Rs 52.50 and after being done up to Rs 54.25 it reacted to close on Wednesday at Rs 52. There were reports of some enquiries both from the US and UK around midweek but such enquiries were conspicuous by their absence as the week drew toward its close.

The raw jute market ruled steady in the first half of the week under review helped by the steadiness of the goods section but in later dealings developed a reactionary tendency and at close

on Wednesday Assam Bottom was quoting 50 nP lower on balance at Rs 30 the minimum prescribed level. Even at the lower level mill interest was meagre while sellers were keen for business. It would appear that besides the continued heavy arrivals sentiment has been adversely affected by reports that fresh licences for the import of a sizable quantity of jute from Pakistan have been issued.

TEA Good Export Demand

IN the Export Sale held in Calcutta this week, offerings were 71,905 packages. There was a strong general demand for all descriptions. Plain brokens were firm and sometimes dearer, while similar Fannings were often up to 20 nP per kilo dealer. Good and medium Assam BOPs with useful liquors met with strong support and were sometimes considerably dearer, while plainer BOPs from this district were well supported around last rates. Orthodox Fannings were also sold readily around last rates.

Best and medium CTC descriptions, though irregular, were generally well supported and were often dearer. Secondary sorts were, however, very irregular and sometimes declined in price. Legg-cut Dooars were dearer.

There was more interest in Whole Leaf grades and prices, particularly for the cheaper varieties, ruled dearer. Darjeelings met with good support and the better teas in this category were generally dearer. Tippy teas met with a fair demand. Following rates were quoted:—Clean Plain Pekoe Rs 3.80 to Rs 4.00; Plain BP Rs 3.40 to Rs 3.60; Plain Fannings Rs 3.50 to Rs 3.70; Medium Assam CTC BP Rs 4.50 to Rs 4.90; Medium Assam CTC Fannings Rs 4.50 to Rs 4.90; Best Assam CTC BP Rs 5.00 to Rs 5.60 and Best Assam CTC Fannings Rs 5.10 to Rs 5.70.

In the Internal Sale, offerings were 26,257 packages of dusts and 578 packages of Leaf grades. Demand for dusts was good in general, but at easier rates. Clean medium CTC descriptions decline in value by up to 20 nP, but the good CTC teas net with useful enquiry and were fully firm to dearer. Fibrous teas were sold well at irregular rates. Orthodox descriptions were 10 nP and some times 15 nP below last rates, the smaller plain liquoring kind meeting with less support than recent weeks. The few bright teas were, however, sold well. Legg-cut teas also depreciated in value and were irregular up to 15 nP easier. Following rates were quoted: Plain Orthodox Dust Rs 3.65 to Rs 3.90; Medium Assam Dust Rs 3.85 to Rs 4.10; Legg-cut Dust Rs 4.20 to Rs 4.50.

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Medium Assam CTC Dust Rs 5.45 to Rs 6.00 and Good Assam CTC Dust Rs 6.40 to Rs 6.80. There was a fair demand for the Leaf grades. The Green teas, on offer, were sold well.

Meanwhile, tea production in North-East India has shown a sharp decline to 58.98 million pounds in November from 98.85 million pounds in the previous month. Compared to November last year, however, when the output was 54.25 million pounds, last month's production shows an increase of 4.73 million pounds. In the eight months, April to November 1961, total production is substantially higher at 588.4 million pounds as against 515.84 million pounds in the corresponding period of last year.

Total exports of tea from India, up to the end of October 1961, amounted to 329.98 million pounds valued at Rs 92.33 crores as against 304.09 million pounds valued at Rs 85.31 crores and 347.19 million pounds valued at Rs 91.56 crores during the corresponding periods of 1960 and 1959 respectively. If the present trend in exports continues, it is expected that a total quantity of about 475 million pounds valued at Rs Rs 126 crores will be exported during the current year as against 430 million pounds valued at Rs 121 crores and 472 million pounds valued at Rs 126 crores during 1960 and 1959 respectively.

Total arrivals of tea in Calcutta from the producing regions in North-East India by rail, river and air, during the period January-October 1961, were 2.76 million chests as compared to 2.31 million chests in the corresponding period of last year. These arrivals should not have any adverse effect on the freight market. On the contrary, the quantity of tea sold at the Calcutta auctions during the current year had been larger.

Stocks of tea in Calcutta warehouses rose substantially to 1,044,777 chests at the end of last month from 929,168 chests at the close of October. Stocks in public warehouses rose from 560,407 chests at the end of October to 658,662 chests at the close of November as did those in private houses from 368,761 chests to 386,115 chests. At the end of November 1960, stocks in Calcutta warehouses were only 875,025 chests with public warehouses accounting for 545,107 chests and private warehouses for 329,918 chests. Besides, afloat stocks at the end of November 1961 amounted to 16,677 chests as compared to 9,783 chests at the end of the previous month and 56,476 chests at the close of November last year.

The steep fall in export prices of tea from North-East India at the Calcutta auctions has, however, been causing serious anxiety among planters. The fall is more conspicuous in respect of Common teas. It is gathered

that many gardens are selling much below the cost of production. Considering the bumper crop this season, producers expect a further fall in the coming weeks. The general feeling is that the absorptive capacity of the export market is being more than fully met.

In the Cochin market, 549,000 kilogrammes of Leaf tea were offered for export. Against better general demand, Plain and Low Medium Brokens were irregularly 20 to 25 nP a kilo lower, while similar Fannings were 30 nP to 40 nP easier. Good Mediums and Mediums were in form, while highgrowns were steady. Unorthodox types had better demand at improved prices. Plainest teas were the weakest feature of the sale.

According to trade sources from Cochin, total exports of tea from South India were lower at 41.86 million pounds during the period April to October 1961 as against 44.18 pounds in the corresponding period of last year. The decline in exports was due to poor demand from a number of important customers with the UK reducing her offtake from 27.71 million pounds to 25.86 million pounds in the period under review. South Indian tea supplies to the USA and Canada, on the other hand, increased from 2.58 million pounds and 2.89 million pounds in the seven months ended November 1960 to 3.28 million pounds and 2.93 million pounds respectively in the period under review.

COTTON Wide Price Fluctuations

Wide fluctuations in the price of the Jarilla March contract was the main characteristic of the trading in the Bombay cotton futures market. The ruling contract after a strident rise to Rs 684.25 closed on a slightly subdued note due to a host of reasons. The initial rally was fanned by the excellent buying support from the mills, the downward revision of the crop estimates to 4.65 million bales and the gloomy prospects of any sizable import of American cotton. It was at one time feared that the contract was heading to pierce the basic ceiling of Rs 693. However, toward the close of the week there was a veritable landslide in the values due to nervous long liquidation resulting from the reported orders of the Textile Commissioner on a few cotton firms in Bombay freezing their stocks, both sold and unsold. The sentiment was further affected by the apprehension of drastic measures by the authorities to cry a halt to the rising trend in prices. The change in sentiment was also partly due to the current rumours that the Forward Markets Commission will declare a state of

emergency in the trading market. All these factors naturally led to a spate of bull liquidation which erased half of the gains realised in the earlier part of the week. However on Monday last the futures market registered a distinct recovery thanks to the sustained upcountry support and encouraging advices particularly from Gujarat and buying by share-market interests. The Jarilla March contract on Tuesday closed at Rs 676.00.

Meanwhile the East India Cotton Association is reported to have decided to approach the Forward Markets Commission to allow trading in the August contract with a view to lessening the pressure on the ruling contract.

In the spot market a Sewri prices continued to ride above the ceiling in almost all the varieties. There was a broadening of mill buying in Khandesh, 137/3,147 and Moglaj. Toward the close of the week near panicky conditions were visible in the market obviously due to the reported orders of the Textile Commissioner to freeze stocks lying with some of the cotton firms. However this measure failed to deter mill buyers from effecting purchases at terminal markets where the prices ruled above the ceiling levels.

In the import section prices of African growths firmed up largely due to the paucity of offer from Kampala consequent on the reported damage to the Uganda crop. Higher grades of Sudanese cotton attracted sustained demand. Available lots of imported growths particularly American cotton were eagerly sought after.

In the export section, prices of Bengal Deshi ruled steady. According to the consensus, the Government is likely to release licences for the export of the balance of 25,000 bales of Bengal Deshi held out of the original export quota announcement of 150,000 bales.

The consumption of 197/3 cotton by mills during the past season totalled 840,588 bales. The crop estimates of this growth during the current season is placed at nearly 0.49 million bales.

A press note released by the Joint Chief Controller of Imports and Exports conveys the decision of the Government of India to extend the shipment period from 31 December upto 15 January 1962 in respect of imports of cotton stapling 1-1/16 inches and above but below 1-3/16 inches. The Govt. on 2 May permitted imports of 0.2 million bales of cotton stapling 1-1/16 inches and above from any area valid for shipment from 1 July to 31 December this year. Out this quantum, 50,000 bales of cotton stapling 1-1/16 inches and above but below 1-3/16 inches were allotted for distribution to consumers of imported growths on the basis of the allocation of such cotton during the previous season.

PAKISTAN CROP:

According to the Pakistan Department of Agricultural Economic and Statistics the area under cotton cultivation for the year 1961-62 will be about 3.3 million acres (2.9 million acres of American cotton and 450,000 acres of Deshi crop). These figures indicate a nominal decrease of about 0.1 per cent. The area under the American variety is slightly higher by 0.6 per cent while the Deshi crop is marked down by approximately 4.7 per cent.

PIECEGOODS:

Dull and featureless trading conditions continued to prevail in the Bombay piecegoods market. The turnover consequently dwindled into a tiny trickle. The earlier anticipation of a revival in the upcountry demand was belied and barring stray enquiries from Calcutta, UP and Punjab all other consuming centres were practically inactive. The absence of adequate demand from the upcountry centres was ascribed largely to the inadequate availability of funds and the lack of consumer demand.

The market seems to have received a jolt on the reports of fresh troubles in the border areas and the closure of booking traffic by the Railways had considerably restricted any improvement in the offtake. The disturbing reports of the failure of the two parties in the Mulji Jetha market also cast a depressing spell on the market.

Even the demand for powerloom goods like saris and dhoties failed to evince any sign of improvement. The prices, however, remained more or less unaltered presumably due to the high prices of yarn.

The export front also proved to be equally unsatisfactory. Despite stray enquiries from the United Kingdom, booking was rendered impossible on account of the disparity in prices to the tune of about two to three per cent between the exporter and importer. Booking on a moderate scale was reported to have transacted with Singapore and Continental countries. Indonesia kept away from the market presumably due to the supply of piecegoods from Hong Kong at competitive rates.

Canada focussed its attention on bedsheets, blankets and other household linens. Enquiries from Australia were directed toward heavy drill flannelette and USA's fancy hovered around bagging cloths.

Buffer Stock in Lac

IN pursuance of the decision of the Government of India that the State Trading Corporation should under-

lac, the STC invited open quotation from the market for IB, IIB and fine Bysakhi grades of seedlac. A number of quotations have been received in response to the tender and, after considering the quotations, the STC has decided to purchase at present about 700 maunds of IB and 4,300 maunds of IIB variety. It has been noticed that the stocks offered in response to the tender were mostly stocks, which were accumulated with the shippers and other traders in Calcutta and elsewhere.

As the next Katki crop of seedlac is expected soon, the STC proposes to enter upon the second phase of its buffer stock operations. It is proposed to start purchase operations with a view to stabilising prices within the framework of the scheme for the three grades at selected centres in the States of Bihar, Maharashtra and West Bengal. The regional office of the STC at Calcutta has been entrusted with the work of buffer stock operations and has been authorised to undertake all necessary actions in this behalf.

According to the Indian Lac Exporters Association, exports of shellac during the past month improved to 31,666 packages (each weighing 74.4 kg) from 28,049 packages in the previous month. While shipments of shellac and buttonlac increased from 13,964 packages and 429 packages in October, 1961 to 21,127 packages and 1,053 packages respectively in the month under review. Shipments of seedlac and other varieties, however, declined from 10,185 packages and 3,471 packages to 6,236 packages and 3,250 packages respectively.

Shellac is exported from this country under the minimum price scheme, which is Rs 152 per package f.o.b. Calcutta for Pure TN grade. While shipments of shellac are running at a satisfactory level at present, the State Trading Corporation, as mentioned earlier, has taken steps to establish buffer stocks for stabilising prices.

Thanks to the above measures, prices in the Calcutta market have developed a firmer tendency. The rate for the Pure TN variety is quoted around Rs 126 with good buyers at this level as against Rs 120 quoted a month ago.

SUGAR

Conditions in various Sugar markets have generally been quiet, thanks to the easy supply position. While the bold superior crystal is being traded at a premium of about a rupee per maund over the former controlled price, the inferior small crystal variety lacks enquiry even at the lower levels. All factories in West Uttar Pradesh have commenced their crushing season and are attracting adequate cane supplies at the Government-fixed rate of Rs 1.50 a maund. In the Hapur market, the rate is quoted at Rs 108.50 per bag.

The Export Agency division of the Indian Sugar Mills Association has stated that the US Government has allotted an advance quota of 50,000 short tons of sugar for India for the first half of 1962. The resumption of sugar shipment to the USA will commence at the end of this month. Already three ships had

been booked in this connection and as much as 31,500 long tons out of the 50,000 short tons (equal to 42,000 long tons) will be off India's shores by the middle of January next. Steps are also being taken to secure more shipping space in order to expedite early shipment of the balance quantity as well.

The advance allotment of sugar quota for 1962 now by the US Government is the result of strong representation made in this connection by the Government of India following the cut of an equal quantity effected by the Agriculture Department on 23 October in the 1961 quota. The cut caused serious inconvenience to the trade and industry in Calcutta; because they had already made arrangements, including commitment for shipping contracts, for shipment of the entire quota allotment to India for 1961.

It is unfortunate that the sugar problems have been tackled in a casual manner. Nothing has been done to promote consumption. If the domestic offtake were raised, the stock of 1.19 million tons would not look excessive. If domestic consumption is to be promoted, the price needs to be reduced. This can be done in two ways. The first is, that taxation on the commodity has to be reduced. Secondly, production costs must be cut by improving the operational efficiency of factories and by reducing the cane price and linking it to quality rather than quantity.

Talks will resume in Geneva this week about the Cuban sugar problem. Because of the US ban on Cuban imports, Cuba is demanding a sharp increase in her export quota for world markets. But, all countries, apart from the Soviet block, have so far refused to agree to the figure she wanted. The chances of finding an answer have improved in recent weeks, as it is now known that Cuba will have less sugar to export next year than expected, because of a drop in her output. Whether a real long-term solution to the sugar question can be found is another matter. The sugar market, like so many others, is still overshadowed by heavy surplus supplies.

FOODGRAINS

In the Hapur market, Foodgrains prices manifested a steady trend due to poor arrivals in the face of a good consumer demand and the tense political situation in Goa. Wheat registered a rise of 50 nP to Rs 16 a maund for average quality and up to Rs 17.75 for the superior farm produce. The "rabi" crop is reported to be progressing under favourable weather conditions.

The market for Rice continued to rule quiet, thanks to the increased inflow of the new crop. Consumer demand is also slack. Gram prices have steadied up to Rs 15.12 a maund for the Punjab variety in response to a good consumer demand. Despite heavy arrivals, Maize is steady at Rs 12.50 to Rs 13.50 due to support from stockists. Bajra prices have advanced by 50 nP to Rs 14.75 due to seasonal demand. Among Pulses, Peas and Arhar have drifted

lower in the absence of loading facilities.

A sharp increase in the prices of indigenous wheat provided the main feature of trading in the Bombay market. Mounting political tension and the decision of the railways to cancel certain train services and suspend booking created a stir in the market. It was feared that the City might face a shortage of wheat in the absence of arrivals from the Punjab. Consequently, varieties grown in that State attracted a strong trade support, which resulted in an improvement of Rs 4 to Rs 5 per quintal.

Indigenous Rice reflected a slightly steadier undertone in sympathy with the strength in wheat. In the Coarse grains section, Bajra revealed a firm tone with the prices rising by Rs 2 to Rs 3 per quintal. Jowar also looked up by about a rupee due to improved offtake and higher upcountry advices. Pulses made, however, a mixed showing. The suspension for goods booking imparted strength to gram, which rose by about a rupee.

NON-FERROUS METALS

Prices on the Bombay Non-Ferrous Metals market have shown a mixed trend, while Tin and Copper are ruling firm, Zinc and Lead have tended to decline.

After an initial easiness on lower Singapore advices, Tin prices strengthened considerably on growing tension over the Goa and China borders and the reports that many trains had been cancelled as a result. The consequent wagon shortage gave rise to heavy short-covering and strong bull support. The absence of offerings, higher upcountry advices, smaller delivery orders and paucity of stocks—all these factors gave the market a sharp upswing.

In sympathy, Copper prices moved up. Importers and the manufacturers have generally welcomed the Government announcement of the procedure to be followed for the import of copper unwrought in various forms from the USA only against quota licences. Some manufacturers feel that, with the publication of the procedural details, the flow of the much-needed raw material will be made easier. Others, however, do not regard the announcement as affording a large relief to the producers. They say that the imports from the USA under DLF involve higher costs, greater delays and procedural difficulties. Meanwhile, producers will continue to be starved of their essential raw materials until the supplies are received in the country.

Zinc has suffered a further setback in the absence of support, selling by the manufacturers and increasing arrivals. Since the International Study Group on Zinc and Lead decided at Geneva, towards the end of October, not to impose any cuts on the production of zinc, the problem of excessive supplies in the face of lower consumption has been aggravated. Those who had accumulated stocks in the hope that the October 1961 to March 1962 licensing policy would bring about restrictions in imports in view of

the acute stringency of foreign exchange, were disappointed when they found that more zinc was likely to be brought into the country.

GOLD & SILVER

After initial firmness, prices on the Bombay Bullion Exchange displayed an easier tendency due to liquidation on reports that the Government was not in favour of war if the Lisbon authorities wanted the Goa issue to be settled by peaceful methods.

The initial firmness in Gold was mainly influenced by the political developments with regard to Goa. Arrivals of smuggled metal, which at one time amounted to 10,000 tolas, declined to 4,500 tolas owing to the strict vigilance of the Indian military on the Portuguese border. Although the arrivals dwindled, the offtake did not improve to the expected level. Gold freely changed hands at Rs 121.25 to Rs 121.40, while Sovereign ruled steady at Rs 98.75.

Although a little replacement buying and bear covering caused Silver prices to move up for a while, this was not sustained. Sentiment was adversely affected by political uncertainties. Arrivals amounted to 28 bars as against an offtake of only 14 bars. Ready (below 998) changed hands at Rs 210.05 to Rs 210.40.

OILS & OILSEEDS

The Bombay Oilseeds Exchange presented an excited appearance with both spot and forward prices fluctuating both ways on hectic speculative buying and nervous selling induced by political developments. Initially, buyers were active under the shadow of a possible war, while fears of local shortages of spot supplies encouraged buying and prices soared sharply. Later, the market returned to relatively sober conditions as the threat of immediate war tended to recede.

While the futures trading in Groundnut continued to be suspended with the January contract remaining at the ceiling, spot prices of groundnut and groundnut oil registered a sharp rise due to sustained support from crushers and vanaspathi manufacturers. Towards the end of the week, there was, however, a general feeling that, with the commencement of marketing of the new crop, the internal prices would seek lower levels and thereby strike a parity. Ground ready Bold was quoted at Rs 46 and Groundnut Oil at Rs 19.25.

In the Castorseed section, operators exploited political tension with a marked aggressiveness. Although the prospects of exports of castor oil continued to be bleak with domestic prices remaining above world levels, reports that Brazil had raised its prices by about 75 per cent provided a good enough bullish factor to the market. Castor ready was quoted at Rs 33 and Castor Oil, commercial quality, at Rs 14.

The Linseed section generally followed the pattern set by groundnut and castorseed. Linseed ready was quoted at Rs 43.50 and Linseed

Company Reports

Ballarpur Paper Fares Well

Although the impact of the cut in paper prices, as recommended by the Tariff Commission, is very much more than what the working results of the Ballarpur Paper & Straw Boards Limited show, the adverse effect has, to a large extent, been offset by increased production and better operating efficiency. Production of paper for the year ended 30 June, 1961, shows a rise to 12,925 tons from 11,859 tons, while sales have increased to Rs 2.40 crores from Rs 2.35 crores.

The net profit, after providing for Depreciation and Taxation, is higher at Rs 36.41 lakhs as against Rs 34.39 lakhs for the preceding year. Except for Dividend Equalisation Reserve which is raised to Rs 10 lakhs from Rs 7.50 lakhs, all other allocations have been reduced.—Depreciation to Rs 7.38 lakhs from Rs 12.94 lakhs; Taxation to Rs 25 lakhs from Rs 27 lakhs; Development Reserve to Rs 1.10 lakhs from Rs 1.28 lakhs and General Reserve to Rs 15 lakhs from Rs 15.50 lakhs. The directors have proposed a dividend of 14.5 per cent, taxable, on the increased ordinary capital as against 14.3 per cent, taxable, on the original capital.

The directors have, in their report, stated that the first consignment of the imported plant and machinery is expected to be around June-July, 1962. The last and final shipment in completion of supplies is expected to take in March, 1963. For the proper and efficient working of the new plant, a suitable training programme is being devised in consultation with the company's machinery suppliers in Paris and West Germany.

Mg. Agents—Karam Chand Thapar & Bros.				
	1961	1960	1959	
Year ended June	Rs.	Rs.	Rs.	
Sales	24,009,439	23,542,770	21,873,409	
Stocks	369,151	653,814	262,725	
Stock in progress	114,561	97,741	41,021	
Net profit	6,879,001	7,444,279	8,377,624	
Taxation	2,500,000	2,700,000	3,100,000	
Depreciation	738,423	1,293,560	1,239,776	
Reserve Fund	1,500,000	1,550,000	1,600,000	
Development Reserve	110,000	126,000	329,294	
Other Funds	1,000,000	750,000	...	
Div. Amount:				
Ordinary	970,273	818,097	572,065	
Div. A'mt Pref.	162,628	129,177	1,015,945	
Carry Forward	228,202	330,725	253,280	
Div. % Ord.	14.5T	14.3T	10	
Div. % Pref.	6.5T	7.14T	5*	
(Annual General Meeting on 28-12-61 at 3-30 p.m.)				
*Pref. dividend from date of incorporation to 30-6-59 at 5 per cent per annum.				
Synopsis of balance sheet as on the last day of June.				
Liabilities	1961	1960	1959	
	Rs.	Rs.	Rs.	
Capital Paid:				
5% P.C. Pref.	1,809,200	1,809,200	1,809,200	
Ordinary	14,153,925	5,720,650	5,720,650	
Forfeited shares	22,381	22,381	22,381	
Share Application Money	350,873	2,550,000	1,000,000	
Reserve Fund	4,050,000	1,763,920	887,920	
Other Funds	2,873,921	10,371,286	9,911,765	
Loans Secured	9,588,467	131,400	89,926	
Loans Unsecured	539,508	3,103,363	3,103,363	
Taxation Prov'n	5,454,991	5,622,102	4,879,383	
Debentures	4,085,879	4,488,041	4,879,383	
Carry Forward	228,202	330,725	253,280	
Total	43,157,147	32,809,758	27,477,867	

Assets			
G. Block	28,506,545	27,654,214	26,654,068
Depreciation	22,289,662	21,586,003	20,351,666
Block (net)	6,216,883	6,068,211	6,302,402
Cap. Exp. in progress	323,453	295,123	382,603
Adv. for Machinery	845,456	421,053	434,211
Mis. Expenses	407,895	5,153,800	5,359,541
Stores	5,042,180	97,741	41,021
Stocks in Progress	114,561	97,741	41,021
Stocks	369,151	653,814	262,725
Outstandings	979,948	808,347	765,955
Do. More than 6 months	598,526	...	...
Mis. Deposits and Advances	9,297,663	6,075,326	5,135,178
Investments	3,420,533	2,447,500	2,482,500
Deposits in Banks	12,528,405	5,000,000	4,500,000
Cash	3,012,493	5,788,843	1,311,731
Total	43,157,147	32,809,758	27,477,867

Phosphate Company Reduces Dividend

The rise in freight and customs duty on raw materials and the increase in the cost of packing are reflected in the working results of the Phosphate Company, Limited for the year ended 30 June, 1961. Although sales are higher at Rs 30.50 lakhs against Rs 27.54 lakhs, the net profit, after providing for Depreciation and Taxation, amounts to only Rs 5.78 lakhs as against Rs 8.40 lakhs for the previous year.

The Depreciation amount is raised to Rs 4.48 lakhs from Rs 1.13 lakhs, while Taxation provision is lower at Rs 4.90 lakhs against Rs 6.90 lakhs; Development Rebate Reserve at Rs 20,756 lakhs against Rs 49,428 and General Reserve at Rs 1.75 lakhs against Rs 2.00 lakhs. The dividend is reduced to Rs 25 per share, taxable, from Rs 35 per share, taxable.

The directors state that, although the Government has increased the price of super-phosphate with a view to compensate the rising cost of production, the full benefit of the price increase will be reflected only in the next accounts as the same became effective only from 11 May, 1961. Arrangements have been made with the ICICI for the foreign exchange requirement for the extension scheme. The expansion scheme is expected to come into operation by April, 1962.

Secretaries:—Bangur Brothers Ltd			
Year ended June	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	8,050,358	7,754,233	7,222,523
Stocks	641,005	1,104,850	740,062
Net profit	1,213,688	1,592,591	1,647,366
Taxation	490,000	690,000	830,000
Depreciation	148,120	112,941	109,474
Reserve Fund	175,000	200,000	200,000
Development Rebate Reserve	20,756	49,428	42,110
Div. Amount:			
Ordinary	375,000	437,500	450,000
Carry Forward	210,028	205,216	102,494
Div. % Ord.	25T	35T	45
(Annual General Meeting on 18-12-61 at 4.10 p.m.)			
Synopsis of balance sheet as on the last day of June.			
Liabilities	1961	1960	1959
	Rs.	Rs.	Rs.
Capital Paid:			
Ordinary	1,500,000	1,250,000	1,000,000
Reserve Fund	1,000,000	825,000	625,000
Other Funds	117,930	97,174	47,746
Loans Secured	1,298,308	902,086	765,351
Loans Unsecured	...	...	984
Taxation Prov'n	444,221	961,474	1,407,977
Debts	1,292,802	1,297,761	1,063,748
Carry Forward	210,028	205,216	102,494
Total	5,863,289	5,568,711	5,033,300

Assets			
G. Block	3,489,082	3,278,588	2,953,174
Depreciation	2,190,713	2,063,157	1,950,216
Block (net)	1,298,369	1,215,431	1,002,958
Cap. Exp. in progress	335,712	...	...
Stores	911,713	319,576	245,942
Raw Materials	1,021,137	1,388,487	1,356,080
Stocks	641,005	1,104,850	740,062
Outstandings	577,738	821,161	711,676
Do. More than 6 months	262,791	229,660	228,291
Mis. Deposits and Advances	789,448	431,647	589,718
Investments	13,841	33,841	137,735
Cash	11,535	24,058	20,835
Total	5,863,289	5,568,711	5,033,300

Carew Skips Dividend

The decline in sales from Rs 4.32 crores to Rs 3.01 crores is reflected in the working results of Carew & Company Limited for the year ended 30th June 1961. The net profit, after providing for Depreciation and Taxation, is lower at Rs 4.15 lakhs as against Rs 4.81 lakhs. However, all allocations have been raised.—Depreciation from Rs 3.50 lakhs to Rs 4.30 lakhs; Taxation from Rs 4.82 lakhs to Rs 11.42 lakhs; General Reserve from Rs 1.00 lakh to Rs 2.00 lakhs and Development Rebate Reserve from Rs 20,000 to 50,000. Debenture Redemption Reserve is maintained at Rs 1 lakh. Although the dividend on the Ordinary shares is passed over again, the directors had the intention of recommending the payment of at least one year's arrears of dividend on the Preference shares.

In the above connection, the directors state that negotiations are in progress regarding the proposed formation of a Pakistan company to take over the Darsana branch. One of the conditions laid down by the Government of Pakistan is that the assets of the proposed Pakistan company shall be free from any specific charge in favour of foreign creditors. As a consequence, the directors have been discussing with the bankers, the State Bank of India, which has a charge on the floating stocks of the Pakistan branch if it be prepared to forego this charge and accept in its place the pledging of the shares in the Pakistan company.

The State Bank of India has recently indicated that it may be prepared to do so, subject to certain conditions. One of these is that, until the overdraft in India is brought into line with the cover represented by the company's floating assets in India, the company shall not pay any dividends without the State Bank's consent. The company has made a reference back to the State Bank on this point. But, at the time of preparing this report, there has not been time to receive a reply. The directors, therefore, feel that, until the negotiations with the State Bank of India have been finalised, they are not in a position to recommend any payment of a dividend.

Secretaries:—Gladstone Lyall & Co., Ltd.			
Year ended June	1961	1960	1959
	Rs.	Rs.	Rs.
Sales	30,137,106	43,236,135	28,882,992
Stocks	11,708,534	6,733,441	11,897,880
Net profit	1,987,066	1,313,342	2,159,602*
Taxation	1,141,823	481,858	1,128,152
Depreciation	430,152	350,073	360,998
Reserve Fund	200,000	100,000	310,000
Development Rebate Reserve	50,000	20,000	58,000
Other Funds	100,000	100,000	300,000
Carry Forward	340,682	275,591	14,186
Div. % Ord.	Nil	Nil	NR
Div. % Pref.	Nil	Nil	NR
(Annual General Meeting on 29-12-61 at 11 a.m.)			
*After transferring Rs 100,000 from Reserve for doubtful debts.			

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

Liabilities	1961 Rs.	1960 Rs.	1959 Rs.
Capital Paid-up:			
6% RC Pref.	800,000	800,000	800,000
Ordinary	3,200,000	3,200,000	3,200,000
6% Debentures	1,750,000	1,750,000	1,750,000
Capital Reserve	246,000	248,000	400,000
Reserve Fund	273,948	265,224	265,740
Other Funds	1,560,000	1,360,000	1,230,000
Loans Secured	1,751,000	1,601,000	1,481,000
Loans unsecured	9,088,775	5,877,660	9,733,983
Taxation Provn.	479,606	159,397	37,428
Debts	2,072,374	1,227,927	1,856,162
Carry Forward	4,163,875	3,656,731	3,929,730
	340,682	275,591	11,180
Total	25,700,360	20,421,530	24,798,223
Assets			
G. Block	15,510,901	15,127,711	15,264,278
Depreciation	11,307,072	10,891,655	10,544,575
Block (net)	4,203,829	4,236,056	4,719,703
Capital Exp. in progress	303,462	310,111	14,352
Stores	4,740,789	4,166,836	4,643,965
Stock in Progress	48,897	49,564	49,122
Raw Materials	193,606	118,819	14,337
Stocks	11,509,001	6,598,685	11,624,064
Outstanding	2,848,043	3,311,632	1,917,294
Do. More than 6 months	448,661	...	...
Mis. Deposits and Advances	1,144,113	1,181,914	1,030,073
Investments	75,480	66,839	53,555
Cash	184,479	381,074	501,758
Total	25,700,360	20,421,530	24,798,223

Burrakur Coal Repeats

The Burrakur Coal Company Limited has reported a decline in sales from Rs 3.25 crores to Rs 3.22 crores and in the net profit from Rs 18.30 lakhs to Rs 16.86 lakhs for the year ended 30th June 1961. In this connection, the directors state that, although plans had been made and finance provided for a substantial increase in output during the year under review, this did not in fact materialise owing to a number of factors, including the shortage of transport, power, and explosives and the suspension of working at Budroochuck Colliery.

In respect of allocations, Statutory Development Rebate Reserve is increased to Rs 3.62 lakhs from Rs 2.28 lakhs, while the Depreciation amount is reduced to Rs 11.99 lakhs from Rs 12.19 lakhs and Taxation to Rs 11.62 lakhs from Rs 16 lakhs. No provision is made for General Reserve against Rs 1 lakh. The dividend on the Ordinary shares is, however, maintained at 13 per cent, subject to deduction of tax.

Raisings are higher at 13,09,305 tons against 13,06,528 tons, while despatches are lower at 12,79,394 tons against 12,85,397 tons.

Mg. Agents:—Bird & Co. (Private) Ltd.	1961 Rs.	1960 Rs.	1959 Rs.
Year ended June			
Raisings (Coal)	1,309,305	1,306,528	1,170,123
Despatches (Coal)	1,279,394	1,285,397	1,171,427
Sales	32,239,142	32,494,955	29,512,437
Mis. Sales and Royalty	5,352,516	5,769,944	4,966,955
Stocks	2,728,531	1,925,797	1,570,711
Net profit	4,047,024	4,661,289	4,507,100
Taxation	1,162,000	1,612,287	1,450,000
Depreciation	1,198,884	1,218,872	1,160,496
Reserve Fund	...	100,000	150,000
Development Rebate Reserve	362,000	228,000	350,000
Other Funds	...	...	75,000
Div. Amount:			
Ordinary	1,182,022	1,182,022	1,162,022
Preference	233,256	281,554*	167,986
Carry Forward	58,154	149,292	110,738
Div. % Ord.	13T	13T	13
Div. % Pref.	9.1T	9.1T	7
Div. % 2nd Pref.	5.328T	5.328T	6
Annual General Meeting on 29-12-61 at 10-30 a.m.			
*Includes Rs 48,296 being additional dividend on 1st Pref. shares for the year ended 30-6-1959.			

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

Liabilities	1961 Rs.	1960 Rs.	1959 Rs.
Capital Paid-up:			
7% C. Pref.	2,299,800	2,299,800	2,299,800
Ordinary	450,000	450,000	450,000
4% Debentures	9,092,480	9,092,480	9,092,480
Capital Reserve	2,000,000	2,000,000	2,000,000
Reserve Fund	5,223,962	5,220,962	5,289,799
Other Funds	2,110,365	2,097,994	1,966,637
Loans Secured	7,048,410	6,702,467	6,451,802
Loans unsecured	3,472,200	2,987,603	820,221
Taxation Provn.	1,110,07	1,510,384	2,718,884
Debts	10,611,002	10,298,675	9,453,708
Carry Forward	58,154	149,292	110,738
Total	43,923,400	42,809,657	44,753,869

Assets	1961 Rs.	1960 Rs.	1959 Rs.
G. Block	45,359,649	43,266,766	45,862,424
Depreciation	23,826,119	22,876,540	21,798,561
Block (net)	21,533,530	20,390,226	24,063,863
Cap. Exp. in progress	834,171	490,300	356,751
Stores	5,214,339	4,210,527	3,512,824
Stocks	2,728,531	1,925,797	1,570,711
Outstandings	7,645,320	9,590,642	8,802,176
Do. More than 6 months	1,358,493	2,040,331	...
Mis. Deposits and Advances	1,229,621	776,701	3,230,789
Investments	3,015,090	3,015,090	2,998,090
Cash	364,305	370,043	108,665
Total	43,923,400	42,809,657	44,753,869

Lower Profits for Orissa Minerals

The Orissa Minerals Development Company Limited has shown a substantial decline in the net profit from Rs 17.37 lakhs to Rs 11.29 lakhs for the year ended 30 June 1961, reflecting the decrease in the raisings and despatches of iron ore; lower output of manganese ore; depressed conditions prevailing in the manganese market and the decline in sales from Rs 1.31 crores to Rs 1.20 crores.

In respect of allocations, Depreciation is increased to Rs 5.61 lakhs from Rs 3.59 lakhs; Taxation to Rs 9.40 lakhs from Rs 8.40 lakhs and General Reserve to Rs 5 lakhs from Rs 4 lakhs. The provision for Statutory Development Rebate Reserve is lower at Rs 18,200 against Rs 2.08 lakhs. No provision is made for Building Reserve and Mechanisation Reserve against Rs 40,000 and Rs 3.00 lakhs respectively in the preceding year. The directors have recommended a final dividend of 18 per cent, making a total of 28 per cent, less tax, for the year as against 36 per cent, less tax, paid previously.

Mg. Agents:—Bird & Co. (Private) Ltd.	1961 Rs.	1960 Rs.	1959 Rs.
Year ended June			
Sales	11,996,500	13,075,312	11,530,845
Stocks	1,097,544	941,360	952,016
Net profit	2,584,674	2,889,957	2,868,736*
Taxation	940,000	840,000	1,150,000
Depreciation	561,072	359,300	291,700
Reserve Fund	500,000	400,000	200,000
Development Rebate Reserve	18,200	208,300	60,800
Other Funds	...	340,000	500,000
Div. Amount:			
Ordinary	560,000	720,000	720,000
Carry Forward	116,099	110,697	38,340
Div. % Ord.	28T	30T	36
Annual General Meeting on 29-12-61 at 11-15 a.m.			
*Includes Rs 64,300 being excess provision of Statutory Development Rebate written back.			

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

Liabilities	1961 Rs.	1960 Rs.	1959 Rs.
Capital Paid-up	2,000,000	2,000,000	2,000,000
Capital Reserve	...	763,460	...
Reserve Fund	5,789,084	1,455,422	1,054,922
Other Funds	626,146	4,400,393	3,582,262
Staff Pension Fund	...	...	228,205
Loans Secured	923,928	460,090	...
Taxation Provn.	800,456	919,523	2,413,896
Debts	4,992,738	6,017,018	5,322,899
Carry Forward	116,099	110,697	88,340
Total	15,246,451	15,363,143	15,453,984

Assets	1961 Rs.	1960 Rs.	1959 Rs.
G. Block	7,187,923	6,891,304	6,443,150
Depreciation	3,076,350	2,828,317	3,199,595
Block (net)	4,091,573	4,064,987	3,243,555
Cap. Exp. in progress	17,906	104,479	141,943
Stores	1,425,462	1,314,809	1,605,343
Stocks	1,097,544	941,360	952,016
Outstandings	2,731,117	3,284,284	3,744,127
Do. More than 6 months	1,409,451	808,664	...
Mis. Deposits and Advances	415,749	377,329	1,375,651
Investments	3,967,681	4,342,409	3,860,743
Deposits in Banks	...	...	300,000
Cash	91,968	124,822	230,606
Total	15,248,451	15,363,143	15,453,984

CSN Incurs Loss

The Calcutta Steam Navigation Company Limited has incurred a loss, after providing for Depreciation, of Rs 1.79 lakhs for the year ended 30 June 1961 as against a net profit of Rs 2.47 lakhs for the preceding year.

The Depreciation amount is reduced to Rs 3.13 lakhs from Rs 3.25 lakhs. In view of the loss, no allocations have been made for Taxation (Rs 96,000); General Reserve (Rs 50,000); Fleet Reserve (Rs 13,870) and Development Rebate Reserve (Rs 11,000). The dividend is passed over against Re 1 paid previously. The debit balance carried forward to next year is Rs 71,119.

The directors state that the company's activities were seriously affected owing to decreased available lighterage freight, one of the factors for which being reduced shipping in the jute goods trade. The result of these conditions is reflected in a substantial reduction of the company's income. So as to utilise the company's means to the best possible interest, fleet re-organisational measures have been adopted. Though the advantages of these steps are not expected to be derived immediately, the overall position should show an improvement, nevertheless. In concurrence with this programme, the company's resources will have to be retained for these immediate conditions.

Mg. Agents:—Hoare Miller & Co., Ltd.	1961 Rs.	1960 Rs.	1959 Rs.
Year ended June			
Boating Shipping & Hire of Steamer	2,016,036	2,516,111	3,22,887
Net profit	132,099	572,633	1,138,125
Taxation	...	96,000	420,000
Depreciation	312,581	325,385	409,895
Reserve Fund	...	50,000	...
Other Funds	...	24,870	178,400
Div. Amount:			
Ordinary	...	126,000	126,000
Carry Forward	—71,119	109,363	158,985
Div. % Ord.	Nil	10T	10
Annual General Meeting on 28-12-61 at 11-30 a.m.			

Liabilities	1961 Rs.	1960 Rs.	1959 Rs.
Capital Paid-up	1,260,000	1,260,000	1,260,000
Reserve Fund	574,337	574,337	524,337
Other Funds	858,633	872,790	651,520
Loans Secured	816,931	299,146	435,211
Loans unsecured	186,343	82,750	37,750
Taxation Provn.	539,891	737,500	641,500
Debts	646,768	673,177	1,060,867
Carry Forward	...	109,363	158,985
Total	4,882,703	4,609,063	4,950,170

Assets	1961 Rs.	1960 Rs.	1959 Rs.
G. Block	7,385,586	7,767,861	7,845,503
Depreciation	4,602,574	4,653,957	4,557,781
Block (net)	2,783,012	3,113,704	3,287,722
Stores	244,817	243,034	260,870
Outstandings	854,522	752,623	1,022,466
Do. More than 6 months	68,143	102,272	48,934
Mis. Deposits and Advances	852,861	392,480	324,678
Investments	3,720	...	...
Cash	6,419	4,950	4,700
Debit Balance	71,119	...	...
Total	4,882,703	4,609,063	4,950,170

For the Investor

INVESTMENT GOSSIP Hesitant Trend

Equity prices have tended to be steadier during the past few days although the undertone has continued to be rather hesitant. The recovery movement has been halting and values have moved both ways. The general feeling that prices last week had touched unreasonably low levels was aided by expectations of a favourable increase in steel retention prices. The fact that Hindustan Steel is anticipating an encouraging recommendation from the Tariff Commission in this regard has also been noted but active support for steel shares is yet to ensue although some improvement in rates has been recorded.

It is evident that political news is still the dominating influence in the stock market. There was a sizable recovery in rates on Thursday especially in the forward counters following indications of a peaceful settlement of the Goa issue. But it would appear that conditions will continue to be irregular so long as the matter remains unsettled. The fresh Chinese incursions and their subsequent threat to cross the border into India although temporarily relegated to the background will nevertheless continue to exert restrictive influence. Certain short-term adverse factors such as reports of payment difficulties in Calcutta, the anxiety about the outcome of this week's meeting of the Standing Committee of the Committee of Stock Exchange

THE BARNAGORE JUTE FACTORY COMPANY, LIMITED. (Incorporated in England with Limited Liability)

DIVIDENDS

In supersession of the previous notice the dividends on the Ordinary and Preference Shares in respect of the year ended 31st March, 1961, if declared, will be payable on 17th January, 1962, to those members whose names are registered in the Books of the Company on 20th December, 1961.

By Order of the Board,
ARDINE HENDERSON, LTD.,
D. FORDWOOD,
Secretary,
Agents.

Clive Row,
Calcutta-1,
17th December, 1961.

Presidents kept operators cautious.

Even so, support has been forthcoming, though haltingly, for selected shares in the cash list. The LIC has bought some shares and the expectation is that it will make further purchases in coming weeks. That a substantial amount of money is available for investment in equities is clear from the tremendous support that has been accorded to the India Carbon issue which is said to have been very heavily over-subscribed. A significant point in the recent shake out is the comparatively small loss sustained by the cash scrip and their quick recovery during the current week. It would appear that now that the automatic margin scheme has been brought into effect, operators are not finding it as irksome as they thought it would be.

NEW ISSUE NOTES Jeewanlal Limited

Messrs Jeewanlal (1929) Limited, Calcutta has been granted a consent to the issue of 3,60,000 equity shares of Rs 10 each and 18,000 cumulative redeemable preference shares of Rs 100 each carrying a rate of dividend of 9½% free of company's tax but subject to deduction of tax at source at the prescribed rates. The company's existing capital is Rs 72 lakhs in equity shares. The company proposes to establish a rolling mill for aluminium industry in the Madras State at a cost of Rs 171.5 lakhs which will be met partly by issue of capital and partly by loans. The equity shares will be offered in the first instance to the existing shareholders in the proportion of 1 new share for every two shares held.

Hindustan Electric Company

Messrs Hindustan Electric Company Limited, Bombay, has been granted consent to issue capital of Rs 60 lakhs divided into 60,000 equity shares of Rs 100 each for cash at par. The entire issue will be made to Messrs Brown Boveri & Co. of Switzerland. The proceeds of the issue would be utilised for the manufacture of AC & DC generators, circuit breakers, isolators, instrument transformers etc. The company has a paid up capital of Rs 80 lakhs (Rs 60 lakhs in equity and Rs 20 lakhs in preference).

H. K. Steel and Wire Ropes

Messrs H. K. Steel and Wire Ropes Limited, Bombay, a new company, has been granted consent to issue

capital of Rs 55 lakhs for cash, at par, divided into 45,000 equity shares of Rs 100 each and 10,000 cumulative redeemable preference shares of Rs 100 each carrying a dividend of 9.5% free of company's tax, but subject to deduction of taxes at source at the prescribed rates. Of this, equity shares of the value of Rs 12.5 lakhs would be offered to a West German firm. The proceeds of the issue will be utilised for the manufacture of steel wire ropes.

Barium Chemicals

The Barium Chemicals Limited, New Delhi, has been granted consent to the issue of capital of Rs 50 lakhs, for cash, at par, in 40,000 equity shares and 10,000 (free of company's tax but subject to deduction of all taxes at source at the prescribed rates) cumulative redeemable preference shares of Rs 100 each. The proceeds will be utilised for setting up a factory in Andhra Pradesh for the manufacture of barium chemicals etc.

Bharat Fritz Werner

Messrs Bharat Fritz Werner (Pvt.) Limited, a new company registered on October 17, 1961 in the State of Mysore for the manufacture of Milling Machines, has been granted consent to the issue of Rs 30 lakhs, divided into equity capital of Rs 24 lakhs and preference capital of Rs 6 lakhs carrying dividend @ 9.5% free of company's income-tax but subject to deduction of tax at the prescribed rates. Out of this issue, equity shares of the value of Rs 10,79,900 will be allotted to the West German collaborators against supply of machinery, and the balance will be issued for cash at par.

Indian Hume Pipes

The Indian Hume Pipe Company Limited, Bombay, has been granted consent to issue Debentures of Rs 50 lakhs, divided into 5,000 7% taxable debentures of Rs 1000/- each, for cash, at par. The proceeds of the issue shall be utilised for redeeming business activity of the company. The company has a subscribed and paid-up capital of Rs 100 lakhs (Rs 60 lakhs in equity and Rs 50 lakhs in preference).

Sun Paper Mills

Sun Paper Mills Limited, Madras, has been granted consent to issue equity capital of Rs 30 lakhs for cash at par. The proceeds will be utilised for setting up a paper mill in Tirunelveli District, Madras.

Lodha Colliery

The Lodha Colliery Company (1920) Limited, Calcutta, has been granted consent to the issue of capital of Rs 23 lakhs in 23,000 equity shares of Rs 10/- each, at a premium of Rs 7.50 nP per share. The capital is required for the development of the company's collieries in the Third Five Year Plan period. The shares will be offered for public subscription by

means of a prospectus. The existing paid up capital of the company is Rs 87 lakhs.

carrying a taxable dividend of 9.3 per cent. The promoters, directors and their friends have taken up equity shares worth Rs 4.25 lakhs. The Government of Madhya Pradesh has agreed to subscribe 10,000 equity shares. A West German, the foreign collaborator, has indicated its interest in an option to purchase, within one year from 25 October, 1961, shares of about Rs 35,500 and the promoters may give this option, subject to the approval of the Government. The present issue is for 60,000 equity shares of Rs 10 each and 3,750 cumulative redeemable preference shares of Rs 100 each. The entire issue has been underwritten. The subscription starts on 18 December and closes on 27 December unless closed earlier or later at the discretion of the directors, but not before 21 December 1961. The company hopes to commence production towards the end of 1962.

ACTS

Fertilisers & Chemicals (Travancore), Limited is engaged in a big expansion and additional funds are needed for the purpose. The authorised capital is proposed to be raised to Rs 10 crores from Rs 5 crores and the subscribed capital to Rs 7½ crores from Rs 3.46 crores. Including the shares already issued, but not subscribed for, 40,38,478 equity shares will be offered for subscription. The concerned State Governments can be expected to take up large portions of this issue; but it will presumably be necessary to offer some portion for subscription in the open market.

ICM

The Delhi Cloth & General Mills Company, Limited has decided to sue Debentures worth Rs 2.5 crores in the third week of this month. The whole issue is to be underwritten. The LIC has agreed to underwrite debentures worth Rs 1.5 crores, while Rs 25 lakhs worth of debentures will be underwritten by the three subsidiaries of the LIC. The Debenture stock will be issued at 8½ per cent per annum and is repayable after 10 years at the rate of Rs 50 lakhs per year. Out of Rs 2.5 crores, a sum of Rs 1 crore will be utilised to repay the existing 5½ per cent debentures. The present debenture holders have been given the option of conversion. The directors have the option of redeeming the debenture issue earlier and in such a case a premium of 50

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Central Office: **MADRAS**

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S. N. K. SUNDARAM,
Managing Director.

on Rs 100 will be paid. The proceeds of the issue will be utilised for financing the PVC and rayon tyre chord projects.

INVESTMENT NOTES Indian Tube

The Indian Tube Company, Limited has almost finalised its plans for setting up another Fretz Moon plant for the manufacture of 110,000 tons of steel tubes. The expansion scheme will involve a capital outlay of Rs 3.5 crores. Of the total of Rs 1.20 crores of foreign exchange required for the project, a part will come from increased equity participation by Stewarts & Lloyds of the UK who hold 40 per cent of the present capital investment in this joint venture with TATAS. The balance is expected to be raised through a loan in foreign currencies from institutional agencies.

INVESTMENT BRIEFS

Woodcote Estates, Madras, have skipped the dividend for the year ended 30 June, 1961. The name of Blue Mountain Estates Limited has been changed to "Blue Mountain Estates & Industries Limited with effect from 2 December, 1961.

BALANCE-SHEET BRIEFS

India Machinery Company, Limited has reported a rise in the net profit, after providing for depreciation and taxation, from Rs 1.45 lakhs to Rs 2.29 lakhs for the year ended 30 June, 1961. The directors have proposed a taxable dividend of 7 per cent on the Ordinary shares as against a tax-free dividend of 4 per cent for the preceding year.

The Saurashtra Cement & Chemical Industries Limited has earned a gross profit of Rs 22.44 lakhs for the year ended 30 June, 1961. The dividend is passed over and the deficit carried to next year amounts to Rs 57.56 lakhs.

STOCK EXCHANGES Activity at a Low Ebb

Watch-Dog Writes:

STOCK markets have continued to be in a crippled state. In view of the tension still continuing over the Goa situation, business has been at a low ebb as operators are marking time. The general feeling is that the trend of the market will rest or depend on the political development. Trading on the Calcutta Stock Exchange remained dull and featureless with price movements remaining narrowly irregular.

Prices on the Bombay Stock Exchange displayed an easier tendency although feeble attempts at a mild recovery were made towards the close.

Business was thin on the Madras Stock Exchange where the buying support continued to be feeble and the general tendency easy.

CALCUTTA

Friday Evening.

FOR the third week in succession, the local stock exchange was in a demoralised state and prices recorded fresh lower levels due to renewed liquidation. It was only during the closing days of the week that a feeble endeavour at rally was witnessed.

The shake-out started as a result of uncertainties in the political field created by the reports of renewed tension over the Goa situation followed by the Indian troop movements to the border areas. Not that there was any panic over the possibility of a flare-up on the Goa issue; but uncertainties were there as to, in that eventuality, how much dislocation of railway traffic, etc, would be caused.

Naturally, bulls got shy and preferred to lighten their commitments. This tendency to release holdings provided an opportunity to bears to start short-selling. Sentiment was also affected by the reports of one party having failed to make payments against the recent settlement. The result was, that equities rolled down helplessly until it was appreciated that there was no justification for the panic. A slow process of replacement buying started to enable the market to stage a partial recovery from the low levels touched early in the week.

There was, however, a considerable shrinkage in the volume of business. This was due to a cautious attitude adopted by the operators, who had suffered much loss during the recent debacle. Moreover, nobody anticipated that the crash in a couple of days would be so heavy as to demoralise the market so badly and disrupt the confidence.

Gilt-edged securities continued to rule quiet and the turnover was restricted in the absence of any buying enquiry. Prices of State Loans displayed an easier tendency. 3 per cent 1966 Conversion Loan hovered idly around Rs 71.

Bank shares were, however, a steady feature on the view that the profits would be higher this year. It is said that advances have been increased along with lending rates, while deposit rates have been held down. Punjab National were supported up to Rs 20.25 and United Commercial up to Rs 92.

There was little doing in the Jute section. It was feared that, if the prices of manufactured goods were not maintained at a commensurate satisfactory level, the mills might have to face adverse working. The decision made by the IJMA to continue the 2½ per cent loom unsealing for an extra month had also a bearish effect on sentiment. Ganges were on offer at Rs 12.19 to Rs 12.44. Howrah at Rs 20.12 to Rs 20.37; New Central at Rs 16.19 to Rs 16.37 and Megna at Rs 12.31 to Rs 12.44.

Nudea were, however, fairly steady at Rs 64 following the revival of the rumours with regard to the amalgamation of this company with a more promising concern (Gourepore Mills) in the same managing agency group.

Coal shares lacked any buying interest on reports that many collieries

would find it difficult to obtain money for expansion and the raisings had been affected by the large accumulation of stocks at the pit-heads. East Indian eased off to Rs 32.81 from Rs 33; Central India to Rs 11.87 from Rs 12.06 and Western Bengal to Rs 9.28 from Rs 9.37. Burrakur fluctuated rather irregularly between Rs 18 and Rs 18.31 due to alternate buying and selling, to close finally at Rs 18.25.

Except for some support lent to the shares of those gardens producing quality teas following an improvement in the prices obtained at this week's auction, the Tea section was devoid of any feature. Brooke Bond changed hands at Rs 15.75 to Rs 16.12; Bhatkawa at Rs 19.37 to Rs 19.50; Jay Shree at Rs 18.69 to Rs 19 and Tezpara at Rs 16.87 to Rs 17.06.

The slow offtake of the sweet commodity and the obscure outlook for the industry were reflected in the Sugar section where buyers were inclined to be rather cautious. The only two steady features were Carew and Cawnpore, having sustained support up to Rs 13.31 and Rs 13 respectively. Raza/Buland were, however, quiet at Rs 10.25 against Rs 10.50 and SKG at Rs 10.50 against Rs 10.87.

Textile scrips declined on a broad front although a modest recovery in prices was noticed towards the close. Cawnpore were depressed at one time to Rs 8.87; Dunbar to Rs 31.56; Kesoram to Rs 29.44 and J. K. Rayon to Rs 18.75, closing finally at Rs 9.00; Rs 31.62; Rs 29.75 and Rs 19 respectively.

In the week's dealings, speculative issues were the worst affected under the lead of Indian Irons which, in turn, were hit hard due to nervous liquidation. Against the previous week-end closing of Rs 24.26, Indian Irons opened lower at Rs 24.16 and receded further to Rs 23.72 before closing finally at Rs 24.14. In sympathy, TEXMACO were marked down at one time to Rs 21 from Rs 21.60 and Guest, Keen, Williams to Rs 38.62 from Rs 39.12 to improve towards the close to Rs 21.30 and Rs 39 respectively. Kumardhubi came in for some enquiry up to Rs 7.06 from Rs 6.87 with Indian Standard Wagon changing hands at Rs 11.4 to Rs 11.6. J. K. Steel turned quiet at Rs 21.47 against Rs 21.75 due to lack of fresh support.

The Miscellaneous section recorded a considerable fall in prices in the middle of the week, though some of the issues emerged with minor gains on balance. The following table shows the price trends of a few selected shares:—

	As on 9 Dec.	Low- est Rs	As on 15 Dec. Rs
Orient Paper	39.60	38.80	40.25
Shree Gopal	26.50	26.00	26.25
Sirpur	16.82	16.12	16.50
J. K. Synthetics	13.87	13.75	13.94
H. Aluminium	14.94	14.94	15.84
Asso. Battery	36.00	35.37	35.62
Goodyear	40.75	40.25	40.37
Alkali Chemical	42.37	42.25	42.37
H. Motor	20.12	19.81	20.50
I. Cable	35.31	34.94	35.37
I. Aluminium	37.44	36.87	37.37
I. Steamship	7.37	7.25	7.50
I. Copper	4.79	4.74	4.77
BIC	10.53	10.12	10.37

Indian Finance

16 December 1961

RESERVE BANK OF INDIA ISSUE DEPARTMENT: (In 000's of Rupees).

	Week Ended	8-12-61	1-12-61	9-12-60
LIABILITIES:				
Notes in Banking Dept.	12,37.54	9,37.58	12,16.30	
Notes in Circulation	1947,89.33	1908,41.84	1862,72.20	
	1960,26.87	1917,79.42	1874,88.50	
ASSETS:				
A Gold Coin & Bullion:				
(a) In India	117,76.03	117,76.03	117,76.03	
(b) Outside India	...	...	...	
Sterling Securities	116,86.07	116,86.07	123,00.89	
Total A	234,62.10	234,62.10	240,76.92	
(B) Rupee Coin	121,81.32	124,33.74	127,06.01	
Rupee Securities	1603,89.45	1558,88.58	1502,02.57	
	1960,26.87	1917,79.42	1874,88.50	

	Week Ended	8-12-61	1-12-61	9-12-60
LIABILITIES:				
Capital Paid-up	5,00.00	5,00.00	5,00.00	
Reserve Fund	80,00.00	80,00.00	80,00.00	
National Agricultural Credit (Long-term Operations)	50,00.00	50,00.00	40,00.00	
National Agricultural Credit (Stabilisation) Fund	6,00.00	6,00.00	5,00.00	
Deposits:				
(a) Central Govt.	53,76.30	53,41.80	50,82.91	
(b) Other Govt.	10,18.69	15,34.10	15,24.26	
(c) Banks	74,33.05	78,16.45	99,22.38	
(d) Others	157,14.00	147,02.68	90,06.95	
Bills Payable	20,78.58	23,08.31	24,21.95	
Other Liabilities	36,75.84	37,13.68	30,24.19	
	483,96.46	495,17.02	431,82.64	
ASSETS:				
Notes	12,37.54	9,37.58	12,16.30	
Rupee Coin	1,95	4,04	2,02	
Subsidiary Coin	2,52	3,29	7,39	
BILLS DISCOUNTED:				
Internal	...	...	...	
External	...	...	...	
Govt. Treasury Bills	22,69.07	19,76.13	19,97.25	
Loans held abroad*	29,93.10	28,82.01	24,61.23	
Loans & adv. to Govt.*	73,10.34	66,47.14	40,39.74	
Other Loans & Adv.	122,25.98	131,02.62	124,62.01	
Investments	179,62.90	214,68.08	193,85.84	
Other Assets	25,43.06	35,31.94	16,10.86	
	483,96.46	495,17.02	431,82.64	

	Week Ended	8-12-61	1-12-61	9-12-60
LIABILITIES:				
Capital Paid-up	5,00.00	5,00.00	5,00.00	
Reserve Fund	80,00.00	80,00.00	80,00.00	
National Agricultural Credit (Long-term Operations)	50,00.00	50,00.00	40,00.00	
National Agricultural Credit (Stabilisation) Fund	6,00.00	6,00.00	5,00.00	
Deposits:				
(a) Central Govt.	53,76.30	53,41.80	50,82.91	
(b) Other Govt.	10,18.69	15,34.10	15,24.26	
(c) Banks	74,33.05	78,16.45	99,22.38	
(d) Others	157,14.00	147,02.68	90,06.95	
Bills Payable	20,78.58	23,08.31	24,21.95	
Other Liabilities	36,75.84	37,13.68	30,24.19	
	483,96.46	495,17.02	431,82.64	
ASSETS:				
Notes	12,37.54	9,37.58	12,16.30	
Rupee Coin	1,95	4,04	2,02	
Subsidiary Coin	2,52	3,29	7,39	
BILLS DISCOUNTED:				
Internal	...	...	...	
External	...	...	...	
Govt. Treasury Bills	22,69.07	19,76.13	19,97.25	
Loans held abroad*	29,93.10	28,82.01	24,61.23	
Loans & adv. to Govt.*	73,10.34	66,47.14	40,39.74	
Other Loans & Adv.	122,25.98	131,02.62	124,62.01	
Investments	179,62.90	214,68.08	193,85.84	
Other Assets	25,43.06	35,31.94	16,10.86	
	483,96.46	495,17.02	431,82.64	

(1) The item 'Other Loans and Advances' included Rs 70,00,000 advanced to scheduled banks against unsecured bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA (In 000's of Rupees).

	Week Ended	8-12-61	24-11-61	1-12-61
Demand Liabilities in India				
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	25,21.53	23,58.76	24,56.35	
(ii) Other demand liabilities	770,59.24	828,56.29	824,76.38	
Time Liabilities in India				
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	16,79.04	20,69.67	19,91.30	
(ii) Other time liabilities	1192,26.82	1227,62.55	1180,57.10	
Borrowings in India from the State Bank and/or a notified Bank				
(i) Demand Liabilities	8,62.06	7,86.55	6,90.24	
(ii) Time Liabilities	1,95.85	10,06.34	9,49.47	
Borrowings in India from the R. B. I.	20,07.97	23,32.35	3,23.30	
Cash in India	44,73.52	48,86.79	46,98.35	
Balances with the Reserve Bank of India	87,37.96	79,81.47	75,26.00	
Balances with other banks in current account in India	15,43.32	16,61.38	15,69.38	
Money at call and short notice in India	37,04.77	51,13.35	51,18.15	
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Department Receipts	685,78.73	619,67.75	624,49.40	
Advances in India	968,60.02	1043,19.30	1048,76.17	
Island Bills Purchased and Discounted in India	196,73.94	143,85.54	144,80.84	
Foreign Bills Purchased and Discounted in India	47,29.11	43,74.15	46,40.56	

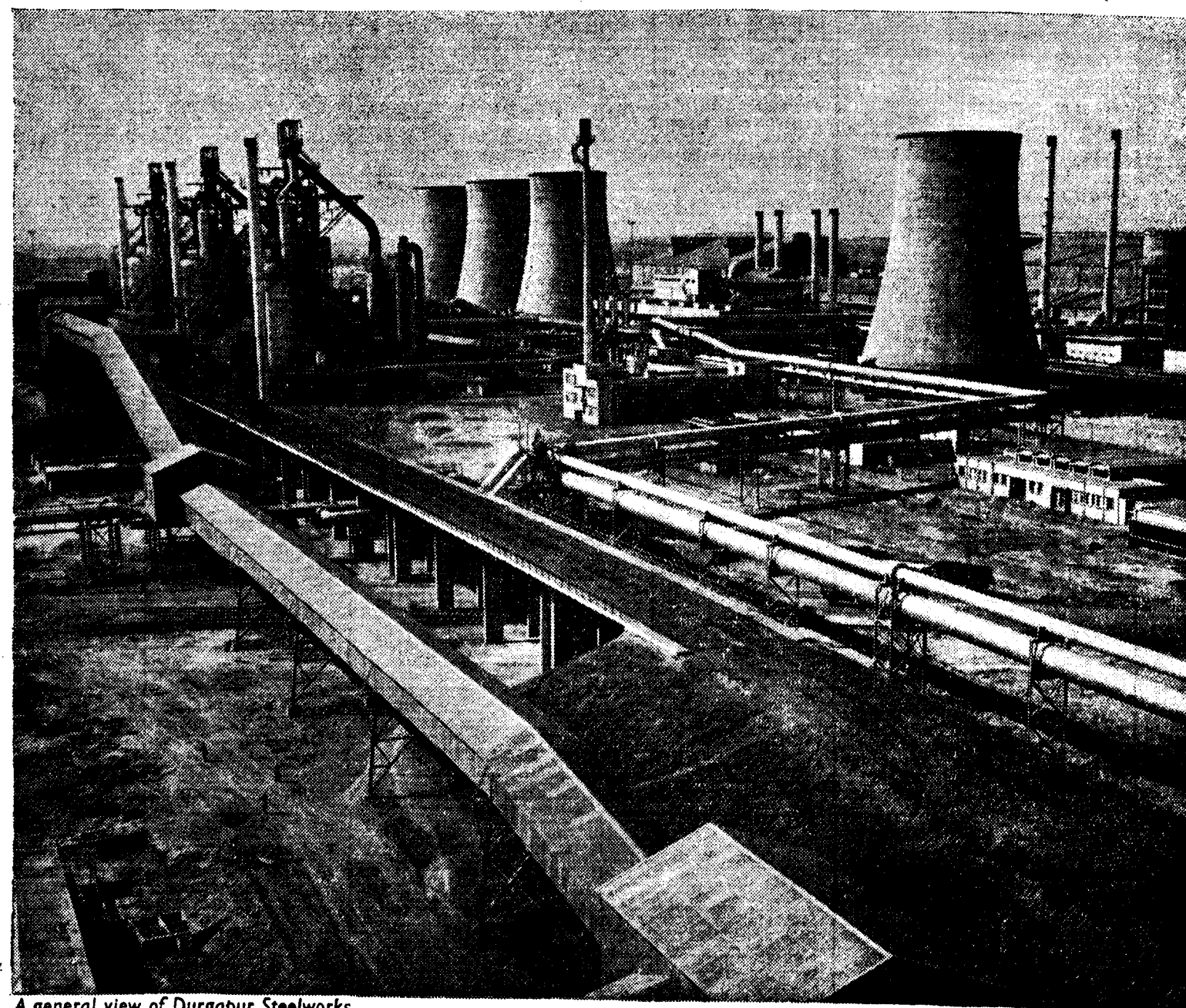
	Week Ended	8-12-61	24-11-61	1-12-61
LIABILITIES:				
Notes in Circulation	12,37.54	9,37.58	12,16.30	
Notes in Banking Department	1947,89.33	1908,41.84	1862,72.20	
Deposits and other Accounts	528,15.65	532,05.01	577,83.16	
Borrowings from other Banks, Agents, etc.	1,56.25	96.00	1,62.00	
Bills Payable	8,75.49	9,14.27	7,67.89	
Bills for Collection as per contra	2,81.98	2,87.31	1,97.07	
Acceptances etc. for constituents as per contra	81.46	77.90	1,55.49	
Other Liabilities Including Inter-office Adjustments	19,76.89	10,51.91	18,71.68	
Total	574,94.22	578,39.90	622,19.79	
ASSETS:				
Cash in hand and with R. B. I.	21,18.45	19,47.89	24,93.35	
Balances with other Banks	3,80.25	3,85.30	2,69.35	
Money at call and short Notice	1,86.66	1,46.67	86.67	
Government and other Trustee Securities	253,35.77	266,34.07	325,16.86	
Other Authorized Investments	9,28.88	9,33.88	10,19.75	
Loans Advances cash credits & Over Drafts	228,13.58	227,64.65	202,76.55	
Bills Discounted and Purchased	16,36.60	16,18.27	16,10.94	
Bills for collection as per contra	2,81.98	2,87.31	1,97.07	
Constituents' Liabilities, etc., as per contra	81.46	77.90	1,55.49	
Dead Stock	3,34.38	3,14.13	2,46.75	
Other Assets	34,96.21	37,29.83	33,47.01	
Total	574,94.22	578,39.90	622,19.79	

* Figures are provisional since complete returns have not been received from Banks.
A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA (In 000's of Rupees).

	Week Ended		
	8-12-61	1-12-61	9-12-60
LIABILITIES:			
Capital Paid-up ...	5,62.50	5,62.50	5,62.50
Reserve Funds ...	7,45.00	7,45.00	7,20.00
Deposits and other Accounts ...	528,15.65	532,05.01	577,83.16
Borrowings from other Banks, Agents, etc. ...	1,56.25	96.00	1,62.00
Bills Payable ...	8,75.49	9,14.27	7,67.89
Bills for Collection as per contra ...	2,81.98	2,87.31	1,97.07
Acceptances etc. for constituents as per contra ...	81.46	77.90	1,55.49
Other Liabilities Including Inter-office Adjustments. ...	19,76.89	10,51.91	18,71.68

DURGAPUR STEELWORKS



A general view of Durgapur Steelworks

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BRITISH COMPANIES WORKING FOR INDIA

Indian Finance

Indian Finance
Saturday
23 December 1961
Volume LXVIII No 25
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HIGHLIGHT OF THE ISSUE

A political anachronism has come to an end in Goa.
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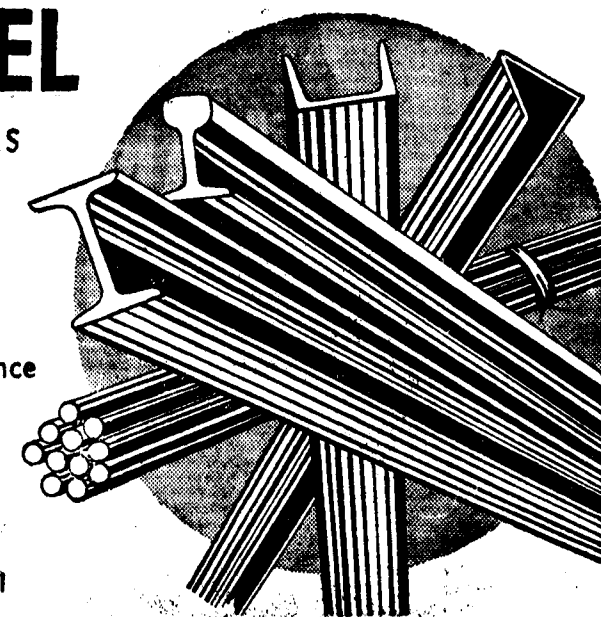
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The End of an Anachronism

WITHIN twenty seven hours of the com-
mencement of the operations, Indian troops
have put an end to a political absurdity
that ought to have ended at least fourteen
years ago. But the swiftness with which
the end came is less remarkable than the
exemplary patience with which this drama-
tic end was vainly sought to be avoided.
People who virtuously accuse India of hav-
ing besmirched her fair name would do well
to recall their own precipitateness on occa-
sions when they rushed to military action on
the most disreputable of excuses. And they
will not have to strain their memory too
hard by going further back than the fifties,
though if they did, they may feel their moral
style even more cramped. The US can re-
call its little adventure in Cuba early this
year, which, everyone, out of consideration
for the US, is trying his best to forget. Mr.
Adlai Stevenson, with whose misfortune
in having to justify American action in Cuba
we all sympathised, would be less ready to
be unctuously shocked at India's action if he
remembered half the sophistries he had to
think up on that occasion. And as for the
United Kingdom, it has, apart from its clas-
sic acts like its annexation of Sind which its
historians would hardly care to remember,
others more recent to live down. Suez, which
has in its ignobly different way, burnt itself
into English history as indelibly as Dunkirk,
is an embarrassment to be vicariously avenged
whenever an opportunity offers itself.
More recently, India has offended Britain by
pursuing to its logical conclusion the impli-
cations of the UN resolution on the Congo.
But these two nations which have in other con-
texts professed to find colonial pretensions
intolerably anachronistic shed all these
professions the moment any practical steps
are taken to put an end to them. In any
event, it is fair to ask them to find a justi-
fication for their acts that will at all com-
pare favourably with India's in regard to
Goa. In particular, they may be asked to
show how patient they were on all the occa-
sions they felt themselves impelled to take
the actions they took.

For fourteen years, the Government of India
has been under mounting pressure of public
opinion in the country to bring Goa back in-
to the Indian fold where, it is admitted by
all except Portugal, it properly belongs. The
Government of India has shown great reluc-
tance to do anything that might jeopardise
the chance of Portugal following the exam-
ple set by Britain and later and less readily
by France. (The de jure transfer of for-
mer French possessions in India was formally
ratified by France only recently.) But
Portugal had not only not shown the slightest
indication that it proposed to do anything of
the kind. On the other hand, it had taken
an arrogant and offensive attitude of pre-
tending that there was nothing to discuss or
negotiate. It took a legalistic stand as-
serting that Goa and other Portuguese pos-
sessions in India and Africa were part of Por-
tugal itself. Some encouragement to the
theory was given by the former US Secre-
tary of State, Mr. Dulles. The US has since
authoritatively renounced this rather odd
position and Mr. Galbraith reiterated the

other day at Jaipur that Goa was nothing
but a colony. Elsewhere and at other con-
texts, American opinion has been imploring
Portugal to get out of the twilight of the
Middle Ages. President Kennedy himself has
been advising Portugal to come to terms
with the legitimate urges of the peoples over
whom Portugal was ruling. There has been
no evidence whatsoever that any of these
hortatory and homilistic utterances made the
slightest impression on Portugal. In all
these fourteen years, the Government of
India had been holding firmly under check
any temptation to do anything remotely
resembling queering the pitch for a possible
peaceful settlement of the problem. In so
doing it had estranged itself from popular
and even instructed public opinion which
was inclined to think that the government
was shirking basic national duties by clutch-
ing at an illusory international prestige.

The more recent incidents in the environs
of Goa had created in Goa a political and
administrative vacuum fraught with the
gravest consequences. The fact that the
resistance to Indian troops was almost non-
existent showed how complete was the polit-
ical emptiness in the enclaves. It would be
wholly hypocritical to pretend that India should
have stood by and looked on unconcernedly
while the enclaves were in danger of passing
from the hands of the Portuguese authori-
ties who had abandoned their duty to rule
to the lawless elements who would have only
taken advantage of the situation.

At the United Nations, the Western powers
simulated more sorrow than anger that India
should have committed what they had the
hardihood to describe as an act of aggression.
They invoked the charter with a hypocrisy
that is stunning by its enormity. We can
easily retort, "Physician, heal thyself", but
we have a better answer. We know the
unavowed sources of this righteousness but
we need not point to them to justify our
action. The draft resolution that the Afro-
Asian members of the Security Council pre-
sented for the Council's consideration and
which the Council rejected puts the case
for the Indian action with a fair degree of
accuracy. The time has come to drop all
pretence and ask what precisely is meant by
the UN resolution on Colonialism passed
during the last session of the General As-
sembly. India has already become a victim
of the semantic legerdemain of Britain and
other European powers in the Congo im-
broglio. The resolution on Colonialism is
similarly sought to be rendered nugatory.
Time was when the Western Powers used to
profess to consider the wishes of the Gen-
eral Assembly sacred. But the fact that the
composition of the General Assembly has
changed somewhat nearer to reflecting the
realities of world geography has imparted a
sudden coolness to this profession.

We would be sad to think that Britain and the
US feel that India has done anything which
is even remotely untenable. But it would
be a sad day for us if we were to feel obliged
to mollify indignation motivated by un-
avowed animations of a disreputable kind.
India's conscience is clear. We wish we
could say the same thing of our detractors.

Limits of Afro-Asian Trade

(CONTRIBUTED)

THE Third Plan looks for an increase in India's trade with West Asia as well as the West Indies. Close economic relations with the ECM are now demanded by the foreign exchange position as also by the economic growth recorded by the advanced countries which are commended for giving aid but more is demanded as Prof. F. C. Benham has argued in a recent book issued by the Royal Institute of International Affairs recently. The book may be described as a real effort in persuasion. And unluckily it seems to have escaped general notice so far in India. The under-developed countries endorse the view that aid through trade should be made available and that the UN should play a greater part in passing on economic aid, prescribed as 1 per cent of the national income of the affluent countries including West Germany.

Since the greater part of India's trade is now with the USA and Western Europe, the outlook is not clear. India's trade with Burma was greatly curtailed in 1959-61 and the new tariff introduced this year is a formidable obstacle to Indian exports. The economic policy of Malaya or Indonesia may change, but the scope for Indian manufacture is dependent upon prices and deliveries. The tariffs of East Africa are mainly for revenue but not long ago, Zanzibar raised customs duties on a wide range of imports. And that too may cause concern when there is a plea for a low customs zone in Afro-Asia. The supply of manufactured goods in return for raw materials can be enlarged only if duties are kept down and the South East Asian countries on their part undertake to relax import control.

The oil exporting countries can do it without difficulty or delay so as to help India or Hongkong which are industrially advanced today. But the others, like Ceylon, may not be in a position to do the same, because the UK may not provide for them an assured market in future. The offtake of vegetable oils or oilcake in SE Asia may be limited because there is a demand for development of oil-crushing in the countries and the fact that India cannot sell machinery on a large scale must also be given due weight at present. There is, however, the fact that India imports from Burma or Iran more than she exports. The foreign trade returns for 1960-61 point to an adverse balance of trade not only with the USA or West Germany but with Afghanistan and the Sudan. The trade of India with the Philippines is negligible and exports to Thailand have fallen away. The STC can hardly hope to break new ground for Asian countries like Burma are still anxious to develop local agencies in the handling of foreign trade. Whether they will be ready to give up export duties in order to cheapen their goods, if and when sold to India, is a minor issue as compared with an agreement to adopt preferential tariffs among themselves.

It is also necessary to remember in Afro-Asian contexts that there are areas of clashing economic interests. For instance, African countries are rivals of India in selling coffee or cotton to Europe. They are also eager to sell mineral ores in order to obtain essential imports. And the control of economic life by foreign capital is pronounced in countries like Ghana or Malaya. This is a separate but relevant issue. The chances of India doing more

through old established agencies like the Bombay-Burma Trading Co. appear limited. For one thing is patent. The Governments in most countries try to think of regulating trade in line with political ties and the approval of Africans of neutralism does not mean that they can do much to help India out. The returns suggest that as trading partners even now Australia and New Zealand are more stable and promising than Kenya or Egypt. And the latest official analysis will also convey the impression that Nigeria or Kuwait is far more promising than Indonesia or Egypt. The fluctuations from year to year may be neutralised by long-term arrangements for getting Sudanese or Ugandan cotton in the future. The really important point is that a lot of the import surplus has to be paid for in sterling and the Indian currency reserves cannot stand the drain. This has to be explained, because the import controls in force make nonsense of the arguments for expanding regional trade. The fact that in the last century Western India had a vital trade connection with East Africa (described by Sir Richard Burton of Arabian Nights fame) counts for little at present. What is really important is whether Indian goods in respect of quality and price can compete either with Italy or Japan which has made a comeback in all export markets.

The Export Councils can ascertain easily the existence of competition but the incentives for Indian exporters can only be provided by the Government. The supply of salt or sugar on deferred payment terms to African countries that may decline to purchase from Natal appears a distinct possibility. But so far, India has been trying to reach only the US market because the price offered is higher and India hopes that Cuba's disappearance as a supplier to the USA has created the essential opening. The East African countries are now trying to start sugar mills. The experts at Delhi may well ask them to restrain ambitions and content themselves with sale of cotton in return for Indian sugar. The law of comparative costs is usually ignored at present. But India should try to tell East Africa or West Africa that agriculture in the tropics always comes first and India has more experience of industry and can offer either textiles or engineering goods if primary products are shipped by them. Of course, India cannot buy Coarsain bulk or take groundnuts from Nigeria. But a special unit for textile exports can be allocated if textile controls are withdrawn. The protection of the cotton grower or the cane grower for that matter requires reconsideration. It is evident that India has made only a beginning by dropping the import duty on raw jute. The diversification of the country's export trade depends on liberalisation of imports, especially of raw materials including cashewnuts and copra. The fiscal policy must be cleared up, for accelerated economic development may justify departures from protection. The needs of export trade may be more important today than the stimulation of local manufacture.

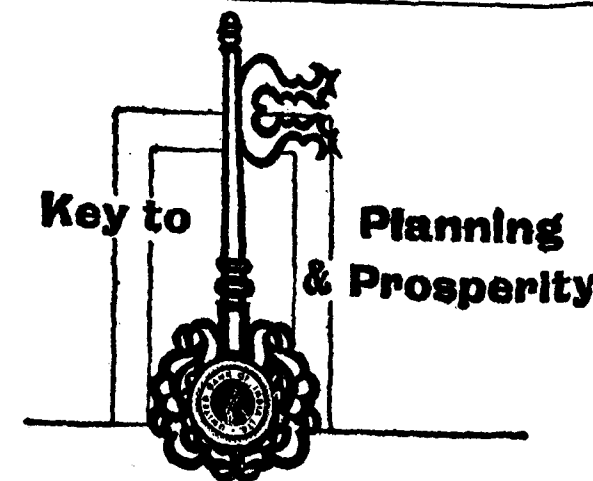
New Company Floatations

Company registrations since June 1960 are up and the capital issues are consequently higher. The available figures do not indicate whether company failures exceeding the registrations offset the increase in jointstock ventures. The loss of capital is small as

compared with the increase in capital but the statistical bulletin does not indicate what exactly is the paid-up capital of the new companies. The authorised capital is big, the increase in capital being about Rs 887 lakhs per month in 1961. But this too relates to the authorised capital, so the volume of saving in terms of capital provided for new companies cannot be exactly ascertained.

The formation of companies was checked in 1957 and 1958 but has risen steadily so that more companies are in the field today. The Company registration figures do not show the ratio as between public and private companies; they are also not quite illuminating as to the cases of collaboration with foreign interests authorised by the Government or about capitalisation of reserves allowed. But it may be noted that March 1961 saw the peak of registrations after the Budget restored confidence among investors in India who assumed that bonus issues would come along easily.

The actual shares in the capital market as between Government and private enterprise is not analysed and the Midland Bank's method of tabulating new capital issues in the UK has not been followed so far. The sanction to borrow abroad given in regard to some firms must find a place in the analysis of capital issues so that the proportion of foreign capital can be fixed by reference to the schemes, say, of Orient Paper Mills or Mysore Cement. The excess of applications for some floatations or the failure of some issues need not call for notice but the proportion of foreign funds to domestic savings must be fixed for the whole aim must be to raise the latter and to limit the former. The revival in capital issues is a real sign of economic growth and investors see that the economic climate has improved since 1958.



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BANKS

The Case Against Higher Deposit Rates

IT appears that there is a move on the part of some of the medium sized banks to have the inter-bank agreement on Deposit rates revised upward for that particular category of banking institutions. The reasoning seems to be that the medium banks would then be able effectively to compete for new Deposits. The necessity has arisen presumably because the large banks, in relaxing conditions for acceptance of savings bank Deposits (e.g., a "minimum" balance of Rs 5 and liberal facilities for withdrawals), have in so doing cut the ground from under the medium banks.

Bigness, again, is a virtue in that security of funds is better assured thereby. But, with the introduction of Deposit insurance this particular virtue will diminish in value. As it is, some latitude is allowed the smaller banks in that they are permitted to offer a slightly higher rate on Deposits. The present move may be said to be designed to imbue the medium banks with even greater competitiveness.

The argument continues that Deposit rates are anyhow too low, in relation to effective bank Rate. For, something like six months in the year, it is the highest tier (6 per cent) which is operative in respect of assistance provided by the central banking institution. Thus, de facto for half the year bank Rate is at 6 per cent. So, Deposit rates during the period are too low vis-a-vis bank Rate; and the inference is that entities other than banks are so able to entice away funds that might otherwise have been lodged with the banking system.

The first point we wish to clear up in this regard is that the interest offered is merely incidental to the drawing in of money to banks. Indeed, were it not for the inter-bank agreement, and if banks were permitted to bid what they wanted (and could afford), it is precisely those banks which chose to offer the high rates which would attract the least Deposits; the law of diminishing returns would set in, because banks prepared to pay higher rates on Deposits would immediately have their creditworthiness suspect.

Secondly, as we have already made clear, the security of funds assured through Deposit insurance, any distinctions that there might currently be between large and small banking institutions will be sharply reduced. As such the present "disparity" between rates of large and other banks should suffice to give the latter that extra in ability to compete.

Thirdly, we believe that a bank attracts constituents because of the service that it renders. The more personal the approach, the greater the rapport between bank official and customer, obviously the better the inflow of business. Swift, efficient personalised service can never be substituted by something so material as a rate of interest.

Fourthly, the diversion of funds from banks to other institutions is largely a myth. If

there is a new issue boom, then money will be attracted to the stock exchanges the prospects of growth so implied will far outweigh the doubtful attraction of an extra half per cent in interest rate available on Deposits. Money in circulation in the "parallel" money market cannot, except in dribbles and through expenditure on consumer goods, find its way into the banking system even if it so desired for the obvious reason of tax complications.

We therefore believe that the mopping of resources by banks rests but incidentally on the lure of the interest paid on Deposits. What needs to be spread is the banking habit; what is a prerequisite is the contraction of the parallel money market; what we lack is the covering of the countryside with banks.

Instead of an unavailing and even self-defeating series of increases in Deposit rates, banks would consequently be well advised to concentrate upon improving services and making available new facilities and opening up new branches. That would be the logical way to build up a sound banking system in this country. And there would be no bar in the way of establishment of new offices by the small and medium banks.

The consideration of an increase in Deposit rates is particularly untimely now, in that we have on our hands the need to strengthen the banking system, both by way of raising new capital and adding to Reserves. If Deposits are costlier, the surplus available either for dividends (the size of which determines whether or no a bank can make a rights issue) or for transfer to reserve will, it is clear, automatically be reduced.

Let the 1961-62 busy season (which at last seems to have got off to a belated start) draw to its close; let the inter-bank agreement on Deposit rates be re-considered then; and then, if found necessary, let Deposit rates be raised. Our own feeling is that such re-appraisal will result rather in a reduction in the rates.

BANK RETURNS

Foreign Balances Rise Again

The December instalment of advance tax payments has but slightly been reflected in the latest banking returns, but the hardening of the inter-bank call money rate during the current week would suggest that pressure upon the banking system has been considerable.

Middle of the month pause in currency circulation has been disclosed in the returns of the Reserve Bank for 15 December. Active Note Circulation has moved down fractionally by Rs 0.13 crore to Rs 1,947.78 crores, and there has been inflow of Rupee Coin for Rs 0.19 crore. Foreign Securities are unchanged at Rs 116.86 crores, and there has been a small adjustment in Rupee Securities, which are placed at Rs 1,603.81 crores. As a result the Reserve Bank's cash in the till has moved up by Rs 0.28 crore to Rs 12.65 crores.

In the return for the Banking Department there is evidence of inter-governmental tran-

MONEY MARKET

Snippets

We reproduce below the changes recorded in the November issue of the Reserve Bank of India bulletin as being of interest from the money market point of view.

As at the last Friday in October aggregate Deposits of Indian Scheduled Banks rose by Rs 7.42 crores to Rs 1,576.81 crores.

On the same date, and as from the last Friday in September, aggregate Deposits of foreign banks also rose by Rs 3.59 crores to Rs 233.53 crores.

Borrowings of State Co-operative Banks from the Reserve Bank, steadily rising, were placed at Rs 121.90 crores on 27 October.

As at 27 October reserves of Scheduled Banks maintained with the Reserve Bank, at Rs 79.28 crores, exceeded the statutory minimum by Rs 13.99 crores.

After a sharp rise of Rs 5.64 crores in savings Deposits of all Scheduled Banks in September, there has, by the last Friday in October, been a modest increase of Rs 1.45 crores to Rs 313.79 crores. In 1960-61, savings Deposits went up by Rs 28.45 crores to Rs 281.81 crores, whereas in the seven-month period to October 1961 the increase already amounts to just a shade under Rs 32 crores.

Indian Scheduled Banks added ten offices during October; the State Bank, 1; and Foreign Banks are unchanged at 70. The total for All Scheduled Banks, in rising by 11, is now placed at 4,322 offices.

In the fortnight to 29 September, secured Advances of Scheduled Banks against food articles declined by Rs 6.13 crores to Rs 115.76 crores; against food articles declined by Rs 6.13 crores to 115.76 crores; against industrial raw materials by Rs 7.47 crores to Rs 86.96 crores; against plantation products by Rs 0.66 crore to Rs 52.89 crores; but rose against manufactures and minerals by Rs 13.04 crores to Rs 442.72 crores and against other securities by Rs 0.80 crore to Rs 370.72 crores. Thus, the contraction in seasonal Advances was almost wholly offset by increase in industrial credit, so that the total of Secured Advances has fallen but nominally from Rs 1,069.44 crores to Rs 1,068.72 crores.

The bazaar bill rate has been unchanged for some time now, at 12 per cent in Bombay, 12.50 per cent in Calcutta and 13.92 per cent in Madras.

India's foreign exchange reserves rose during October by Rs 10.38 crores to Rs 302.88 crores, thus offsetting the decline of Rs 9.69 crores in September.

Outstandings of Government of India Treasury Bills declined in October by Rs 3.32 crores to Rs 1,020.83 crores; and the October figure is over Rs 45 crores lower than as at end of March 1961.

sactions. The rise of Rs 30 crores to Rs 209.74 crores in Investments is indicative of deficit financing instituted by the Centre, though the amount involved is probably Rs 5 crores less owing to purchase of securities from the State Bank in the relevant week for that sum. The Centre has made heavy payments to the States, utilising the proceeds from deficit financing for the purpose, so that its balances are lower by Rs 2.45 crores at Rs 51.31 crores. There has been a two-fold improvement in the position of the State Governments vis-a-vis the Reserve Bank. On the one hand, their Deposits have gone up sharply by Rs 17.13 crores to Rs 27.32 crores. On the other, their indebtedness to the Reserve Bank for ways and means advances has been reduced by Rs 7.44 crores to Rs 64.66 crores.

Not much strain has been felt by the banking system. In fact Reserve Balances have

PROGRESS OF BUSY SEASONS			
	(In Rs Crores)		
	1959-60	1960-61	1961-62
Reserve Bank:			
Active Notes	+42.77	+66.93	+65.53
Rupee Coin	+1.72	+3.49	+5.25
Banks' Deposits	+0.40	+15.25	+8.94
Other Loans and Advances	+0.30	+16.50	+5.78
State Bank:			
Deposits	+8.87	+14.88	+5.33
Borrowings	+1.18	+1.17	+1.62
Cash Balances	+0.19	+0.30	+4.20
Giltedged	+3.80	+22.43	+17.87
Advances	+0.47	+7.73	+9.31
—As %age of Deposits	(27.8)	(39.4)	(47.2)
Other Scheduled Banks:			
Net Deposits	+20.68	+5.08	+6.74
Borrowings from RBI	+5.89	+6.21	+3.86
Cash Balances	+3.02	+12.57	+1.74
Giltedged	+0.66	+5.53	+0.32
Total of Advances	+5.25	+7.43	+1.55
—As %age of net Deposits	(62.8)	(68.7)	(69.2)

As at third Friday in December for Reserve Bank and State Bank.

As at second Friday in December for Other Scheduled Banks.

NOTE: Figures in Brackets are percentages.

been marked up by Rs 3.10 crores to Rs 77.43 crores, though it is necessary to add that the bulk of it (Rs 2½ crores) is probably on account of the State Bank. However, there has been a small increase in recourse to central banking credit, the Reserve Bank's portfolio of Other Loans and Advances disclosing a rise of Rs 2.95 crores to Rs 135.31 crores and its loans against usance bills higher by Rs 1.10 crores at Rs 1.80 crores. Treasury bills purchased and discounted by the Reserve Bank are approximately Rs 1½ crores over at Rs 30.57 crores.

Lastly as far as concerns the Reserve Bank returns, Balances Held Abroad are up by Rs .65 crores to Rs 31.58 crores, and foreign assets held by the Reserve Bank are steadily increasing their way to the Rs 150 crore mark.

Tax payments may have been responsible for the increase in the Advances of the State Bank as at 15 December; and constituents would also appear to have drawn down their Deposits. The total of Advances has risen by Rs 3.65 crores to Rs 248.15 crores, whereas Deposit resources of the State Bank have fallen by Rs 2.39 crores to Rs 525.76 crores. The State Bank has accordingly disinvested in giltedged for Rs 5 crores, bringing the portfolio down to Rs 248.48 crores and in sight of being exceeded by Advances. Also, there is a small rise of Rs 0.23 crore to Rs 1.79 crores in the State Bank's borrowings. In the result, cash balances, including money at call and short notice, have moved up by Rs 2.89 crores to Rs 28.74 crores.

Month early disbursements have presumably caused a rise in the Advances of Scheduled Banks as at 8 December. However, from the point of view of resources of banks this has partly been covered by an improvement in Deposits; indeed, if the State Bank's figures are isolated, the rise in resources exceeds the expansion in Advances. Net Demand Deposits have declined by Rs 1.87 crores to Rs 822.89 crores, but this is more than offset by the rise of Rs 3.13 crores to Rs 1,133.91 crores in net Time Deposits. Thus, net Deposits have risen during the week by Rs 1.26 crores. The State Bank in the same week reported a fall of Rs 3.89 crores in Deposits, and so the rise in the case of other Scheduled Banks is seen to be over Rs 5 crores. The total of Advances has gone up by Rs 4.09 crores to Rs 1,244.06 crores, about one-sixth of it on account of the State Bank. The fall of about Rs 13 crores to Rs 611.62 crores in Investments is wholly ascribable to the State Bank. Borrowings from the Reserve Bank are higher by Rs 0.78 crore at Rs 4.02 crores, but again largely in respect of increased recourse to central banking credit by the State Bank. Consequently, cash balances, including money at call and short notice, are lower by Rs 3.50 crores at Rs 185.12 crores; but the fall in the case of other Scheduled Banks is higher at Rs 4.55 crores, in as much as the State Bank in that week reported a rise of Rs 1.05 crores in cash.

Katanga and "Colonialism"

By Paul Einzig

THERE has been much criticism of Britain's reluctance to encourage and actively assist in the military conquest of Katanga by United Nations forces for the purpose of handing it over to the Congolese Government. I am not concerned with the political aspects of this matter, but it has economic aspects

that deserve attention. The difference between the attitude of Katanga and of the rest of the Congo is that, under Mr. Tsimbe's regime Belgian and other European engineers, technicians, businessmen are allowed to carry on, while in the other provinces their life and property is not safe even if they are tolerated there. When India achieved independence, it adopted precisely the same attitude as Mr. Tsimbe and has no cause to regret having allowed British residents engaged in industry and business to carry on. The alternative would have been to drive them out and expropriate them. That may have secured some initial benefit, but it would have taken many years before the technicians could have been adequately replaced—unless it be by Soviet technicians aiming at undermining and overthrowing the democratic regime. India has derived considerable benefit by the smooth operation of industry thanks to its attitude towards British residents and British enterprise.

What is true about India is surely even more true about the Congo in general and Katanga in particular. By allowing Belgians and others to stay Mr. Tsimbe has taken a much more sensible attitude than his rivals. For the Congo is much less experienced than India was at the time of achieving independence. The removal of European technicians would disorganise production in Katanga even more than it would have done in India. Katanga wants to retain a certain degree of autonomy within the Congolese Federation precisely in order to be in a position to work out its salvation in its own way instead of being forced by the

NOTICE

Owing to the intervention of the Christmas holidays, there will be no issue of Indian Finance bearing the date 30 December 1961
Manager.

Central Government to adopt a line which would inevitably damage the country's economy.

Yet when Britain is opposed to using United Nations troops to force Katanga to submit to a regime that does not tolerate co-existence between Congolese and Europeans, she is accused of pursuing a "colonialist" policy and of being influenced by business interests in Katanga. In truth business interests are by no means unanimous over this matter. It would suit copper producers outside the Congo to stop or reduce copper production in Katanga, either by means of destruction of the plants under the pretext of military necessity, or by means of disorganising the production through the expulsion of Belgian and other European specialists. Those business interests—some of them are British—are even more powerful than the Belgian copper interests in Katanga. If the British Government allowed itself to be influenced by business interests in this matter it would probably yield to pressure by the anti-Katanga interests. There is no justification for the suspicion that if Mr. Tsimbe remained in charge it would mean that Belgian colonialism would continue. The political and administrative power would be in Congolese hands, and the continued presence of technicians and businessmen would not reduce Katanga to the status of a Belgian colony any more than did the continued presence of British technicians and businessmen reduced India to the status of a British colony. There has been too much emotionalism worked up on this question. It is high time that it should be viewed with more economic realism.

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Notes

GOA

The Aftermath

The assurance that Britain will not move against a member of the Commonwealth in order to help an old ally like Portugal will remove most doubts about the consequences of occupation of Goa. Mr. Nehru's declaration that Goa will be afforded a degree of autonomy is not new. But it will help to still doubts among pro-Salazar elements in Goa. The state of war will lead to a cessation of cashew imports for India from Africa. That will affect the industry in Kerala and reduce exports besides soon raising prices for raw nuts in India.

The theory that India has taken back her own territory may help to preserve the trade in mineral ore. If the United Nations accept India's explanation, Japan will probably keep up her investment in Goa. The export trade via Goa will help India to take yen credits and create openings for Japan as a supplier of capital goods. The loss of trade with Portugal in cork or wine can be disregarded, for the cold war ended all trade and the Indians in East Africa will perhaps keep up their connection with Portuguese colonies which are also likely to ask for independence. The danger to Dr. Salazar at home is also nearer. The oppo-

sition will use the reverse in Goa to press reforms at home and it may even be harder to apply repression in Angola since Portugal is isolated. Support from Spain means very little and the Portuguese Government will recognise at least now that empire really ended when Brazil broke away in the last century.

The extension of Indian authority will end smuggling. The stocks held may be sold in India but the customs will control Goa's trade in future and another loophole will be closed. The adjustment of import control will help the Indian revenue slightly. The imposition of either income-tax or sales tax can only be undertaken with the consent of the local people and Prohibition will not be applied unless local support is available. The local authorities will probably help to encourage trade with Bombay and Cochin in coconuts, copra and arecanuts. The deficit in India will be reduced and prices may tend to fall if Goa is a stable source of supply in the future. The WIP railway will perhaps be merged again in the Southern Railway zone, but if the British shareholders have not been paid off there may be some legal difficulties with the Company whose concession goes back to 1881. The port also belonged to the railway which paid for the improvements effected after 1929. The WIP railway's case may be duly presented when the official explanation is offered by Delhi for its proceedings. The gains to coastal shipping may be doubtful even if a steady traffic with Goa develops, for what matters is the level of freight rates, held now under official control.

The currency and banking arrangements of Goa must be in a flux during the interregnum of military rule. But the displacement of the Colonial arrangements will entail the opening of Treasury to help the pro tem Governor and the State Bank of India will probably be asked to enter Goa for the conduct of Government business. The suspension of business by the Portuguese banks will create a void. The resumption of remittances from India will call for a considerable transfer of funds and the Central Government will perhaps be ready to carry out the financial integration required for the large trade in ores, if it revives. Purely cash business may be temporary, and there can be no occupation currency with overprinting of notes, for Goa is

The big Indian banks will doubtless be ready to open branches as Goa is a port and British exchange banks as scheduled banks will perhaps be eager to set up branches on the West Coast. Discrimination would be injudicious, but, of course, the Chartered Bank can set up a connection with Goa through the Allahabad Bank more easily, because of its Indian domicile. The regional banks like the Bank of Maharashtra or the Canara Bank may be better placed for starting branches in Goa while Diu and Daman will probably be the field for the Banks identified specially with Gujarat at present.

The conversion of private bullion hoards into Indian currency may provide opportunities for money changers who do not have much scope at present at airports or even in Bombay and Calcutta. Those with Portuguese currency will probably be embarrassed but authorised dealers should help them to convert their money into sterling because the confusing situation is created by the Government and the need for sterling must be met by the Reserve Bank, especially as Goa is expected to retain a degree of fiscal autonomy by escaping the restrictions here. Trade with Portugal or Mozambique is out of the question, but the yen receipts for iron or manganese ore may help the Indian authorities to take a liberal view of the circumstances and needs of Goa. The difference between Pondicherry (still maintaining a connection with Saigon) and Goa is apparent. Trade with Karachi will probably be kept up if the position allows and banking connections with Pakistan will probably be routed through India in future. The problems of Goa have not been noticed though the FINANCIAL TIMES has pointed out that the business with Japan means money for India. Goa also may provide a useful market for Indian distillers because Goa will long remain "wet".

GOVERNMENT The Biggest Employer

The Central Government employed in June 1961 as many as 7,53,501 persons in addition to 67,442 not on the regular establishment. The figures show an increase over December 1960 as also March 1961. The figures do not include workers in the State railways and employees in missions abroad. The increase in the officials employed prove that a welfare State provides more jobs, also that the increase is continuing because of the Plans. A large number of persons are described as unskilled. Presumably, Government service does not provide any training or skill and a section of the Government servants' con-

ployment, while a man in an engineering industry can shift to some other jobs and coal-miners if thrown out of employment, can get off to agriculture or other occupations.

The monthly abstract of statistics also makes it clear that the Centre is a far bigger employer than the West Bengal Government which had on its payroll in February 1961 over 2,03,062 persons of whom 97,366 were described as temporary Government servants including 11,158 women. The Centre is a bigger and better employer and the prolonged clamour for equality of pay is supported by the statistics. The number of gazetted employees in Bengal is 5,278 while 75 per cent of the employees draw a salary of Rs 75 or less. The employees getting Rs 300 or above accounted for only 1.79 per cent. This may imply that Government employees do not enter the affluent society, also that the clamour for relief is well-founded. The total salary bill of Rs 2.39 crores is mentioned so that the civil administrative expenditure is not very large in relation to revenue and the problem is not one of retrenchment but of revision. The Pay Commission's proposals have evoked very little enthusiasm because the higher cost of living is not met by the increase sanctioned. The pay of the industrial worker may appear attractive in comparison with salary of Government servants and the eagerness for private employment now is due also to the prospect of a regular bonus to supplement wages. The figures convey the impression that Government service cannot absorb all the persons over 18 willing to start work. It is only through

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economic development that the people who register in increasing numbers at the employment exchanges can get jobs. The percentage of jobs secured in relation to the volume of applications is not impressive at all and that is perhaps proof of the recruitment through exchanges does not appeal to most private employers.

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PRODUCTION Trends and Prospect

The chemical industry too was affected by power cuts in summer and the fall in sulphuric acid output since September 1960 is ascertainable from the statistics of industrial production. The increase under soda ash or chlorine does not offset the decline under caustic soda and the chemical manufacturer's problem is not one created by distribution or price control. A rise in fertiliser production in 1961 is due to the progress of expansion schemes. The increase under copper sulphate or fall in sodium sulphide is of less interest than the fall under soap output. The 1961 figures provide proof of the difficulties in getting raw materials for soap making. The output in May 1961 slumped to 4,300 tons from 6,215 tons in April. The steep fall is a sign that the soap industry even with a big market at hand is not able to make headway.

The level of rayon output has gone higher after 1960 and if there is no increase under acetate the large increase under staple fibre in 1961 calls for notice. The entry of new units in the rayon industry is not so much a factor as the progress of plant expansion by the older units. The growing passion for rayon this year is based on improving output as well as the prospects assured by the limit set to imports. The world, however, will have a lot of rayon in 1963 and countries like Soviet Russia or Germany are catching up with Japan as a major producer of rayon. The pulp problem is not so big as the rise in world rayon output and if there is no real threat to cotton the advance in output in Europe means that cotton exports are going to fall and countries like Egypt or Brazil will fare badly. The surplus of rayon may spoil all chances of export especially if China produces rayon plus cotton goods for export. The enthusiasm for rayon in India must be tempered by a look at the vast increase in postwar production and the re-entry of Italy and Japan as major suppliers of rayon to the whole world. This is hardly ever spoken of today on the assumption that the new rayon companies can get off to a fine start and draw level with the older companies. But, as a powerful

TEA Output Regulation

The growing gap between world production and consumption of tea has promoted the Calcutta tea trade to suggest, once again, that India should, in consultation with other producing countries, keep in readiness some international machinery to regulate production. This suggestion has been made by Mr A. G. Whitaker, the Chairman of the Calcutta Traders Association. In support of his view, Mr Whitaker has mentioned that the crop this season has shown an overall increase of 50 million kg.

Moreover, a comparatively bigger North Indian tea crop this year together with an appreciable increase in the crops in Ceylon and Pakistan has had a depressing effect on tea prices in the Calcutta market. The price decline amounts to 60 nP per kg as compared to last year. Many teas are now being sold at prices near or below their cost of production. The long-term outlook, as forecast in a study made by the UN Food and Agricultural Organisation, however warrants little optimism. By 1965, the annual surplus of production over consumption is expected to reach the level of 40 to 50 million kg. Although it will be wrong to take an alarmist view of this report, it will be equally wrong to ignore the warning that has been given.

According to Mr Whitaker the threat can be met. He wants Government to consider the holding of a meeting of producer countries to examine the situation and to determine whether it will be advisable to renew the International Tea Agreement, not with the object of its immediate application, but rather with that of keeping the machinery in readiness lest the apprehensions of the FAO should prove correct.

It cannot be denied that tea's strength lies in its cheapness compared to other beverages. It is understood that the tea producers are making representation to the Government suggesting a certain degree of consolidation and reduction in the many taxes imposed. The present export duty of 44 nP per kilogram serves as a subsidy to other producing countries and probably the main reason why Plain teas are being priced out of the export market. The trade will welcome any proposal for a reduction in the tax burden or the simplification of the collection of the many individual taxes by consolidating them.

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AIR TRANSPORT Freight Increase?

The annual reports of IAC and Air India show that both the air

corporations have achieved improved operational results during 1960-61. For the second year in succession the IAC has passed the break-even point. In spite of steep rise in wage bill and other operating costs, there was a small surplus of Rs 4.68 lakhs after meeting all expenses. The profit might have been twice as large if the entire Viscount fleet had not been grounded for 12 days in January. Apart from larger revenues, the average utilisation of aircraft also shows improvement over the previous year in spite of the drop in Viscount hours.

The major problem facing the IAC now is the replacement of its fleet of 45 Dakotas. Until the Avro project is in a position to meet the airline's requirements, the replacement has to be effected by purchase abroad according to the availability of foreign exchange. The partial replacement of the Dakotas by Friendships and two, or perhaps four, second-hand Viscounts is expected to improve the Corporation's revenue earning potential. But as costs are also expected to rise, the IAC is now thinking in terms of increasing fares and freights in order to build up its reserves and to finance capital expenditure.

The present structure of fares and freights was determined on the basis of 1957 costs and subsequently there has been substantial increase in costs on account of higher wage bill, increased provision for obsolescence of spares, higher costs of stores etc. If attention is confined to this aspect of increased costs increase in fares and freights may be unavoidable. But the IAC is a public utility service which has the obligation to make its services available to progressively larger numbers of people. Before using its monopoly position to step up fares, the IAC might examine the scope for reducing its operating costs by increasing the overall load factor, by making efforts to carry a larger volume of traffic.

While the IAC is thinking in terms of increasing its fares and has approached the Government for sanction, Air India is particularly interested in enlarging the available traffic base and will, therefore, press in IATA for lower fares on international routes. The fact that Air India, unlike IAC, cannot exercise the monopolist's prerogative is only part of the explanation of the different approaches adopted by the two State owned organisations to the consumer. However, it is gratifying to find that, in spite of having to meet the most severe competition, Air India is able to report increased revenues and profits.

Revenues for the year showed an increase of Rs 6.59 crores, from Rs 12.58 crores in 1959-60 to Rs 19.17 crores in 1960-61, while expenditure rose by Rs 5.80 crores, from Rs 12.40 crores to

Rs 18.00 crores. Operating profit during the year was Rs 117.4 lakhs against Rs 18.26 lakhs in the previous year. The expansion of jet operations has increased the total carrying capacity to a much greater extent than the actual traffic carried. While total capacity offered during the year increased by 72.7 per cent over previous year, traffic carried has increased only by 41.2 per cent. But, at the same time, jet operation has enabled a reduction of 15 per cent in the cost per unit, i.e. per available tonne kilometre, from Rs 1.33 in 1959-60 to Rs 1.13 in 1960-61.

The second stage of the Corporation's Rs 8 crore requirement programme, involving replacement of Super Constellations by jets, has been taken on hand and orders have been placed for two more Boeing 707 jets. When the two jets are delivered, the Corporation will have a fleet of six Boeings and will be among the first airlines in the world to have converted wholly to jet operation.

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ROAD TRANSPORT Low Productivity

Addressing the twenty-sixth session of the Indian Roads Congress at Patna last week Mr R. Barua, the Chief Engineer of Assam, who is also the President of the Congress, underlined the need for facilitating the development of a coordinated, scientific and efficient road system with a view to accelerating the tempo of industrialisation and the emotional integration of the country. This suggestion is of topical interest at the present juncture while India is endeavouring to bring about large scale agricultural and industrial expansion. There is little doubt that for the successful implementation of the various development programmes expansion of transport facilities is an indispensable factor. The growing transport shortage in the country has exposed the inadequacy of the existing facilities. The movement of raw materials is more often than not adversely affected by the transport bottleneck and the coal industry has been the worst sufferer in this respect. All these factors highlight the importance of an integrated road development in the country.

Naturally enough the main problem of the Road Congress would be the evolution of ways and means for building up adequate roads all over the country for facilitating the movement of men and materials at cheaper rates. In his presidential address Mr Barua has brought to focus the various drawbacks in the existing system. Citing relevant portions from the report of the Indian Productivity Team of Road Transport, Mr Barua had drawn pointed attention to the low productivity

of the road transport in the country. The road transport, still operating within the confines of the contractionist philosophy of the thirties, has rendered the attainment of optimum mileage impossible and the imposition of a host of regulations at various levels has resulted in the low productivity of road transport. The negligently attention paid on the maintenance of existing roads has also considerably inflated the cost of operation. To tackle all these problems Mr Barua has advocated for the constitution of a Road Board at the Centre on the same lines as the Railway Board, the revision of syllabi in road engineering in the universities and an enhanced allocation for road development in the Third Plan. The apprehension that the road transport would have serious impact on the working of the railways does not hold much water for the inability of railways to meet the mounting demand particularly for the movement of coal is now an established fact. The vital role that roads play in the nation's life and economy is well recognised fact all over the world. Any relaxation in road development activities will upset the entire production and distribution programme in the country.

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TECHNICAL EDUCATION Staff Shortage

While reviewing the progress of Third Plan Schemes of Technical Education, and approving programmes for the future, such as establishment of a Board of Post-Graduate studies in Engineering and Technology, and reform of commercial education on the lines recommended by the Rao Committee, the Advisory Council of Technical Education at its recent meeting noted that the staff position in existing institutions continues to be unsatisfactory and is likely to get worse unless adequate measures are taken in time. One of the difficulties, it appears, is that the tenure of appointment in most State Government institutions is temporary and this is not helpful in recruiting and retaining staff of suitable calibre. There seems to be no valid reason why this should be so, especially, in view of the fact new institutions under the Plan are invariably sanctioned on a permanent basis. It is true that Central assistance towards establishment and maintenance costs of these institutions is provided only for the Plan period and it is the responsibility of the State Governments to meet the expenses in subsequent years. But no institution is included in the Plan unless the State Government concerned agrees to meet the running costs after the period of Central assistance comes to an end. That being the position, it is not clear why there should be any difficulty in getting clearance from

State Finance Ministries for appointment of staff on a permanent basis.

The crucial importance of taking adequate measures in time to remove these difficulties will be clear when viewed against the magnitude of the programme for the expansion of technical educational facilities in different sectors. The Third Plan programme provides for the establishment of 19 new Engineering Colleges including seven regional institutions. Out of the 19 new colleges, seven have started functioning during the current year. The revised programme for polytechnics provides for 70 institutions of which 13 have been started in the current year. An amount of Rs 344 lakhs has been allocated to States for the purpose of ways and means advances for technical education schemes in the current financial year and a sum of Rs 150 lakhs will be sanctioned for assistance to non-governmental institutions.

The programme also includes provision for expansion of facilities for training chemical engineers. The Chemical Engineering Board has estimated that, in order to meet the demand for chemical engineering graduates (6500 to 7000) the annual admissions should increase from the present figure of 610 to 1400. The admission capacity of existing institutions is to be raised to sixty seats wherever it is less than this number. Some additional centres may also be started in the course of the next two or three years depending on the availability of staff, foreign exchange etc. These additional centres will be located in the States of Gujarat, Assam and Kerala where chemical and allied industries are developing rapidly and where there are no facilities for training in chemical engineering.

The Council of Scientific and Industrial Research has estimated that 70 per cent of the equipment required by polytechnics and 50 per cent of the equipment required by engineering colleges could be fabricated indigenously and there should be no serious difficulty in finding foreign exchange for the remainder of the equipment required by these institutions. But the staff position requires immediate attention at the highest policy making level.

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ICMF

Removing the Fetters

The Indian Cotton Mills Federation, in a memorandum submitted to the Tariff Commission, has entered a strong plea for a complete reshaping of the Government of India's textile policy and urged for the lifting of the fetters placed on the growth and development of the cotton mill industry and the various restric-

tions imposed on price and production. There is little doubt that the doctrinaire approach of the Government has more often than not precipitated difficulties to the industry. The competitive ability of the cotton textile industry in the international markets has been considerably weakened by the imposition of curbs on the rationalisation and modernisation programme, which had even telling effects on the growth of the industry. The Federation's plea for the immediate implementation of the modernisation programme is timely in view of the foreign exchange problem and the difficulties experienced by the country in maintaining its exports to traditional markets. Further worsening of the position is apprehended on the proposed entry of Britain in the European Common Market.

The Federation has also pointed out the failure of price control to bring the desired benefit to the consumer on account of the host of varieties produced and half the supplies of which does not fall under the purview of control. In the circumstance the maintenance of quality standards has been rendered impossible. The Federation, therefore, suggested that the authorities should stipulate upper and lower limits within which prices may be allowed to fluctuate. The memorandum also indicated that in view of the frequent fall in prices in the market the mills should be allowed to charge higher rates on such varieties which are in wide demand so that the mills will be ensured of a fair return.

The Federation has also underlined the need for exempting industrial fabrics and yarn like tyre canvas, tyre cord, filter cloth, belting duck, padding cloth and shoe canvas which are utilised as raw materials by other industries from controls.

The industry's problems, as is evident from the memorandum, are fourfold: supplying quality goods to domestic and foreign markets; paying higher wages to labour; contributing sizable revenue to the Government and providing fair deal to the investor. The only solution, as suggested by the Federation, is to gear textile economy to the medium of production on modern lines. The memorandum is of special value to the Federation which has recently conducted a probe into the affairs of the industry, and the suggestions embodied in it will offer food for thought to the Commission.

A realistic appraisal of the factors that are inhibiting the rapid and healthy growth of the industry can and should be made by the Tariff Commission. As a fact-finding body of acknowledged technical authority, its views will be particularly helpful to Government in its final formulation of policy that should govern the

industry in the next five or ten years.

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ARCHAEOLOGY The Financial Side

The financial side of archaeology or its political side has hardly been mentioned though the history of archaeology has been written up by curators of museums. It was Schliemann who created a strong interest in Turkey and it was Lawrence who made Britain see that the Crusaders' castles represented a link between London and the Levant. Archaeology helped to make even Musolini popular abroad and the continuous interest of scholars has helped Greece to get more than sympathy. The permanent schools kept up in Athens and Rome to study classical antiquity may be due as much to Macaulay's Lays of Rome as to the continuity of Western culture.

The foreign archaeologists made the ties between India and Greece or Bacteria apparent and the stone monuments have proved more durable than the chronicles of some regions. The preservation or restoration of monuments has an economic aspect. But more important is the film producer's interest in ancient and mediaeval art. The film tries to conjure up the past in spite of known lapses or distortions. Historical advisers have not appeared in Indian studios though an American film about Alexander relied on professors to reveal the Greek view of life.

The financial connection with tourism is what matters and lightening up the Pantheon is a clear postwar trick to bring the European tourists back to Greece. The opening of resthouses or canteens at Mahabalipuram is derived obviously from a desire to get the tourist business going and the idea of making capital out of history is based on Italian precept and example. The Tourist Institute may teach India a trick or two and visit India slogans may be reinforced by a useful notice of what to expect at most places of historical interest. The old guides prepared before partition are useless and new ones may be required for the Indian tourist who wants to see India for himself. Trained guides who know art and archaeology may be needed. Men who look beyond tips to trips with a sense of the past may be needed, but a fear of trouble on the frontier may limit the foreigner's interest in India's past.

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ELECTION

The DMK Promises

The DMK in 1960-61 has prepared an election programme that envisages nationalisation of

the cinema, banking and transport industries. The grouping suggests that in asking for State control of the cinema industry the party hopes for rehabilitation of film-making. The depression in Tamil film production may be one reason: the other may be that by acquiring all theatres the State may become the patron of the arts and letters of Tamil Nad. However, film production is risky and the regular profits from banking or transport may be eaten away by the State turning to films. The party looks beyond nationalisation to synthetic rubber canning and minerals. There is no ore export at present. The development of leather in place of hides and skins is also demanded by the manifesto issued recently. In fact, the goatskin export trade earns dollars for India and Indian tanners are a long way behind foreign tanners so that the export of semi-tanned skins for a long period is held desirable by the exporters. The DMK is convinced that leather goods can be made but the manufacturing industry is hardly organised and small scale business will not pay. In regard to leather only business on a worldwide scale like Bata can be made to yield profits.

The Leftist leanings of the DMK are plain in the demand for minimum wages for all including agrarian labour. The party may get Communist support in some constituencies; informal pacts are proposed. It has not made any pact with the Swatantra party but hopes to enlist the sympathy of the Muslim League. The party likes the ceilings on land but it seems to favour nationalisation of transport in spite of the limited success of the nationalist bus-transport in Madras City. Perhaps the support long given by bus magnates to the Congress party explains the attitude. As regards nationalisation, the party has forgotten that banking is a subject that cannot be touched by the State Governments. And in fact, it was quite unnecessary for State Ministers to talk about the difficulties experienced last year or about the soundness of any bank.

PUMPS

A Wide Range of Sizes

Inaugurating the symposium on pump industry in New Delhi Mr K. K. Jajodia, the Chairman of the Indian Pump Manufacturers Association, highlighted the progress registered by the industry in the country during the past few weeks. Founded as an affiliated body of the Engineering Association, the Pump Manufacturers Association was mainly responsible for the development of the industry by safeguarding the interest of

pump manufacturers and extending technical informations to them. The symposium will concern itself with technical and general developmental research in the field of pump industry, which will guide all the future activities. The need for organising a National Institute of Pump Research, similar to one existing in the United Kingdom, has been voiced by the members of the Association for tackling all the important problems of research and design work. The benefit to the industry by the establishment of such an institute will be manifold. Apart from developing the technical know-how, the institute will throw open opportunities for research and design development for the small producers also which, left to themselves, will be beyond reach.

The progress made by the industry can be gleaned from the annual report of the Executive Council of the Association. The industry today undertakes manufacture of pumps of various types in a wide range of sizes. At present there are about 48 registered units engaged in the production of various types of power driven pumps with a rated capacity of 117,600 units annually. The Planning Commission has fixed the capacity for power driven pumps at 184,000 units and estimated the production target at 150,000 units for the Third Plan. As the demand for power driven pumps in the current Plan is likely to exceed the target of production laid down by the Commission, fixing a more realistic target will be justifiable.

Diversification of production to cater to the requirements of various types of pumps and incorporation of adequate changes in design suitable for industries like paper, cement, chemical and petroleum confirms the progressive outlook of the industry. Mr Jajodia was critical of the Government's policy in permitting imports of pumps which can be procured from indigenous sources. In the light of the tight foreign exchange situation and of the need for encouraging domestic enterprise this seems a rather odd complaint to be allowed to be made. The Development Wing must put an end to this grievance at once.

AT THE FAIR The US Pavilion

The Industries Fair, which is now more than a month old continues to be the biggest draw in the capital. Perhaps, the greatest show ever got up in the country, the Fair provides a glimpse into the various aspects of life of the participating countries and also of their achievements in diverse fields. Gate no 4 which leads along a pathway partly paved with pebbles and flanked by fountains and gardens and with

towering golden domes takes one to one of the brightest and most educative of pavilions viz, that of the US. Here is kept on view hundreds of machines and equipments ranging from the giant material handling machine to the intricate electronic device used as teaching aids. The exhibits provide only a sample of the industrial life in the US and have been selected mainly for their utility to Indian industries in the context of the development programmes envisaged by the Third Plan. The fork-lift trucks, the chain and cable hoists and tractors, the retreading shop and the giant earth-moving machines are items of practical interest. The potentialities of silicon and the versatility of plastics have been most effectively brought out in one enclosure. The printing enclosure displays modern presses, engraving cameras and plate making machines. An item of curious interest was the miniature space capsule used by America's first spaceman Allan Shepherd. By far the most attractive item on display was the aeromobile. Somewhat flat in shape, it has neither wheels nor wings but rides on a cushion of air a few inches above the ground, and is also capable of being moved on all sides. The most effective use of it would seem to be to negotiate snow clad terrain though, in view of its present rudimentary stage, further refinements are necessary.

The most impressive thing about the entire US show is that it has been designed and put up in the manner of a producing factory. Most of the exhibits are operative and the machines installed in the enclosures turn out useful products. Compared with other pavilions, it is a somewhat simple affair: The Russian pavilion, for instance besides industrial items and the inevitable sputnik and other items of space gadgetry, displays china, watches and other consumer goods including the Russian Vodka. In comparison, the US exhibits are narrow in range. But the theme of the US pavilion is "industry in the service of man" and this purpose has been admirably served by the exhibits.

US

The Outlook

A wide ranging examination of the US economic position has come from a man in particularly good position to undertake it. He is Dr Walter W. Heller, Chairman of President Kennedy's Council of Economic Advisers, and his vehicle is a copyrighted interview just published in the weekly magazine "News And World Report."

Here is this able and articulate economist "On Gross National Product"—Total output of goods and services will be at a rate of about \$540,000 million a year for

this final quarter of 1960, and a rate of better than \$565,000 million for the second quarter of next year. This will mean, in current price, a rise of nearly \$70,000 million from the beginning of the recovery in early 1961 to the second quarter of 1962, or a substantial growth of 13 per cent in little more than a year.

"On Productivity": Industrial productivity, or output per man hour, has been increasing this year at an annual rate of nearly ten per cent. This compares with the earlier long-term trend of about two to three per cent a year.

"On Employment": The brisk economic expansion will bring down the unemployment rate to about five per cent of the US labour force of 72 million by the middle of 1962. (The latest report, for November, showed the rate falling to 6.1 per cent from October 6.8 per cent.) The goal after that is four per cent, and through the improvement of skills and labour market conditions the target can be reduced to below four per cent.

During the present decade, expansion in the US labour force will require more than one million new jobs annually, on the average. Total output will have to keep rising—as it has, historically—to create the needed new jobs. That is the way to make use of rising productivity, which is the prime path to lower costs and higher living standards.

"On Inflation": The price stability record has been excellent. Despite this year's economic advance, wholesale industrial prices are below their level at the trough of recession, and retail prices have gone up only about seven-tenths of one per cent since the beginning of the year.

This indicates a playing out of some of the post-war inflationary forces, and a good outlook for price stability in the future. It is President Kennedy's intention to get both labour and management to co-operate in preventing a renewal of the price and wage spiral of the past. However, this does not imply controls over prices and wages.

"On the business cycle: Some cyclical swings are to be expected in a market oriented economy. But the business cycle can be moderated, and the many built-in stabilizers in today's US economy make a depression almost out of the question. The US has been reaching much higher plateaus of economic activity, with much shallower and shorter dips than in the past, and it can do even better.

"On the balance of payments: The United States has taken on vast obligations on world leadership—military obligations, involving \$3,000 million of overseas expenditures a year; foreign aid

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obligations, involving another \$3,000 million to \$3,500 million; obligations for the private export of capital, adding several thousand millions more to the annual out-flow.

Even after subtracting net earnings abroad, including a substantial trade surplus, the US still is shy close to \$2,000 million this year in its balance of payments. This, however, represents a considerable improvement over last year's payments deficit of \$3,900 million.

A competitive position which has resulted in a large surplus of exports on goods and services over imports strongly suggests that American industry and labour have been holding their own. In this sense, the US has been doing a good job in this sphere, but one that still is not good enough as it seems to continue improving its long-term balance of payments position.

There still is much to be done on the export front and on conserving foreign exchange. However, the United States does not want its military defences and world economic leadership to be dictated by balance of payments considerations, but rather by basic political and military concerns and by underlying economic strength.

UK MOTOR INDUSTRY In Slow Gear

The British motor industry last month was examined critically by experts not because of the motor show, but on account of the fall in output and exports. The survival of some motor manufacturers is in doubt and entry into ECM is regarded as likely to spoil prospects abroad. The BMC results were viewed with misgivings and totes' labour redeemed any problem was taken as a symptom of excessive employment in a declining industry whose home market has been already spoilt by credit restrictions. The mergers continue and if Jaguar is regarded as fully prosperous being able to buy up Guy motors the bigger firms like BMC are regarded as ill-exposed to risks. The position in India may be different, it is also evident that British motor firms or component manufacturers must rely on sale of technical knowledge more than their products in future since the outlook is difficult and obscure.

That two of the biggest motor firms in the UK happen to be subsidiaries of big US manufacturers is not so relevant as the case of European car makers—in France and Sweden as well as in Italy. Export figures 1960 have made it clear that the British motor industry now is different from the one studied by PEP in 1958 opportunities abroad

seemed great. The same experience is shared by the British aircraft industry. Fewer firms are in the field because of mergers. Defence orders are down and civil aviation is not a source of big profits. The craze for aircraft shares belongs to the prewar period even as in the case of motor shares and the European rivals enjoy advantages derived to the UK industry. The 'sick' industries include ship-buildings. Perhaps that needs mention when Indian ship-building is regarded as essential and promising by those who feel that the second shipyard must be got ready, even if the first has shown poor results.

GENERAL TYRES An Optimistic Note

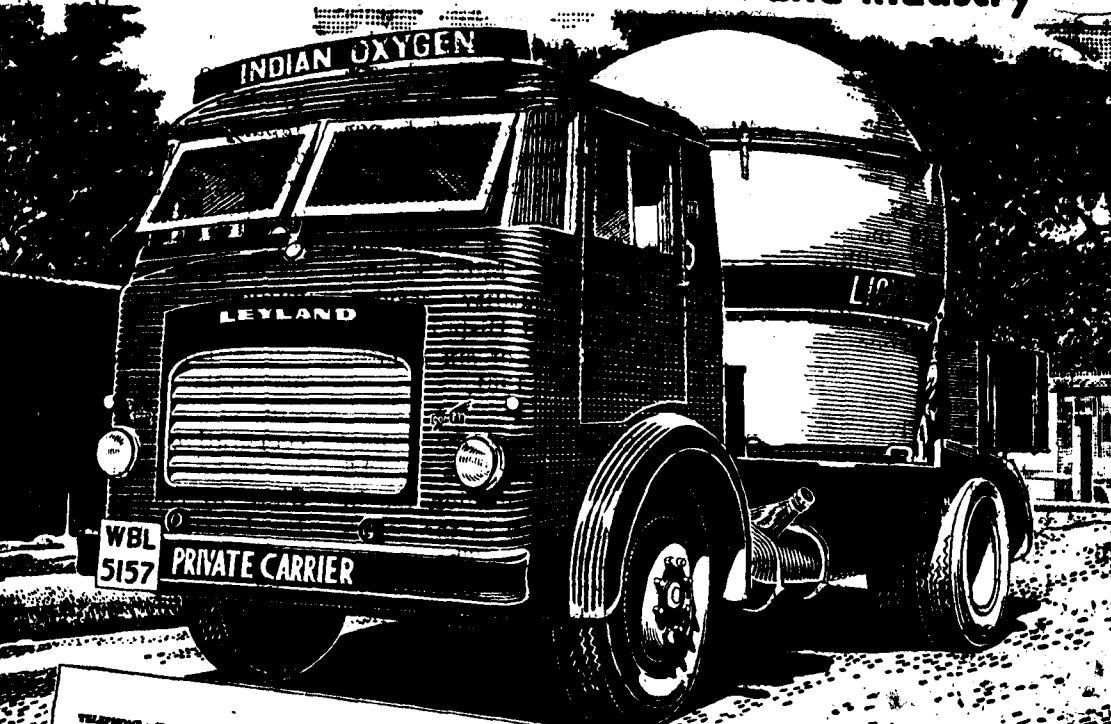
While briefly reviewing the progress registered by the auto-

mobile industry in the country in his address to the first Annual general meeting of the General Tyres Limited, Sir A. Ramaswami Mudaliar struck an optimistic note on the future of the industry in general and of the company in particular. The automobile tyre industry has fully kept pace with the remarkable increase in road mileage and the number of commercial vehicles during the past decade of planned growth and the manufacture of tyres registered a notable rise to 1.35 million in 1960-61 from 0.9 million in 1959-51. Considering the enormous expansion of transport envisaged in the Third Plan the target for the manufacture of tyres has been fixed as high as 3 million and it is reported that the authorities are considering a further upward revision of the target. To meet this production target the Government has granted licences to various industrial undertakings for either expansion of capacity or for establishing new ventures for the pro-

duction of tyres and tubes. A. Ramaswami Mudaliar, who appreciating the Government's gesture, underlined the importance of regulating licensing policy with view to enabling the new entrants in the field to attain economic production and establish themselves on a firm footing.

Referring to the affairs of the company the Chairman pointed out the loss of Rs 1.05 lakhs during the year under review incurred largely due to the expenditure on the construction of the factory in West Bengal. The work at factory is progressing at a commendable rate and the plant expected to commence trial production by the middle of the next year. The initial capacity of the new plant will be of the order of 15,000 tyres and tubes a month. The company has also decided to expand its activities and has requested the Government to accord sanction for expansion of capacity and diversification of its output. The Chairman also referred to the

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port supply of natural rubber within the country and a substantial quantity of both natural and synthetic rubber had to be imported to meet the requirements of the industry. The industry is so dependent to a great measure, foreign countries for raw materials like tyre cords, bead wires, laces and carbon black. Nevertheless there is no room for despondency, for, arrangements for manufacturing these materials in India are well under-way and it can be safely anticipated that by the end of the Third Plan the industry will be nearer self-sufficient in its requirements of tyre manufacture.

COAL problems restated

A press note issued by the joint working committee of the Indian Mining Association, the Indian Miners' Federation, the Indian Colliery Workers' Association, and the MP and U.P. Coal Miners' Association, lists again the problems of an industry that is fast becoming a problem industry. It draws attention to the tempo of progress in coal production during the last six months and the adverse significance this has achieved in the level of production stipulated by the Third Plan. Total production during the first six months of the Third Five-Year Plan has been running at a level of 26.36 million tonnes, which is only 0.67 million tonnes more than the production in the corresponding period of last year. The rate of production is substantially less than even the target of 60 million tonnes set for the industry in the Second Five-Year Plan. The slow progress in production is put down to various difficulties, experienced by the coal industry which the more important are transport difficulties, shortage of labour and explosives, delays in the issue of import licences and an invariable price policy for coal which leaves little margin for the industry undertaking expansion programmes.

The transport shortage has assumed grave dimensions which should be apparent from the fact that while the industry requires 7,183 wagons per day during 1961-62 the present supply is only of the order of 4,700 wagons representing a shortfall of 2,483 wagons per day. The transport shortage would seem to account substantially for the loss in the tempo of coal production. Frequent power cuts and periodic shortage in the supply of explosives have also been an important factor which has affected coal production during the last six months. It is evident that the over-dependence of electric power has a very serious effect on mechanised mining while at the same time it acts as a brake on expansion projects.

Special attention is drawn to the question of the present price structure for coal and of the absence of

incentive elements in it to sustain an expansion programme. Cost of production of coal is shown to have increased considerably owing to increases on account of higher electricity tariffs, enhanced price of stores, plant and machinery. But Government's reluctance to sanction corresponding rise in price to neutralise the rise in costs has adversely affected the level of profits in the coal industry. The matter is necessarily of crucial importance in view of the expansion plan projected for the Third Plan period. The policy of keeping coal prices at an unrealistically low level is short-sighted and will only lead to shortages in coal supply and arising from this to inflationary conditions.

NEWS IN BRIEF

The Coffee Board has released for export to any destination 882,600 kg of coffee out of the 1960-61 crop consisting of 715,800 kg of Arabica cherry coffee, 142,800 kg of Arabica monsooned coffee and 24,000 kg of Robusta monsooned coffee.

The Government of Madhya Pradesh has sanctioned loans and subsidies of Rs 9.75 lakhs to co-operative societies for minor irrigation (tasks and dams) works, included in the agricultural sector of the current Plan. The loans will carry an interest of 5 per cent with provisions for a penal interest upto 8 per cent.

The Government of India has declared the Delhi Milk Scheme to be a public utility service, under the Industrial Disputes Act, for a further period of six months from 22 December 1961.

The Pakistan Government has increased tea export quota to 12.5 million lbs from 10 million lbs in view of the good crop in the country had this season. The export quota has been fixed after leaving a comfortable carry-over into the new season, and a reserve to meet any possibility of next year's crop facing adverse weather conditions.

The biggest malt extract plant in the country was inaugurated in Ghaziabad by Mr N. N. Mohan, the Managing Director of Dyers Meakin Breweries Limited. The plant has a production capacity of nearly 11 tons of malt per day and has been constructed at a cost of about Rs 12 lakhs.

The Government of India has sanctioned a loan of Rs 3.10 crores to the Andhra Pradesh Government for financing expenditure on the Nagarjunasagar project in 1961.

India and Hungary have signed an agreement in Budapest providing for a ten per cent increase in trade in 1962.

The Manganese Corporation of India Limited has earned a net

profit of Rs 4.84 lakhs during the year ended 30 June 1961 against Rs 4.20 lakhs in the previous year.

Mr Rasiklal Parikh, Gujarat's Home Minister, has announced that over 85,000 kilowatts of additional power would be made available in Saurashtra by the end of the current Plan.

The production of iron ore during January-October amounted to 9,767,000 metric tons which is higher by 9 per cent compared with the output during the corresponding period in the previous year. Orissa was the leading producing State with an output of 437,000 metric tons, followed by Madhya Pradesh which registered a record production of 226,000 metric tons.

Despatches of iron ore for consumption in the iron and steel plants in the month of October totalled 722,000 metric tons and despatches for export aggregated 162,000 metric tons.

The Government of Rajasthan has decided to carry out the Palana lignite project under public sector in accordance with the Industrial Policy Resolution of 1956.

According to the International Trade and Industry Ministry Japan's imports in November amounted to \$357.753 million, an increase of 9.9 per cent over those of the previous month. The monthly average for the current fiscal year is estimated at \$500 million.

The Life Insurance Corporation of India has decided to give a loan of Rs 87 lakhs to various cooperative housing societies in Vidarbha region of Maharashtra State to construct houses for the flood-stricken people.

The Pakistan Government has approved a scheme sponsored by the Pakistan Industrial Development Corporation for setting up a 500 loom jute mill at Bhatiali, Chittagong, at an estimated cost of Rs 3 crores. The project is expected to be completed within two years.

According to the provisional figures released by the International Rubber Study Group, the world consumption of natural rubber showed little change in September at 172,000 tons compared with 170,000 tons in the previous month. Production of natural rubber in August was placed at 202,500 tons, the highest since December last year.

The Union Government has sanctioned a loan of Rs 75 lakhs to the Rajasthan Government for financing expenditure on the Chambal Project of the second and third quarters of the financial year 1961-62.

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PERSONAL

Mr Shriyans Pradesh Jain, Vice-President of the Indian Chamber of Commerce and Industry, was elected President of the Afro-Asian Organisation for Economic Co-operation for the next two years. Mr Gul Mohammed of Pakistan and Mr Dossolo of Mali were elected Vice-Presidents.

Mr F. E. H. Goddard, the Manager of the Chartered Bank, Bombay, has been elected President of the Bombay Chamber of Commerce and Industry for the year 1962-63.

Mr G. W. Lall, former Manager of Stanvac in New Delhi, will take over as representative of Socony Mobil Oil Company in India from 1 January 1962.

The Governor of West Bengal has appointed Raja B. N. Roy Chowdhury of Santosh to be the Sheriff of Calcutta with effect from 20 December 1961.

The Government of India has appointed Mr S. T. Raja, at present Managing Director of Hindustan Antibiotics, Pimpri, as General Manager of Rourkela Steel Plant.

Mr Indrajit Singh, Director of O and M Division and Joint Secretary, Ministry of Finance, has been appointed Director, Finance, Hindustan Steel Limited.

Mr Arun Banerji has been appointed Deputy Chief Officer of the Industrial Finance Department of the Reserve Bank of India.

Mr Ratan Lall assumed charge as General Manager of Central Railway on 18 December, in succession to Mr D. R. Khanna, who retired after 31 years of service on the Indian Railways.

Mr A. R. Bhatt, MLC (Poona), was re-elected President of the Federation of Associations of Small Industries of India at the annual general meeting held in New Delhi last week. Mr T. Ghose (Calcutta) and Mr D. C. Khanna (Delhi) were elected Vice-Presidents and Mr S. J. M. L. Thambi (Jaipur) as Honorary Secretary.

Mr D. N. Sroff and Mr Shantilal M. Mehta have been re-elected as the President and Vice-President respectively of the Silk and Art Silk Mills' Research Association for the year 1961-62.

Mr V. B. Kadam, an officer in the Economic Department of the Reserve Bank of India, left for Bangkok to take up an assignment.

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Clive Street Gossip

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

'CHRISTMAS is once again round the corner and here is wishing my readers a merry one; and since this will also be the last issue of the year, here is also wishing a happy New Year. Some obscure ambivalence is responsible for the odd legend on some greeting cards that convey the "season's greetings". I tackled my stationer about it and he hazarded two reasons: one, a neutral reference to the season enables the use of the cards for other occasions and other seasons—say the Puja or the Diwali. This indeed is thrifty! Thrift of another sort is the second reason—that of the man who wants to be done with the New Year and Christmas greeting for the price of one card. Austere and astringent persons like Shaw have deplored the fact that Christmas has become the adjunct of Commerce: Shaw, if I remember right, once sent a Christmas card to a friend saying "Don't despair, Christmas comes but once a year and it will soon be over." The greeting card business can be particularly harrowing: trying to remember those to whom it must be sent and trying to make out who the devil it was who sent a particular card and to whom reciprocity is due in common decency is an yearly ordeal with me. Mercifully, I have solved another problem connected with Christmas and the business of greeting. The UNICEF cards have saved me from the bother of having to make up my mind between "Ye Olde Inne" and the Ajanta belle who defies anatomy. The artistic merit of UNICEF cards is beyond question and I have the further satisfaction of not having assisted at pushing up the sales figures of one who is cashing in on Christmas. On the other hand, my kind thoughts are Christian in another sense: they contribute anonymously to a cause that is truly Christian in its comprehensive compassion.

One is slightly taken aback to learn that the Central Bank is just celebrating its Golden Jubilee, for one always felt that the institution was much older than that. I suppose it is because of the circumstances in which Central was born, the challenges it had to face, the obstacles it had to overcome that one has this impression that Central's birth must surely have been some time in the last century. But, no: spearheading or pioneering the Swadeshi move-

ment in the economic sphere 50 years ago, the Central Bank was established thanks to the initiative taken by Sir Sohrab Pochkhanwala and a coterie of friends. Off to a reasonably good start, the bank was then called upon to weather the storms let loose by the waging of World War I, while the institution was still cruelly susceptible to that typical Indian ailment, infant mortality. The Indian executives (Central has from its inception been a sort of "Indians only" show) new to banking as they were (there was little opportunity offered then to us for entering the field) manfully did their best, and their best fortunately was enough not merely for ensuring survival but also for fostering sure and steady growth. The end of the war brought some relief, but more trials were to follow in the early twenties. Runs were experienced, and then Sir Sohrab used to engender confidence, by himself acting as teller and giving cash for the flood of cheques that were handed in. Tata Industrial was then merged with Central, and after that landmark, Central steadily grew to be what it is today, the largest joint stock bank in India.

What contributed to Central's success? Undoubtedly, the giants associated with it. Sir Pherozeshah Mehta, Sir Sohrab, Sir Homi Modi, Mr C. H. Bhabha, Mr H. C. Captain and Mr N. K. Karanjia are the men who have tended to the affairs of the bank with jealous and efficient care. Indeed, it was this very prudence that, in 1951, was responsible for the last of the challenges that it had to face. Central's gilded portfolio was kept at a rather more than "average" ratio of Deposits. Hence, when bank rate was raised in 1951, and gilded prices came tumbling down, the depreciation in Central's holdings was considerable—the shortfall as compared with book value exceeded reserves: Of course this "loss" was only on paper, since on maturity face value (often exceeding book value) would be received.

The "Swadeshi" Bank (if I may so call Central) is today participating enthusiastically in India's industrialisation. One does not congratulate a bank on achieving a Golden Jubilee: here's to the next fifty years of service to the nation.

The UN is having house-keep-

ing worries on the top of its other difficulties. It is true that it has always had them, but the situation now is pretty desperate. Mr U Thant, the acting Secretary General announced the other day that the UN was on the verge of bankruptcy and begged of its members to do something quick. His own suggestion is that the UN should raise 200 million dollars which will be just about sufficient to wipe out all deficits upto September next, assuming, rather pessimistically, that the present commitments in the Congo will continue to exist and the present defaulters will remain unmoved. The amount asked for is about three times the annual budget of the UN and Mr Thant suggests that the bonds should have a maturity of 25 years and the rate of interest 2 per cent per annum. Unfortunately the UN has added considerably to its difficulties by not making, for some inexplicable reason, special expenditure like that on the UN Forces in the Congo, part of its annual budget. For theoretically it would then become possible to deal with members who, on some pretext or the other, are refusing to pay the special expenditure incurred. For example, the USSR is not paying towards the cost of the UN operations in the Congo. Nor did it pay for the UNEF sent to Egypt in 1956. The UAR did not pay either for the UNEF though it probably saved Egypt from being overrun by the French and British troops on the specious ground that

the "aggressors" should pay for it. And now France, Belgium and South Africa are not for obvious reasons paying for the UN action in the Congo. Had these special items of expenditure been made part of the regular UN budget, it would have been possible to invoke the rule that takes away the voting rights of member countries that are in arrears of their dues to the UN for more than two years. Whether it would have been possible to do this when it came to the sticking point, is a different question. But it has not risen in this form, with the result that the better behaved nations, like their counterparts in personal life, have the chagrin of seeing the recalcitrant ones get away with it. The US has particular cause to be peeved because it has the largest share in the UN expenditure. But that does not mean that it is tenable to argue, as has been done by a writer in the New York Times recently, that the fact that the US which pays 32.51 per cent of the UN expenditure and the 33 Asian and African nations which pay only 0.04 per cent each of the UN expenditure have only one vote each, "constitutes a dangerous problem for the United Nations." I can understand a person wanting to call defaulting nations to order and asking them to pay up. But to say that the votes at the United Nations should have some relationship to the money they pay in and that the absence of such a nexus poses a "dangerous problem" is to make nonsense not only of the basis of the United Nations but also of democracy. In American mouths such arguments are particularly grotesque.

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AFRASEC Resolutions Passed

THE AFRASEC Conference concluded its five-day session in New Delhi last week after adopting a number of resolutions on the topics on its agenda. While indicating the specific measures for facilitating the growth of intra-regional trade that are immediately practicable, the Conference has also directed the Secretariat to undertake further study and investigation of the more far-reaching proposals of regional co-operation. In fact it is the larger objectives that provide the rationale for the existence of the Organisation and there is no conflict between measures to increase regional co-operation in trade and economic development and the growth of international trade. The objectives of the Organisation and the resolutions adopted at the annual Conference are completely in accord with the GATT declaration on promotion of trade of less developed countries. This declaration says: ".....it is recognised that there are important possibilities for encouraging sound economic development in the less developed countries through increased trade among themselves and that these countries should keep this in mind in formulating their tariff, commercial and economic policy measures. Lest the development of this important trade potential be prevented or unduly delayed, they should strive to attain and preserve liberal access to one another's markets in the same manner as they now seek to secure improved access to the markets of the economically advanced countries".

Apart from the resolution on the Secretary-General's report, the other four resolutions concern the topics on

which the Secretariat had prepared competent working papers. They deal with the Arbitration Arrangements in the Region, External Market Groupings and their Impact on the Trade and Economic Development of Afro-Asian Countries, Development of Intra-Regional Trade and, lastly, Mutual Aid and Investment. The value of these studies, the Secretary General, Dr Mohamed Ali Rifaat, said, does not lie so much in the concrete proposals they advance as in throwing light on the problems and difficulties which need urgent attention. He also expressed the hope that suggestions made in these studies may be followed up by serious efforts by responsible agencies.

The main resolution on the Secretary-General's report, which reaffirmed, the determination to foster economic co-operation and collaboration and to provide the institutional basis for such co-operation, also drew attention to the special responsibility of the more established countries of the region to offer, whenever so requested and wherever practicable, moral and material help to the less developed countries of the region to develop their resources. On the question of external assistance, the resolution affirmed its belief that effective and lasting aid could only be brought about through expansion of trade which, while assuring reasonable stability of raw material prices, provides at the same time the manufactures and products of the developing countries access to the markets of the industrialised countries. It may be recalled in this context that the problem of the obstacles faced by less developed countries in expanding their export trade was one of the important topics discussed at the recent meeting of the Trade Ministers of the Contracting Parties to the GATT. A declaration to the effect that every possible effort would be made to remove barriers in the

shape of quota restrictions, high protective duties, fiscal and other internal charges which barred access to the markets of the industrialised countries to the exports of the developing countries, was accepted by the signatories of the GATT at this meeting. The Ministers also agreed on a specific programme for the implementation of this declaration.

The resolutions on the Impact of External Market Groupings and on the Development of Intra-Regional Trade cover more or less the same ground in parts of their operative portions. But it is necessary to draw attention to the fact that the resolution on External Market Groupings views measures for greater collaboration among countries of the Afro-Asian region in the larger setting of the movement for economic integration throughout the world. The resolution appeals to the Governments of the countries concerned to take immediate steps for collaborative effort to ensure greater economic solidarity and co-operation between countries of the region, and directs the Secretary-General "to study and pursue the possibility of evolving specific policies that will bring about, to start with, an increased flow of trade in specific commodities in this region within the present economic set up, and to suggest measures for increased trade through schemes of regional tariff preference leading up to a common market for certain commodities, initially among proximate nations, and in the not distant future, for the region as a whole".

For the realisation of the objectives broadly indicated above, the resolution on Development of Intra-Regional Trade offers the following suggestions:

(a) a scheme be devised by which the countries of the region may mutually exchange their foreign exchange resources and without upsetting their present trade arrangements;

(b) the countries of the region may consider gradual extension of most favoured exports and imports tariffs and quotas applicable to any country in the world to the Afro-Asian countries as well;

(c) the question of free trade being evolved in certain selected commodities between the Afro-Asian countries be examined; and (d) ways and means which will help guarantee satisfactory terms of trade to the raw material producing countries be examined.

The resolution on Mutual Aid and Investment notes that external assistance has to be supplemented by mutual assistance among countries of the region and urges studies on:

(a) co-ordination of industrial and agricultural production plans;

(b) technical assistance and exchange of technical personnel on a sub-regional basis in the form of specific and ad hoc projects;

(c) development of transport facilities and encouragement of means of transport within the region over and above international means of transport; and

(d) establishment of semi-permanent working Commissions among AFRASEC members to discuss the needs and to plan the im-

plementation of certain specific programmes of each country;

(e) encouragement of investment by countries of the region through elimination of double taxation, tax incentives, and arrangements for dissemination of information through Investment and Information Centres; and

(f) formation of an Afro-Asian Development Bank.

A resolution of immediate practical significance to the growth of trade is the one relating to Arbitration Arrangements in the Afro-Asian region. (The Working Paper on the subject had suggested the establishment of an Afro-Asian system of arbitration attached to the AFRASEC including provisions for conciliation. The Working Paper had also suggested that the Secretary-General should be authorised to examine the possibility of concluding agreements with other national and international arbitration organisations so that the Afro-Asian arbitration system will be extended outside the boundaries of the Afro-Asian countries.

Handloom Display

The Handloom Pavilion at the Industries Fair presents an eye-filling display of the weaver's art with emphasis on the export potential of handloom fabrics. In the section devoted to exports are displayed varieties which are exported to non-traditional markets, mostly to the USA and European countries. Various successful experiments in production and processing carried out by the Weaving Centres set up by the Handloom Board, which are displayed in another section, show that the industry, though a most ancient one, is alert to take advantage of new opportunities and techniques.

During 1960 exports of handloom textiles had slipped down to Rs 50.14 million from the peak of Rs 65.91 million reached in the previous year. The disillusion in the United States over "Madras Bleeding" was one of the main reasons for the sharp decline. It is gratifying to learn that "Madras Bleeding" has survived the crisis and is regaining its lost markets. Total export of handloom textiles during January to April 1961 amounted to over Rs 18 million.

In drawing up the programme for handloom exports, it is necessary to take into consideration a major change in the direction of the trade. Our exports to traditional markets in Africa and South East Asia are declining and the trend cannot be reversed, as it is the result of the efforts made by these countries to develop their own textile manufactures. But, on the other hand, handloom products are finding expanding markets in the USA and in Europe. Manufacture for export should, therefore, be geared to the requirements of the new markets with emphasis on aesthetic appeal and quality control. It is heartening to note that both these aspects are receiving attention at the hands of the Handloom Board and the Handloom Export Organisation which has been set up under the State Trading Corporation to explore the possibilities of exports to the non-traditional market.

Markets

Jute Firm Trend in Fannings

STEADIER undertone has developed in the jute markets during the last few days. Although raw jute still done around the minimum prices, mill buying is steadily increasing. Gunny has profited from sustained bear covering in ready delivery position coupled with fair overseas enquiries and purchases on behalf of the Government of India. The improvement in sentiment in raw jute is largely due to the effort initiated by the Indian Mills Association to support the jute market. Member mills are required to purchase increased minimum quotas by the end of the current week. The total purchases are to be completed by member mills this week is about 10 lakh bales. The quotas are on the basis of stocks and undelivered balances of the mills and in terms of weekly consumption. The allotments are in the following manner: To be with stocks and undelivered balances representing (a) not more than 12 weeks' consumption—2½ weeks' consumption; (b) over 12 but not more than 14 weeks' consumption—2 weeks' consumption; (c) over but not more than 16 weeks' consumption—1½ weeks' consumption; (d) over 16 but not more than 18 weeks' consumption—1 week's consumption; and (e) over 18 weeks' consumption—½ week's consumption. Member mills have been asked to buy at least 50 per cent of their quotas on contract for near delivery. Special consideration is being given to jute growing areas in which cultivators are experiencing difficulty in disposing of their crop of jute for various reasons. Mills with buying agencies in Bihar where jute prices are said to have declined rather sharply are requested to take up as much jute there as possible and store it for despatch as and when wagons are available.

If in spite of the increased purchase quotas there has been no marked improvement in raw jute prices, it is perhaps because sellers are keen for business under the pressure of heavy arrivals. Arrivals of raw jute during last month have been at a record level, highest for any month in the past three years. Arrivals of raw jute into Calcutta and mill stations last month increased to 835,410 bales from 657,280 bales in the corresponding month of last year. While arrivals of Indian jute rose to 785,830 bales from 604,180 bales in November 1960, imports from Pakistan fell from 53,080 bales to 49,580 bales. Total raw jute arrivals in the five months ended

PRICE TRENDS

	As on 14 Dec. Rs.	As on 18 Dec. Rs.	As on 20 Dec. Rs.
Hessian:			
45" x 11 ozs.	57.50	59.00	60.00
40" x 10 ozs.	52.25	54.50	57.00
Ready	49.25	51.50	53.25
January	57.50	48.87	50.50
January-March	46.25	46.75	47.50
April-June	42.50	44.00	45.75
40" x 8 ozs.	39.62	40.65	43.50
40" x 7½ ozs.			
Backings:			
B Twills—			
Ready	128.75	132.50	134.50
January	124.75	128.00	130.25
January-March	123.00	125.50	127.50
April-June	120.25	122.00	123.50
Heavy Ceers (Green)	128.50	132.00	134.00
Cornsacks	134.50	137.00	139.50
Cubans	168.50	172.00	173.50
A Twills	159.00	161.00	162.00
L Twills	148.50	151.50	154.00
D. W. Flours	158.00	161.00	163.00
Sugar Twills	148.00	151.50	153.50
Ready Raw Jute:			
Assam Bottoms	30.00	30.00	30.00
Northern Bottoms	29.50	29.50	29.50
Daisee	32.50	32.00	32.00
Whites:	High Rs.	Low Rs.	Closing Rs.
Hessian—February	48.86	48.54	48.75
Backings—February	124.03	119.90	124.34
Raw Jute—March	32.04	31.52	32.00

November, 1961 were also higher at 2,544,270 bales compared to 2,072,370 bales in the similar period in 1960. Arrivals of Indian jute increased from 1,845,050 bales in July-November 1960 to 2,357,480 bales in July-November 1961, whereas imports from Pakistan declined from 227,320 bales to 186,790 bales.

Sentiment in the jute goods market has been aided by a number of factors. Speculative transactions especially in ready delivery position has been responsible in a large measure for the upsurge in price levels. But some encouragement has been provided by actual enquiries from the Government of India and buyers in USA and Europe. The trend was somewhat easy in early dealings on political news but with favourable reports about the Gna situation later in the week steadier conditions returned to the market. From midweek prices are ruling firm.

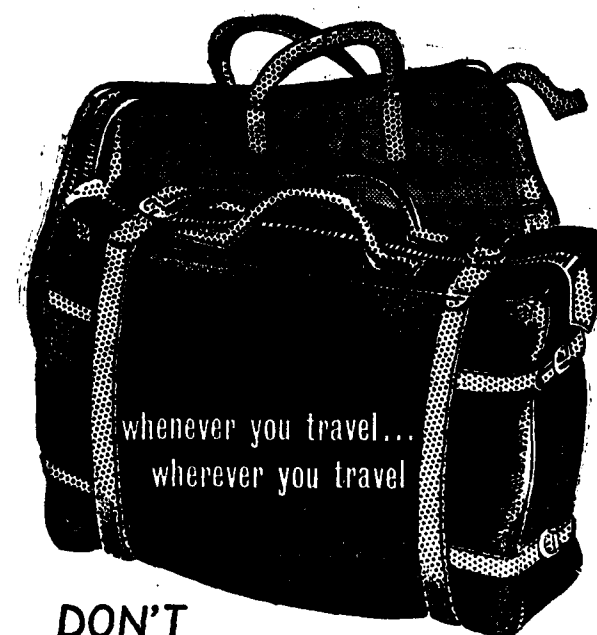
The rise in jute goods prices may be partially due to the higher burlap consumption in November and the substantial improvement recorded in jute goods despatches last month. Total jute goods despatches in November were placed at 92,100 tonnes comprising 36,200 tonnes hessian, 47,900 tonnes sacking and 8,000 tonnes other varieties. Total despatches in the previous month and in the corresponding month of last year were 75,000 tonnes and 82,400 tonnes respectively. Last month's total despatches were made up of 64,000 tonnes for export purposes and 28,100 tonnes for internal consumption. Despatches for

export purposes in October 1961 and November 1960 were placed at 55,800 tonnes and 58,200 tonnes respectively. Despatches for internal consumption last month totalled 28,100 tonnes compared with 19,200 tonnes in the previous month and 24,200 tonnes in November 1960. The fact that burlap consumption in US during last month has recorded a rise by 5 million yards to 70 million yards while stocks at 219 million yards are higher by 13 million yards as compared with the previous month indicates that US consumers may be steadily increasing their offtake of hessian.

TEA Centenary Auction

This week's Export Sale commenced with a short ceremony in which Mr A. S. Bam, Chairman, Tea Board, auctioned the first lot from each brokers' catalogue. Offerings amounted to 74,765 packages. There was a strong general demand. The market opened at fully firm to dearer rates; but prices eased slightly in the second half of the sale. Plain broken were generally firm to dearer; but similar Fannings were barely steady. There was keen competition for "teas for prices" which were sold readily.

Better liquoring orthodox Assam broken and fannings were generally dearer with quality, while medium descriptions in this category were



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fully firm. CTC types were sold at firm to dearer rates. Any secondary grades with useful liquors were dearer; but there was less support for the plainer liquor offerings. Legg-cut teas were generally dearer.

Darjeeling teas met with quite good support around last rates, while Tippy teas were dearer. Whole Leaf grades were in demand, particularly the cheaper varieties and prices were generally dearer. Following rates were quoted: Clean Plain Pekoe Rs 3.80 to Rs 4.10; Plain BP Rs 3.50 to Rs 3.65; Plain Fannings Rs 3.50 to Rs 3.70; Medium Assam CTC BP Rs 4.80 to Rs 5.10; Medium Assam CTC Fannings Rs 4.60 to Rs 5.00; Best Assam CTC BP Rs 5.40 to Rs 5.70 and Best Assam CTC Fannings Rs 5.40 to Rs 5.80.

In the Internal Sale, offerings consisted of 24,651 packages of Dusts

and 313 packages of Leaf grades. There was a strong and general demand for Dusts. CTC types were sold irregularly; but the smaller and brighter liquoring descriptions were often dearer. Fibrous kinds were also well supported. Orthodox varieties, although a little easier for the poorer sorts, met with useful enquiry and those with bright liquors were sold at generally enhanced rates. Legg-cut teas were also in demand and were dearer. Following rates were quoted: Plain Orthodox Dust Rs 3.65 to Rs 4.00; Medium Assam Dust Rs 3.85 to Rs 4.20; Legg-cut Dust Rs 4.30 to Rs 4.60; Medium Assam CTC Dust Rs 5.50 to Rs 6.00 and Good Assam CTC Dust Rs 5.50 to Rs 6.00 and Good Assam CTC Dust Rs 6.40 to Rs 7.00. Leaf grades met with a fair demand. The 42 package of Green teas, which were on offer, were a little easier.

Meanwhile, the Indian Tea Board has decided to start a campaign in the UK and particularly in Scotland to further the export of Indian tea. A delegation, headed by the Chairman of the Tea Board, will visit USA and Canada in February next year to study the consumption of Indian tea in these two countries and suggest measures for expansion. The Tea Board has also decided to extend transport subsidy to the Tripura gardens where transport is costly on account of which tea gardens face great problems.

According to trade sources, direct shipments of North-East Indian tea to the UK, in the six months ended September 1961, increased substantially to 76.96 million pounds from 53.78 million pounds in the 1960 period despite the shortfall in exports in September.

In the Cochin market, 381,000 kilogrammes of dusts were offered for internal consumption, there was no change in the quality of teas offered and the market met with a useful general demand. Plain and Low Medium teas were sold readily at fully firm rates. Medium and Good Mediums were well competed for and advanced irregularly by 10 nP a kilo. There was good support for high-grown, which were fully firm. Buyers showed keen interest for Clean Black Grainy descriptions, which were the strongest feature of the sale. CTC types and legg-cuts also shared in the upward trend of the market.

It may be added that more than an average of one rupee per pound has dropped in the prices of tea over four sales in the Cochin market in the last six weeks. Tea circles in entertain little optimism that prices can be held at this level with the crop running at 113 million pounds higher than last year at this time. Producers expect prices to fall further and find the withdrawal of the export quota system of little consequence to the market or to them.

Some idea of the severity of the fall in prices can be had from the Cochin auction average of Rs 4.15 per kilo at the end of October as compared to Rs 3 by the end of November. As the month closed, brokers were quoted Low Medium at Rs 3.00 to Rs 3.30 as compared with Rs 4.80 to Rs 4.95 per kilo in the previous year. Some of the estates have reported sales of their tea even at a loss. With a shipment of 7.46 million pounds in October, total exports of tea from South India, during the period April to October this year, were lower at 41.86 million pounds as against 44.18 million pounds in the corresponding period of last year.

The Ceylon Government has decided to open up new land with tea. The Minister of Agriculture has ordered six tea plantations of 1,000 acres each be started immediately. With shipments of 33.93 million pounds in September, total exports of tea from Ceylon, in the first nine months of the current year, were higher at 323.61 million pounds as compared to 318.25 million pounds in the corresponding period of last year.

The Pakistan Government has increased the tea export quota from 10,000,000 pounds to 12,500,000 pounds in view of the good crop the country has this season. The production is estimated at 59 million pounds for the period April 1961 to March 1962 - the highest ever. The crop yield during the year 1960-61 amounted to 42 million pounds. The current year's crop represents an increase of 40.50 per cent over the last year's.

In the auction held at London this week, offerings were 23,306 packages including 18,397 packages of Northern India teas. The best Assams again ruled easier and prices showed advances of up to 3d per pound. For all other descriptions, the market remained fully firm at last week's rates.

COTTON Futures Easy

AFTER initial steadiness the Jarilla March contract steadily declined to touch a low level during the past week. The buoyancy in cotton futures seems to have been abated and the sustained requisitioning of cotton by the authorities induced some of the powerful bulls to liquidate their holdings and the market closed on a quiet tone.

The Jarilla March after commencing the week at Rs 675 gradually moved up to Rs 680 and reacted to Rs 668 before closing at Rs 669.50 per three quintals. With the imposition of heavy margins, business, mostly of a squaring up nature was at low ebb and the average daily turnover amounted only to 3,000 bales. No fresh buying or selling was reported during the week under review. Ahmedabad, Akola and some of the spot houses exhibited a tendency to book profits at bulges. The encouraging arrivals of new crop coupled with the prospects of adequate import of foreign cotton to meet the requirements of the domestic cotton textile industry has relegated the fears of a further spurt in cotton price to the background.

Meanwhile the Federation of the Indian Cotton Mills has requested the Government of India to consider the question of utilising more quantum of staple fibre and man-made fibre. As the prospects for enhancing the acreage under cotton cultivation is rated gloomy, the

Federation has drawn the attention of the authorities to the need for stimulating the manufacture of man-made fibre in the country.

The slow and continued drive of the authorities to requisition cotton from the holders led to dull trading conditions in the spot market at Sewri. According to the latest reports the Government has so far requisitioned 4,000 bales of Khandesh cotton alone. Mill interest hovered around the available lots, of 1960-61 crop and also new crop 197/3 from Khandesh and Berar, L-147, Buri 0394, Kalyan, Vijay, Digvijay and Punjab styles. The scope for obtaining cotton from the requisitioned stock induced the mills to adopt a slow policy in covering their requirements and this led to a general fall in demand.

The Gujarat co-operative societies are reported to have informed the Government of their readiness to supply to the cotton textile industry Gujarat growth at ceiling prices. At the same time they recorded their protest at the system of regional survey committee of Gujarat cotton.

The prices of Bengal Deshi, in the import section, moved up on account of the emergence of Japan as a buyer at 2d higher per pound compared with the previous indications and the heavy mixing of this crop with staple varieties.

In the import section, spinner interest was pronounced in African Sudan and Egyptian cotton obviously due to the reduced rates at which they are offered. According to the

International Cotton Advisory Committee, the total production of cotton of free world will be considerably low this season, despite the increase in the acreage of cotton cultivation. The main reason ascribed to the reduced output was the low yield in India and Egypt. The Committee has estimated this season's crop at 33.3 million bales, about 0.2 million bales less than the previous year's production. The yield prospects in the United States has been brightened and production has been tentatively fixed at 14.5 million bales. However, the Committee reports, that the probable decline in production would be more than offset by the increase in opening stocks and supply would be at a higher level since 1956-57. The Committee has also indicated that the aggregate cotton exports are expected to go down steeply by comparison with the past two seasons.

In view of the desirable level of cotton reserves and mill needs, about 1.2 million bales of cotton will have to be imported next year. The scarce of shortages could not have much effect on prices if speculative forces in the cotton market is voluntarily checked and the mill purchases are properly organised. Although the Government is concerned with reactions of present trend in cotton market on textile production and prices, it is gathered the Government has no plans to tighten cotton control.

PIECEGOODS:

The Bombay cotton piecegoods market displayed divergent trends during the past week. The offtake

in the domestic sector was slender largely due to the stringent conditions prevailing in the money market and the absence of upcountry demand. The export front, on the other hand, depicted fairly encouraging conditions.

The merchants were found anxious to sell their goods even at reduced prices in order to honouring their obligations to the banks. But the buyers were hesitant to enter the market as the banks have tightened up their loan policy. All these led to the restricted turnover. The flow of funds from upcountry centres was far from satisfactory. It was even reported that a few upcountry parties failed to discharge their financial obligations in the Bombay and Ahmedabad markets. The power loom goods continued to command higher rates on account of the inflated cost of production.

Trading in the export sector during the week under review, showed signs of looking up. Business on a moderate scale was transacted with the United Kingdom in the usual varieties at slightly reduced rates. There are indications that the business is likely to improve after the Christmas holidays. Fairly good business in grey sheetings was done with Sudan, Ethiopia and Eritrea were satisfied with small quantum of chaddars, sheetings and drills. Ceylon showed interest in some of the available varieties. Enquiries from Burma for the usual varieties flowed on an encouraging level and that destination accounted for a fair quantity of grey sheetings, voiles, dhoties and saris.

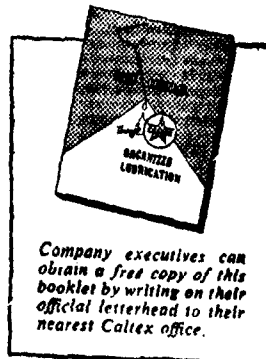


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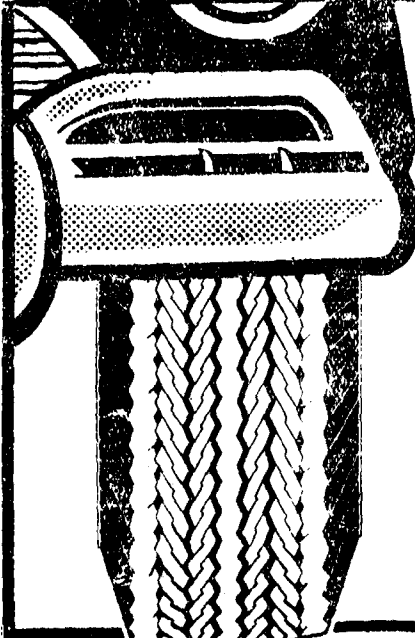


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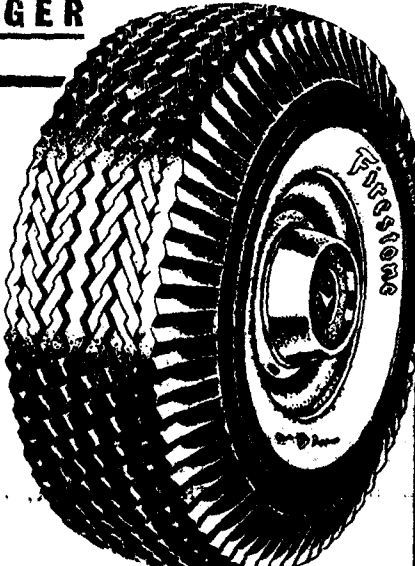
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Copper and Tin Prices move up

Copper and Tin prices have been showing a rising tendency during the last few days. In the Bombay market, the rate for copper electrolytic coil has climbed up from Rs 312 to Rs 316 per cwt, while Wire Bar prices have hardened by Rs 2 to Rs 306 per cwt and Blisters from Rs 285 to Rs 288. The rise in prices has been mainly caused by the fears that the imports may be delayed and become costlier due to the restriction kept on imports.

The imports of the metal have to be made only from the USA. Prices in America are much higher than the price prevailing in other parts of the world. Hence, the import of this metal will be costlier for India.

Sentiment in the market has also been influenced by the worsening situation in Katanga. The reports, that the fighting in this area has affected copper production, has led to some strengthening of prices on the

London Metal Exchange where the rate has moved up by about £4 per ton.

Among other non-ferrous metals, Tin has also recorded a sharp advance, as bulls have pushed up the levels under the inspiration of several bull points. Increased consumer demand in the local as well as up-country markets, inadequate volume of stocks, poor arrivals and the restriction on the movement of wagons have induced hopeful "long" buying coupled with nervous shortcovering.

A special clearing has, therefore, been introduced in the December contract as a result of the persistent rise in prices. The special clearing has been enforced at Rs 100 per 10 kg, while the last clearing was fixed at Rs 164.50 on 7 December.

*

SUGAR

Sugar markets have been displaying a quieter tendency, thanks to the comfortable supply position. In the Hapur market, the rate is quoted at Rs 106.50 per bag.

*

The international sugar talks came to a very rapid end. It was clear from the start that there was no hope of reaching an agreement on Cuba's export quota for next year and the talks were quickly brought to a close. Thus, the international Sugar Agreement has now, to all intents and purposes, broken down.

There will be no control over sugar exports next year and the countries will be free to ship as much as they like. The sugar markets have already fallen in recent weeks in anticipation of something of this sort of happening; but the news of the breakdown of the talks was followed by a further drop to yet another new post-war low. What will happen now remains to be seen. Fortunately, the Cuban crop this season is much smaller than last year. Any further fall in prices may not, therefore, be too big.

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FOODGRAINS

Conditions in the Hapur Food-grains market remained quiet during the week under review. Wheat

prices hovered around Rs 16 a maund for the average quality and Rs 18 for the better farm produce. The market for Rice continued to remain depressed following fresh arrivals of the new produce and the slack consumer demand and rising stocks. Gram was slightly lower at Rs 15 a maund for the Punjab variety owing to easier Punjab advices. The market for Maize remained also depressed. Among Pulses, Peas drifted lower as loading facilities for the South were not available and the stocks were heavy. The Arhar section was quiet in the absence of any incentive, while other pulses were steady.

The Bombay foodgrains market also presented a quiet appearance. Popular varieties of indigenous Rice looked up initially by about a rupee per quintal; but the improvement could not be sustained for long due to the subdued retailer interest. Trading in wheat was featured by an improvement of Rs 2 per quintal and this was attributed to the difficulties in obtaining adequate railway bookings by the wholesalers in the Punjab. But the market lost the initial gains towards the end of the week with the reported resumption of the railway booking in the Punjab. The possibility of the release of the Australian wheat at fair price shops also tended to act as a bearish factor.

In the Coarse grains section, trading was of a routine nature. Jowar looked up by Rs 2 per quintal due to smaller arrivals; but the prices receded gradually towards the close for want of adequate retailer interest. Traders reported a shortage of Bajra of good quality due to the damage suffered by the new crop. After the all-round improvement in the previous week, prices of Pulses tended to move down. The demand was somewhat subdued.

*

CHEMICALS & DYES

Listless conditions prevailed in the Bombay Chemicals and Dyes markets. The demand from the up-country centres was at a low level and the turnover was very poor. The deteriorating situation on the border areas, especially on the Goa front, affected adversely the volume of business. There was also no material improvement in the railway bookings for some of the uncountrv centres. To make matters worse, approaching end of the year and the paucity of funds also restrained the turnover.

The only exception to the general trend of the market was Bleaching Powder. The drastic fall in its price in the previous week attracted some support from the consumers and merchants. With the result, there was an appreciable recovery in prices. The small packing moved up by Rs 5 to Rs 80 and the big packing to Rs 78. Other popular items remained more or less unchanged.

In the Dyes section, price movements were confined to narrow limits. Naphthols were subdued on good arrivals of fresh materials and the prospects of further arrivals from abroad. In scarlet RC, the German quality was quoted around Rs 9-8-0 and the Japanese around Rs 8-0-0.

Indian Finance

23 December 1961

PEPPER

Despite fair buying support from East European countries, Pepper prices in the Cochín market have shown a further decline from last levels. The rate is quoted at Rs 317.50 per quintal for the ready position and Rs 319 for the December delivery. The steady decline is attributed to the increased arrivals in the terminal markets. Alleppey has reported an average arrival of about 250 candies, which have exerted a strong bearish pressure with sellers anxious to dispose of existing stocks. American buyers have continued to show apathy at the prevailing rates and are reluctant to enter into the market for making their purchases.

*

WOOL

Production of wool in the world, during 1961-62, is estimated at the record level of 5,680 million pounds as compared to 5,573 million pounds in the previous year. Out of the estimated increase of 87 million pounds, Merino wool accounts for 55 million pounds with the production rising from 2,276 million pounds in 1960-61 to 2,331 million pounds in the following year. Production of the Crossbred variety and other kinds of wool has also increased from 2,041 million pounds and 1,257 million pounds to 2,069 million and 1,260 million pounds respectively.

All the major producing countries, except the Communist nations, have shared in the improvement in production. Production of wool in Australia and New Zealand, which together account for about 40 per cent of the aggregate world wool output, has increased substantially from 1,632 million and 588 million in 1960-61 to 1,679 million and 589 million pounds respectively in the year under review. South African and Uruguay have also increased their output from 305 million and 181 million to 322 million and 195 million pounds respectively. On the other hand, wool production in the Communist countries has declined to 1,090 million pounds, from 1,106 million pounds.

In the Bangalore Silk market, prices of flature raw silk of 20/22 dr. continued to be quoted between Rs 84.80 and Rs 85.99 per kgm during the week ended December 15, 1961. Rate of charka raw silk as well as cottage basin silk registered no change when quoted between Rs 46.30 and Rs 68.60 per kgm and Rs 71.05 and Rs 78.06 per kgm respectively.

Prices of reeling cocoons were also steady during the week. While reeling cocoons from Siddaghatta ruled between Rs 3.25 and Rs 4.50 per kgm, reeling cocoons from Channapatna were quoted between Rs 3.50 and Rs 5.00 and Mugur between Rs 3.32 and Rs 4.00 per kgm.

There was a slight decline in the rates of foreign race seed cocoons which were quoted between Rs 4.00 and Rs 10.00 per thousand.

In the Bhagalpur Silk market, prices of tassar raw silk rose to Rs 79.97 and Rs 108.00 per kgm as against the rates of Rs 61.73 and Rs 83.77 per kgm quoted last week.

Prices of reeling cocoons also improved to Rs 72.00 and Rs 170 per kahan and pierced cocoons to Rs 160.00 per kahan. Silk waste was however, steady between Rs 22.04 and Rs 26.46 and spun silk yarn between Rs 30.86 and Rs 48.50 per kgm.

Landed cost of Japanese raw silk of 20/22 dr. was Rs 82.36 per kgm as on November 4, 1961.

*

GOLD & SILVER

Prices on the Bombay Bullion Exchange displayed a firmer tendency although higher levels could not be retained till the close. The firm trend in Silver was due to higher overseas advices. Local buyers also lent good support to the market, being influenced by the news of the surrender by the Portuguese troops. Arrivals amounted to 45 bars as against an offtake of only 10 bars. Ready Silver (below .996) changed hands at Rs 211.40 to Rs 211.50.

Prices of Gold also moved up following the fears that smuggling of the metal would end due to the Goa problem being solved. Arrivals amounted to 6,000 tolas as against an offtake of 5,000 tolas. Ready gold changed hands at Rs 119.80 to Rs 119.90, while Sovereign ruled quiet at Rs 99.

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OILS & OILSEEDS

Prices on the Bombay Oilseeds Exchange showed a mixed trend. Sentiment in the Castorseed section brightened visibly following a brisk revival in the overseas interest in castor oil. After prolonged dullness, shippers reported an encouraging response from the UK buyers. With the result, they were able to sell about 225 tons of BSS castor oil at a favourable price of £127 per ton c.i.f. Although the revival of the foreign buying interest was welcomed by the trade, observers were not confident that the export outlook had undergone any fundamental change in favour of India. It was felt that the flutter caused by the purchases made by the UK may prove short-lived. American's continued silence also nudged the traders to take a cautious view of the future. Castor ready was quoted at Rs 33.25 and Castor Oil, commercial quality, at Rs 14.40.

In the groundnut section, trading revealed a gradual softening of the trend of spot prices. The demand from crushers and vanaspathi interests tended to fall off at higher levels and the inflow from upcountry centres was quite good on most days. Groundnut ready Bold was quoted at Rs 46 and Groundnut Oil at Rs 18.35.

In the Linseed section, prices displayed an easier tendency, as the North Indian operators continued to press sales at the higher levels. The subdued local demand for linseed and linseed oil also accounted for the absence of speculative support. Linseed ready was quoted at Rs 43.25 and Linseed Oil at Rs 17.85.

In the Calcutta market, too, prices showed an easier tendency with the rate quoting around Rs 31 a maund for ready delivery despite the fact that arrivals from the uncountrv centres were small. The price of oil was also easier, as crushers were not inclined to do any forward business

at lower prices. Turnover declined also in Oilcake and the price has fallen.

In the Madras market, there has been a steady decline in prices. This has also stretched to other seeds and oils like castor oil, gingelly oil, coconut oil and gingelly seeds. Both Calcutta interests and the local buyers are not quite eager to buy anticipating further loss in values due to heavier arrivals of groundnut seeds. While in the southern centres seeds arrivals had been reported around 150 tons, the City itself has been getting daily 100 tons. This arrival is also consistent for the last week. In the interior the seeds harvest had begun and more is expected to arrive. Crushers are waiting for the lowest prices possible and the hesitancy of buyers had contributed to the depressed values in oil.

In forward positions too there had not been much trading. Only in the nearer deliveries like that of December last week or January first week some commitments to be fulfilled were negotiated. Since the past one week the average lifting up groundnut oil has not exceeded 25 candies per day. The basis of price was about Rs 179 per quintal last week.

Ready oil commodity was consistently quoted at Rs 183.40 during the latter part of last week. This price was maintained till almost Friday evening, but there was a sudden fall the next day, when the sellers quoted Rs 178.60 per quintal. Even for this price, there were no buyers. There was no market on Monday due to Valakunta Ekadesi, and today the quotation went down by another rupee or so.

But the January position was unchanged. It is maintained at Rs 178.00 per quintal.

As regards kernels the fresh crop remained at the price of Rs 69/70 without any change. But today there has been a slight decline due to further fresh arrivals and the buyers hesitancy continuing. Local crushers bought a few candies for immediate needs.

The following are the closing prices of oils and seeds here on Tuesday:

Groundnut oil per quintal ex-Madras Godown expeller Ready 3% BFA Rs 177.70; January Rs 176.00.

Groundnut kernels per 80 kgs fresh crop Rs 68 to Rs 68.50.

Castor oil per quintal Rs 158.70.

Coconut oil per tin Rs 39.75 per tin.

Gingelly oil per maund Rs 24.30.

Gingelly seed per bag Rs 68.50. (Arrivals have been good).

Groundnut cake Rs 28 per bag of 160 lbs.

*

HIDES & SKINS

The position in tanned cowhides in the market is a bit changed and that relates only to fifth and inferior fifth. Tanned cowhides are not coming in lot and prices have not changed. In view of the overseas surplus position, it is reported enquiries from abroad are next to nothing. Also tanned cow calf skin remained in the same position with little arrivals. Enquiries from abroad also proved no better.

Both tanned buffalo hides and tanned buffalo calf skins continued

to be in good inquiries. There have been heavy dealings of raw buff hides and in the coming weeks the position at present may change in regard to prices.

Tanned goatskins as well as tanned sheepskins remained unimproved. No overseas demands exist despite a reduction in shippers' prices.

*

WHOLESALE PRICES

Decline by 1 per cent

The official wholesale price index (with the year ended March, 1953 as 100) declined by 1.0 per cent to 123.2 during the week ended November, 25, 1961 as compared with 124.5 (revised) for the previous week. The index was also lower by 1.2 and 1.7 per cent respectively when compared with the corresponding week of the earlier month and that of a year ago. The monthly average for November, 1961 worked out to 124.2 as against 124.4 (revised) for October, 1961 and 125.9 for November, 1960.

Lower prices of Oranges (—32%), Milk (—8%), Tea (—7%), Urad and Potatoes (—4% each), Rice Mung, Groundnut oil and Turmeric (—2% each) and Black Pepper and Cardamoms (—1% each) brought down the index for "Food Articles" by 1.4 per cent to 118.7 as compared with 120.4 (revised) for the earlier week. The prices of Cashewnuts (+10%), Wheat at Chandausi and Gram (+5% each), Betelnuts (+4%), Arhar (+3%), Harley and Gur (+2% each) and Jowar, Bajra, Maize, Masur, Onions, Gingelly oil, Mustard oil, Coconut oil, Eggs, Meat and Chillies (+1% each), however, moved up.

The index for 'Tobacco' declined by 1.0 per cent to 93.3 due to a fall in the prices of raw Tobacco (—1%).

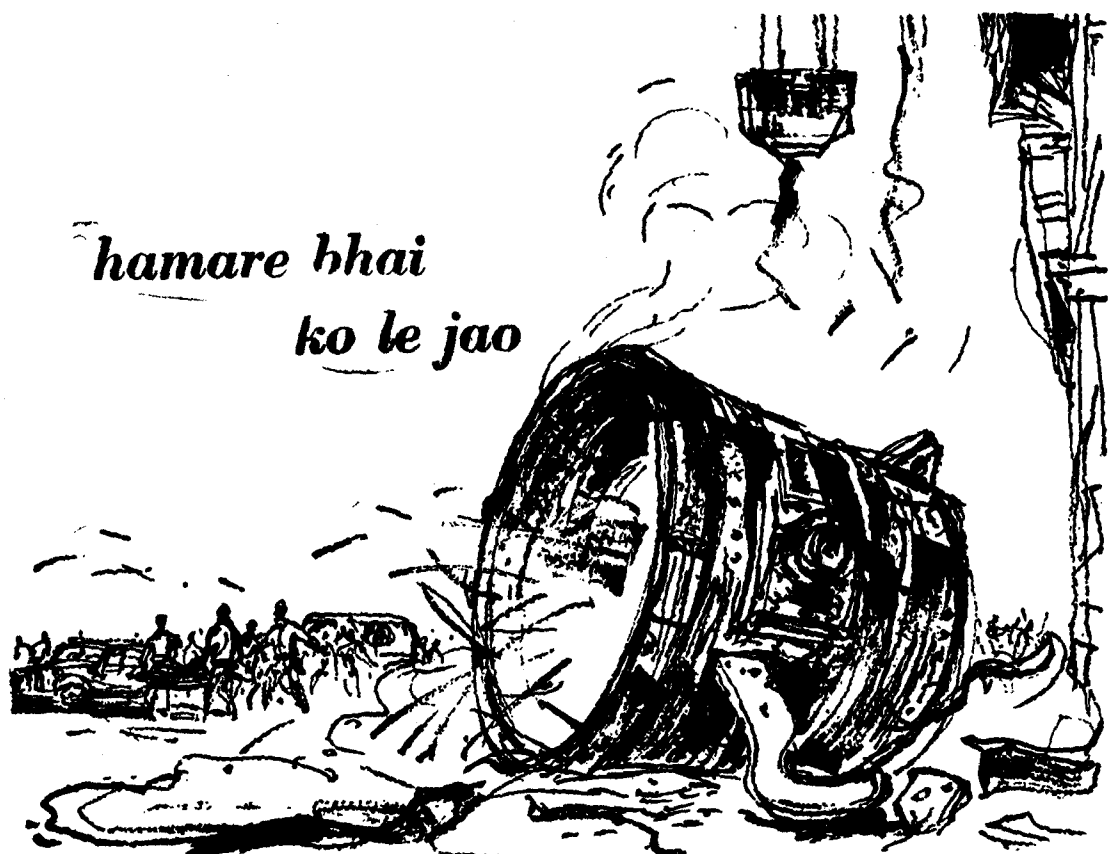
The index for the 'Fuel, Power, Light and Lubricants' group remained stationary at its earlier week's revised level of 122.4.

The index for 'Industrial Raw Materials' receded by 1.0 per cent to 136.6, as compared with 138.0 (revised) for the previous week due to a decline in the prices of Tanning Materials (—5%), raw Jute and raw Silk (—4% each, Groundnuts (—3%) and Gingelly seed (—1%), although the prices of Lac (+3%), Cottonseed (+2%) and Rapeseed (+1%) showed advances.

The prices of Aluminium (—7% and Rayon yarn (—3%) moved down, while those of Zinc and Lead (+2% each) and coir yarn (+1%) showed a rise and, in the result, the index for 'Intermediate Products' fell by 0.4 per cent to 139.9 as against 140.5 for the earlier week.

The index for 'Finished Products' also declined by 0.6 per cent to 128.6 due to a fall in the prices of Jute manufactures (—1 per cent). The prices of Glass (+2%), however, moved up.

hamare bhai
ko le jao



It happened some years ago in the steel melting shops at the Jamshedpur works. A large ladle, carrying 75 tons of molten iron, suddenly crashed to the ground with a deafening noise from an overhead crane. The spattering sparks and red-hot metal seriously injured a number of brick-layers working at what seemed to be a safe distance. The air was rent with the frenzied shouts of the men and the hissing of steam.

The first ambulance could remove only five of the injured to the hospital. General Manager Keenan could take only three more in his car. He chose the three who had a better chance of survival than the rest. One of these men, a Hindu worker, however, re-

fused to go. "Do not take me away", he said. Disregarding his own agony, he feebly nodded towards a half-burnt Muslim colleague, and said: "Hamare bhai ko le jao." As Keenan recalls, "The Hindu who was in pain and danger of death remembered, not that the Mohammedan was of a different faith, but that he was his brother."

This feeling of comradeship, born of the common bond of labour, is the spirit that characterises Jamshedpur, where industry is not merely a source of livelihood but a way of life.

JAMSHEDPUR
THE STEEL CITY

Company Reports

Bharat Sugar Earns More

Thanks to a record crush of 29,87,596 maunds against 24,98,561 maunds, the Bharat Sugar Mills Limited has shown a net profit, after providing for Depreciation and Taxation, of as much as Rs 4.67 lakhs for the year ended 30 June 1961 as against only Rs 2.52 lakhs despite a decline in sales to Rs 68.58 lakhs from Rs 83.39 lakhs.

Apart from providing Rs 1.00 lakh for General Reserve; Rs 80,000 for Contingency Reserve and raising Development Rebate Reserve to Rs 9,492 from Rs 3,165, the provision for Depreciation is lowered to Rs 84,500 from Rs 1.05 lakhs and Taxation to Rs 1.25 lakhs from Rs 4.85 lakhs. The dividend on the Ordinary shares is, however, maintained at Rs 1.50 per share, subject to tax.

During the current year, a crushing of about 32 lakh maunds of sugarcane is expected.

Mg. Agents:—The Cotton Agents Private Ltd.			
Year ended June	1961 Rs.	1960 Rs.	1959 Rs.
Cane Crushed Mds.	2,987,596	2,498,561	1,874,945
Sales	6,858,150	8,339,260	7,140,368
Stocks	5,358,287	2,876,437	2,227,858
Stock in progress	19,120	33,280	25,492
Net profit	678,899	842,161	674,270
Taxation	125,000	485,000	225,600
Depreciation	84,500	104,972	101,478
Reserve Fund	100,000	...	...
Development Rebate Reserve	9,492	3,165	96,000
Other Funds	80,000	...	...
Div. Amount:	...	...	...
Ordinary	225,000	225,000	225,000
Preference	25,000	25,000	25,000
Carry Forward	32,080	4,173	5,149
Div. % Ord.	15T	115T	15
Div. % Pref.	5T	5T	5T

Annual General Meeting on 29-12-61 at 2-30 p.m.

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

Liabilities	1961 Rs.	1960 Rs.	1959 Rs.
Capital Puf:			
5% T.R.C. Pref.	500,000	500,000	500,000
Ordinary	1,500,000	1,500,000	1,500,000
Reserve Fund	750,000	650,000	650,000
Other Funds	848,048	758,556	755,503
Loans Secured	3,842,003	1,511,044	1,079,540
Loans unsecured	199,124	171,554	160,344
Taxation Provn.	744,772	630,749	469,059
Debts	1,413,566	1,003,514	820,025
Carry Forward	32,080	4,173	5,149
Total	9,629,593	6,729,590	5,939,620

Assets	1961 Rs.	1960 Rs.	1959 Rs.
G. Block	2,452,180	2,395,027	2,344,258
Depreciation	1,666,752	1,595,890	1,490,918
Block (net)	785,428	799,137	853,340
Stores	373,641	401,075	446,189
Stocks in progress	19,120	33,280	25,492
Stocks	16,961	17,946	14,456
Outstandings	5,358,971	2,877,917	2,232,847
Do. More than 6 months	107,289	163,235	187,286
Mis. Deposits and Advances	6,287	6,287	29,031
Investments	1,414,547	890,070	739,037
Cash	1,410,615	1,381,530	1,366,530
Total	9,629,593	6,729,590	5,939,620

Excellent Results of Gobind Sugar

The Gobind Sugar Mills Limited, in the same managing agency group, has produced excellent working results for the same year. While sales have risen to Rs 1.48 crores from Rs 1.01 crores, the net profit is more than doubled, at Rs 10.12 lakhs against Rs 4.35 lakhs for the preceding year.

All allocations have been raised:—Depreciation to Rs 3.14 lakhs from Rs 2.46 lakhs; Taxation to Rs 6.98 lakhs from Rs 2.86 lakhs; General Reserve to Rs 5.25 lakhs from Rs 1.25 lakhs; Development Rebate Reserve to Rs 2.08 lakhs from Rs 95,000 and Renovation and Renewal Reserve to Rs 1.00 lakh from Rs 55,000. The dividend on the ordinary shares is, however, repeated at Rs 2.00 per share, subject to deduction of tax.

During the year under review, the company crushed 45,32,188 maunds against 43,62,459 maunds. During the current year, a crushing of about 46 lakh maunds is expected.

Mg. Agents:—The Cotton Agents Private Ltd.			
Year ended June	1961 Rs.	1960 Rs.	1959 Rs.
Cane Crushed Mds.	4,532,188	4,362,459	2,148,929
Sales	14,789,462	10,139,701	7,998,015
Stocks	6,617,576	5,245,104	1,945,125
Stock in progress	37,200	30,300	31,252
Net profit	2,023,944	967,274	635,833
Taxation	698,000	288,000	175,000
Depreciation	313,536	248,000	196,000
Reserve Fund	525,000	125,000	90,000
Development Rebate Reserve	206,000	95,000	45,000
Other Funds	100,691	65,562	25,000
Div. Amount:	...	...	...
Ordinary	100,000	100,000	56,000
Preference	50,000	50,000	50,000
Carry Forward	34,550	3,832	4,120
Div. % Ord.	20T	20T	11 1/5T
Div. % Pref.	5T	5T	5

Annual General Meeting on 29-12-61 at 3-15 p.m.

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

Liabilities	1961 Rs.	1960 Rs.	1959 Rs.
Capital Puf:			
5% R.C. Pref.	1,000,000	1,000,000	1,000,000
Ordinary	500,000	500,000	500,000
Reserve Fund	900,000	375,000	250,000
Other Funds	593,000	287,000	127,000
Loans Secured	5,490,532	4,911,337	1,768,864
Loans unsecured	195,285	161,354	164,563
Taxation Provn.	1,159,528	461,528	366,509
Debts	1,410,068	737,811	663,281
Carry Forward	34,550	3,832	4,120
Total	11,282,963	8,437,902	4,844,337

Assets	1961 Rs.	1960 Rs.	1959 Rs.
G. Block	4,549,651	3,588,645	3,410,083
Depreciation	1,912,261	1,638,661	1,430,002
Block (net)	2,637,390	1,929,984	1,980,081
Stores	824,064	474,039	450,592
Stock in Progress	37,200	30,300	31,252
Standing Crops	385	...	...
Stocks	6,617,576	5,245,104	1,945,125
Outstandings	212,191	91,254	73,019
Do. More than 6 months	56	959	...
Mis. Deposits and Advances	897,302	462,199	343,938
Investments	3,000	3,000	...
Cash	53,799	21,063	20,330
Total	11,282,963	8,437,902	4,844,337

Lower Sales and Profits for New India Sugar

Although the quantity of cane crushed by the New India Sugar Mills Limited during the year ended 30 June 1961 is substantially higher at 52,77,557 maunds against 42,70,529 maunds, the recovery percentage is lower at 9.11 against 9.16. As such, sales have declined to Rs 1.10 crores from Rs 1.41 crores, while the net profit, after providing for Depreciation and Taxation, amounts to only Rs 3.65 lakhs against Rs 5.60 lakhs.

Apart from providing Rs 9.193 for Contingency Reserve, the Depreciation amount is raised slightly to Rs 2.50 lakhs from Rs 2.42 lakhs. The provision for Taxation is, however, lower at Rs 45,000 against Rs 4.45 lakhs and Development Rebate Reserve at Rs 31,977 against Rs 1.08 lakhs. No allocation is made for General Reserve against Rs 75,000. The dividend is, however, maintained at Rs 3.65 per share, taxable.

During the current year, a crushing of about 55 lakh maunds is expected.

The Cotton Agents Private Ltd.			
Year ended June	1961 Rs.	1960 Rs.	1959 Rs.
Cane Crushed Mds.	5,277,557	4,270,529	3,288,397
Sales	11,004,567	14,146,380	13,622,298
Stocks	8,522,179	4,009,839	3,359,334
Stock in progress	24,068	14,049	8,174
Net profit	660,760	1,247,439	1,333,135
Taxation	45,000	445,000	470,000
Depreciation	250,330	242,337	202,411
Reserve Fund	...	75,000	250,000
Development Rebate Reserve	31,977	107,701	68,027
Other Funds	9,193	...	7,350
Div. Amount:	...	...	...
Ordinary	288,022	288,022	288,022
Preference	60,934	60,934	59,374
Carry Forward	9,995	34,691	6,246
Div. % Ord.	36 1/2T	36 1/2T	46 1/2
Div. % Pref.	5.5T	5.5T	5.5
Div. % 2nd Pref.	12.21T	12.21T	9

Annual General Meeting on 29-12-61 at 2 p.m.

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

Liabilities	1961 Rs.	1960 Rs.	1959 Rs.
Capital Puf:			
5 1/2% C. Pref.	48,600	48,600	48,600
Ordinary	1,000,000	1,000,000	1,000,000
Forfeited shares	789,100	789,100	789,100
Share Premium	16,919	16,919	16,919
Reserve Fund	15,000	15,000	15,000
Loans Secured	2,225,000	2,225,000	2,225,000
Other Funds	841,434	791,969	2,150,000
Loans Secured	6,800,859	2,951,737	693,620
Loans unsecured	211,028	280,823	193,558
Taxation Provn.	925,712	880,712	1,172,559
Debts	2,957,889	2,037,114	1,249,542
Carry Forward	9,995	34,691	6,246
Total	15,841,536	11,081,665	10,160,944

Assets	1961 Rs.	1960 Rs.	1959 Rs.
G. Block	5,911,006	5,787,867	5,291,471
Depreciation	3,575,827	3,325,497	3,083,160
Block (net)	2,335,179	2,462,370	2,208,311
Stores	837,203	767,325	834,738
Stocks in Progress	24,068	14,048	8,174
Stocks	8,522,179	4,009,839	3,359,334
Outstandings	143,952	140,686	77,364
Do. More than 6 months	7,929	8,064	90,940
Mis. Deposits and Advances	1,919,320	1,549,581	1,789,282
Investments	1,702,079	1,701,689	1,683,689
Cash	349,629	448,062	109,112
Total	15,841,536	11,081,665	10,160,944

23 December 1961

Record Crush by Upper Ganges Sugar

The Upper Ganges Sugar Limited has reported a record crush of 1,25,50,299 maunds for the year ended 30 June 1961 as against only 1,09,53,366 maunds for the previous year. The recovery percentage is also higher at 9.65 against 9.62. As such, sales have risen to Rs 3.64 crores from Rs 2.61 crores, while the net profit amounting to as much as Rs 17.48 lakhs against Rs 9.22 lakhs.

All allocations have been raised: Depreciation from Rs 9.38 lakhs to Rs 9.62 lakhs; Taxation from Rs 3.50 lakhs to Rs 8.92 lakhs; Development Rebate Reserve from Rs 1.62 lakhs to Rs 2.27 lakhs and Contingency Reserve from Rs 12,811 to Rs 31,422. A sum of Rs 7.50 lakhs is also provided for General Reserve against nil. The dividend on the Ordinary shares is, however, maintained at Rs 7.25 per share, subject to tax.

During the current year, a crushing of about 140 lakh maunds is expected.

Mg. Agents:—The Cotton Agents Private Ltd.			
Year ended June	1961 Rs.	1960 Rs.	1959 Rs.
Cane Crushed Mds.	12,550,299	10,953,366	6,070,415
Sales	36,369,080	26,088,542	32,529,149
Stocks	18,380,687	13,474,406	5,100,810
Stock in progress	29,335	137,007	144,548
Net profit	3,601,620*	2,209,666	883,000
Taxation	892,000	350,000	736,000
Depreciation	962,000	938,000	400,000
Reserve Fund	750,000	...	...
Development Rebate Reserve	227,000	162,000	195,000
Other Funds	31,422	12,811	11,021
Div. Amount:	...	...	...
Ordinary	580,000	580,000	580,000
Preference	180,680	180,680	135,000
Carry Forward	49,173	50,655	44,480
Div. % Ord.	72 1/2T	72 1/2T	72 1/2
Div. % Pref.	7.14T	7.14T	5
Div. % 2nd Pref.	5T	5T	5T

Annual General Meeting on 29-12-61 at 2-15 p.m.

*After writing back Rs 8,400 being excess provision for dividend on Taxable cum-Redeemable Pref. shares for 30-6-60.

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

Liabilities	1961 Rs.	1960 Rs.	1959 Rs.
Capital Puf:			
7 1/4% T.R.C. Pref.	1,200,000	1,200,000	1,200,000
Ordinary	1,500,000	1,500,000	1,500,000
Forfeited shares	800,000	800,000	800,000
Share Premium	50	50	50
Reserve Fund	2,564,976	2,328,652	2,166,902
Other Funds	13,770,772	5,040,545	5,040,545
Loans Secured	16,313,097	1,846,607	913,186
Loans unsecured	353,893	1,525,615	280,952
Taxation Provn.	1,547,296	2,257,528	1,895,985
Debts	5,243,845	2,257,528	44,480
Carry Forward	49,173	50,655	44,480
Total	32,522,330	27,280,179	18,822,254

Assets	1961 Rs.	1960 Rs.	1959 Rs.
G. Block	20,416,447	19,881,923	18,977,076
Depreciation	11,665,256	10,685,228	9,743,200
Block (net)	8,751,188	8,996,695	8,584,776
Stores	1,435,100	1,228,821	1,511,809
Stocks in progress	344,499	371,612	170,643
Standing Crops	38,940	38,940	38,940
Raw Materials	18,453,836	13,476,080	5,279,295
Stocks	982,872	833,167	267,664
Outstandings	...	...	...
Do. More than 6 months	34,754	9,535	...
Mis. Deposits and Advances	1,468,213	1,359,949	1,764,616
Investments	117,799	84,331	82,021
Cash	118,970	44,489	40,468
Total	32,522,330	27,280,179	18,822,254

Dividend Repeated on Increased Capital by Balrampur Sugar

Although the Balrampur Sugar Company Limited has reported a substantial rise in sales from Rs 69.09 lakhs to Rs 90.42 lakhs for the year ended 30 June 1961, the accounts reveal a slightly lower net profit of Rs 1.23 lakhs as against Rs 1.90 lakhs for the preceding year.

In respect of allocations, Depreciation is raised to Rs 1.58 lakhs from Rs 1.12 lakhs and Taxation to Rs 52,000 from Rs 10,000. The provision for Development Rebate Reserve is lowered to Rs 56,500 from Rs 1.31 lakhs. The directors have, however, maintained the dividend at 20 nP per share, less tax, on the increased capital.

The directors state that the phased programme of extensions and reconstructions has already been taken in hand. The company has been granted a licence by the Government to raise its crushing capacity to 1,200 tons per day.

Board of Directors.			
Year ended June	1961 Rs.	1960 Rs.	1959 Rs.
Cane Crushed quintals	1,216,686	959,414	
Sales	9,041,544	6,909,712	17,328,938
Stocks	6,310,984	4,096,166	4,202,095
Net profit	332,693	311,989	448,321
Taxation	52,000	10,990	130,000
Depreciation	157,950	112,350	108,409
Development Re- bate Reserve	56,500	130,500	42,000
Other Funds			70,000
Div. Amount:			
Ordinary	112,000	56,000	112,000
Carry Forward	2,709	48,466	45,327
Div. % (Ord.)	8T	8T	8T
Annual General Meeting on 29-12-61 at 4 p.m.			
Synopsis of balance sheet as on the last day of			
June.			
<i>Liabilities</i>	1961 Rs.	1960 Rs.	1959 Rs.
Capital P'up.	1,400,000	1,300,905	1,400,000
Share Applica- tion Money	...	13,510	...
Share Premium	330,000	330,000	330,000
Capital Reserve	21,308	21,308	570,000
Reserve Fund	120,000	120,000	120,000
Other Funds	552,157	522,515	752,058
Loans Secured	6,040,303	3,855,679	3,360,490
Loans unsecured	203,000	27,398	40,293
Taxation Provn.	105,717	598,797	589,797
Debts	1,247,751	510,439	1,260,295
Carry Forward	2,709	48,466	45,327
Total	10,052,945	7,329,017	8,666,817

NAME	Paid-up per Share.	Quotation as on 15-12-61 Rs nP	NAME	Paid-up per Share.	Quotation as on 15-12-61 Rs nP	NAME	Paid-up per Share.	Quotation as on 15-12-61 Rs nP	NAME	Paid-up per Share.	Quotation as on 15-12-61 Rs nP	NAME	Paid-up per Share.	Quotation as on 15-12-61 Rs nP	NAME	Paid-up per Share.	Quotation as on 15-12-61 Rs nP	NAME	Paid-up per Share.	Quotation as on 15-12-61 Rs nP	NAME	Paid-up per Share.	Quotation as on 15-12-61 Rs nP	NAME	Paid-up per Share.	Quotation as on 15-12-61 Rs nP	NAME	Paid-up per Share.	Quotation as on 15-12-61 Rs nP	
PAPER MILLS																														
Ashok Paper	25	3.37	Brooke Bond	100	15.75	Pathemara	10	7.25	Cottanad 7½%	10	8.82	Kumergode	2	4.60	Pullicar	100	200.00	Trav. Elec. Cheml.	100	100.00										
Ballarpur	25	43.50	Dejoo Valley	10	49.25	Roopacherra	10	12.00	Devon 7½%	100	82.00	Kurchemala	2	4.97	Radhakrishna	25	39.00	Trav. Elec. Cheml.	75	75.00										
Bengal Paper	25	102.00	Dessai and Purbat	100	155.00	Rungamatttee	50	58.50	Hilleburyia 5%	100	62.00	Lingsapur	2	3.70	Rajalakshmi	50	102.00	Trav. Ogale	10	6.20										
India Paper	10	17.81	Dhruv	10	21.12	Sonal River	10	9.12*	Highland 6%	10	7.25	Lucky Valley	10	11.35	Rajapalayam	100	175.00	Tube Invest	100	281.00*										
Mysore Paper	10	15.28	Dhruv	10	15.00	Tea Producing Co.	10	10.37*	Kadur Coffee 6½%	10	6.04	Malabar Agri.	10	7.30	Ramakrishna	100	250.00	Tube Suppliers	10	10.00										
Orient Paper	10	40.25	Dhruv	10	33.00				Karikode 6%	10	6.99	Malabar Indust.	10	10.82	R. G. Ambikai	100	102.00	United Electrical	10	9.50										
Seshasayee	10	8.94	Dhruv	10	25.75				Kil Kotagiri 7%	10	8.40*	Manar	2	2.10	Rayaseema	100	158.00	United India Fire	7½	7.60										
Shree Gopal	10	26.25	Dhruv	10	31.12				Kurchemala 6½%	10	5.31	Manimala	2	8.75	Sarada	100	90.00	Vanguard Fire	6	2.00										
Sirpur Paper	10	16.50	Dhruv	10	18.50				Malabar Agri. 6%	20	14.93*	Manimala	2	8.75	Sivanandha	10	26.25	W. I. Plywood	100	220.00										
Star Paper	10	11.25	Dhruv	10	25.50				Manimala 5%	10	9.00	Manimala	2	8.75	S. India Viscose	100	173.00													
Thakru Paper	5	4.62	Dhruv	10	13.00				Mer. Rubber 6%	10	7.10*	Manimala	2	8.75	Tirumurti	100	131.00													
Straw Products	10	9.31	Dhruv	10	9.50				Midlands 6%	10	6.65	Manimala	2	8.75	Tirupati	10	13.50													
Titagur P.O.	2½	4.10	Dhruv	10	12.50				Milamallay 7½%	25	22.13	Manimala	2	8.75	Trav. Rayon	10	42.50													
Titagur O.D.	10	35.12	Dhruv	10	24.81				Mysore Amal. 6%	10	6.35	Manimala	2	8.75	Trichinopoly	10	13.25													
U. I. Couper	100	50.00	Dhruv	100	185.00				Mysore Plan. 6%	10	7.00	Manimala	2	8.75	Vasanta	100	281.00													
West Coast	100	181.00	Dhruv	100	20.50				Neelamalai 5%	10	6.10*	Manimala	2	8.75	Venkatesa	50	185.00													
			Dhruv	10	34.06				Nelliampathy 6%	10	7.32	Manimala	2	8.75	Vijayakumar	100	133.00													
			Dhruv	10	9.06				Nilambur 6%	10	8.86	Manimala	2	8.75	Vijayalakshmi	100	102.00													
			Dhruv	10	18.25				Nilgiri Tea 6½%	10	6.10	Manimala	2	8.75	Vijayamahini	100	96.00													
			Dhruv	10	8.87				Peermade 6%	100	87.50*	Manimala	2	8.75	Vijayeswari	100	169.00													
			Dhruv	10	17.00				Pullangode 6%	100	7.57*	Manimala	2	8.75	Virudhunagar	50	58.50													
			Dhruv	10	15.00				Rajagiri 6%	100	6.35*	Manimala	2	8.75																
			Dhruv	10	17.44				Rajendra 6%	100	6.39*	Manimala	2	8.75																
			Dhruv	10	11.50				Rajendra 5½%	100	5.98*	Manimala	2	8.75																
			Dhruv	100	507.00				Sangameswar 7%	100	9.50	Manimala	2	8.75																
			Dhruv	10	24.50				Talayar Tea 6%	100	6.61	Manimala	2	8.75																
			Dhruv	10	22.24				Teekoy 6%	100	6.80	Manimala	2	8.75																
			Dhruv	10	19.81				Thamarapally 6½%	100	5.30	Manimala	2	8.75																
			Dhruv	10	14.00				T. R. & T. Co. 6%	100	9.05*	Manimala	2	8.75																
			Dhruv	100	90.00				Udayagiri 7%	100	8.50	Manimala	2	8.75																
			Dhruv	10	19.60				Vellimalai 7%	100	8.20	Manimala	2	8.75																
			Dhruv	10	26.25				Waterfalls 6%	100	8.50*	Manimala	2	8.75																
			Dhruv	10	18.75				Woodcote 6½%	100	2.94	Manimala	2	8.75																
			Dhruv	10	33.50*				Woodlands 6½%	100	7.45	Manimala	2	8.75																
			Dhruv	10	31.62				Woodlands 6½%	100	7.45	Manimala	2	8.75																
			Dhruv	10	26.37																									
			Dhruv	10	35.00																									
			Dhruv	10	6.44																									
			Dhruv	10	32.62																									
			Dhruv	10	3.44																									
			Dhruv	10	9.37																									
			Dhruv	100	142.00																									
			Dhruv	100	100.00																									
			Dhruv	10	10.75																									
			Dhruv	10	14.50																									
			Dhruv	10	10.06																									
			Dhruv	10	12.56																									
			Dhruv	100	191.50																									
			Dhruv	10	28.00																									
			Dhruv	100	600.00																									
			Dhruv	10	20.00*																									
			Dhruv	10	7.37																									
			Dhruv	10	7.75																									
			Dhruv	100	286.00																									
			Dhruv	10	8.50																									
			Dhruv	100	37.25																									
			Dhruv	10	5.67																									
			Dhruv	10	45.00																									
			Dhruv	10	12.81																									
			Dhruv	10	13.19																									
			Dhruv	10	7.44																									
			Dhruv	100	275.00																									
			Dhruv	10	27.00																									
			Dhruv	10	19.12																									
			Dhruv	100	149.00																									
			Dhruv	100	145.00																									
			Dhruv	100	267.00																									
			Dhruv	100	176.00																									
			Dhruv	100	136.00																									
			Dhruv	10	9.19																									
			Dhruv	10	9.12																									
			Dhruv	10	10.50																									
			Dhruv	10	9.12																									
			Dhruv	10	10.12																									

Globe Auto

Globe Auto Electricals Limited has proposed to manufacture prestolite dynamos and starter motors. An agreement has been concluded with the Electrical Autolite Company of the U.S. which will participate in the expanded structure of the company. The existing paid-up capital of Rs 20 lakhs is being raised to Rs 50 lakhs. Autolite will take up Rs 15 lakhs worth of shares. It is proposed to offer the balance of Rs 35 lakhs to the existing shareholders, at a suitable ratio, subject to the consent of the Controller of Capital Issues.

Paper Products

The Paper Products Ltd., Delhi, has been given consent for the issue of bonus shares of the total value of Rs 8 lakhs on capitalization of its reserves to a like extent. The company's paid-up capital is Rs 16 lakhs.

A. V. Thomas & Co.

A. V. Thomas & Co., Ltd., Kerala, is to issue capital of Rs 2,35,100 in equity shares of Rs 10 each to be issued as bonus shares on capitalization of share premium and reserves to a like extent.

Panama

Panama Private Limited, Calcutta, which is engaged in business as dealers in blades and cosmetics, has been allowed to issue bonus shares of the value of Rs 86,250. Its existing paid-up capital is Rs 69,000.

Ennore Foundries

Ennore Foundries Ltd., Madras, is to issue further equity capital of Rs 60 lakhs. The proceeds will be used for buying plant and machinery from the company's collaborators, Leyland Motors Ltd., U.K.

Papchemi Corpn.

Papchemi Corporation Ltd., Bombay, a new company, has been authorized to issue capital of Rs 30,00,000 divided into 30,000 equity shares of Rs 100 each for cash at par. The capital will be used for manufacturing pulp and paper.

Ghazipur Paper

Ghazipur Paper Mills Ltd., a public company proposed to be registered in U. P., has been given consent for the issue of capital of Rs 25 lakhs divided into two lakh equity shares of Rs 10 each and 5,000 9% (taxable) preference shares of Rs 100 each for cash at par.

Aluminium Manufacturing

The Aluminium Manufacturing Company Private Ltd., Calcutta, has been authorized to issue capital of Rs 24 lakhs in 24,000 equity shares of Rs 100 each of which Rs 5.5 lakhs will be issued for cash and Rs 18.5 lakhs in repayment of the loan from the British Aluminium Co., Ltd. The consent has been given on the understanding that the company will convert itself into a public company in 1964 when shares of the value of Rs 30,00,000 will be offered for Indian participation.

Thanjavur Textiles

Thanjavur Textiles Ltd., Madras, is to issue equity capital of Rs 20 lakhs for cash at par. The proceeds will be used for establishing a cotton textile mill in Madras.

Etawah Paper

Etawah Paper Mills Ltd., a public company, proposed to be registered in U.P., has been given consent for the issue of capital of Rs 20 lakhs divided into 150,000 equity shares of Rs 10 each and 5,000 9% (taxable) redeemable cumulative preference shares of Rs 100 each for cash at par. The company will manufacture pulp and paper.

NBCC

National Buildings Construction Corporation, Ltd., Delhi, a Government undertaking, has been given consent for the issue of further capital of Rs 13 lakhs divided into equity shares of Rs 1,000 each for cash at par. The Corporation which has a paid-up capital of Rs 21 lakhs, is engaged in the construction of buildings, roads and other civil works throughout India.

Adarsh Chemicals

Adarsh Chemicals and Fertilizers Ltd., Udhna in Gujarat, has been authorized to issue additional capital of Rs 12 lakhs in equity shares of Rs 100 each for cash at par. The new capital will be used for financing the increased cost of the manufacture of superphosphate and sulphuric acid.

INVESTMENT NOTES

Modi Spinning

Modi Spinning & Weaving Company Limited will set up at acetate rayon plant at Yamunanagar in the Punjab with a daily capacity of 10 tons. The Punjab Government has agreed to provide the necessary land and about 7,000 kw electric power and 6 lakh maunds of molasses a year. It is also stated that the Punjab Government will render financial assistance to the company in setting up this project. The company has been negotiating with an American firm for the necessary technical collaboration. The capital outlay on the project is estimated at Rs 10 crores of which 50 per cent will be provided by the foreign collaborators. The Punjab Government has also agreed to provide the necessary facilities for the company to instal a distillery which, along with cotton linters, will form the basic raw material for the manufacture of cellulose acetate flakes. The distillery is expected to go into production in about a year.

Nylon Plant

A nylon plant is to be set up in Bulsar (Gujarat State) with a production capacity of 4.03 million pounds of nylon yarn and 5,000 tons of caprolactum - an intermediate raw material. The capital outlay on the project is estimated at Rs 7 crores and the plant is expected to go into production in the latter half of 1962. The promoters are seeking collaboration from a well-known Dutch firm.

Andhra Scientific

Andhra Scientific Company Limited has plans for expanding to a considerable extent its capacity for production on account of the growth of scientific instruments and the need to import large quantities from abroad. The company has been granted a licence to increase its output up to Rs 68.60 lakhs. It is already having a turnover of about Rs 30 lakhs and is unable to meet the demand for various instruments for want of adequate machinery and building accommodation. Import licences for necessary machinery are under consideration by the Central Government and are expected to be received shortly. Arrangements are being made to secure a substantial loan from the Andhra Pradesh State Financial Corporation.

BALANCE-SHEET BRIEFS

Andhra Scientific Company Limited has nearly maintained its profit of Rs 6 lakhs for the year ended 30 June 1961. The dividend on the ordinary shares is, however, raised from 6% to 20 per cent, taxable.

The net profit of Hemalatha Textiles Limited is higher at Rs 5.97 lakhs for the year ended 30 June 1961 as against Rs 2.30 lakhs. The dividend is raised from 4% to 8 per cent, subject to tax.

The Standard Batteries Limited has reported lower earnings for the year ended 30 June 1961. The net profit works out to Rs 21.86 lakhs against Rs 27.12 lakhs. The dividend is, however, maintained at Rs 15 per share, less tax.

The Associated Cement Companies Limited has earned a net profit of only Rs 132.19 lakhs for the year ended 31 July 1961 as against as much as Rs 145.66 lakhs. The dividend is, however, maintained at Rs 12 per share, subject to deduction of tax.

STOCK EXCHANGES

Feeble Rally

Watch-Dog Writes:

EXCEPT for sporadic attempts at feeble rally, conditions in stock markets have remained generally dull. While it can be said that the markets have emerged out of the recent depression following the encouraging news of the complete occupation of Goa, there is no preparedness on the part of the bull operators to push up prices. There is a general disposition to restrict commitments and square up transactions in view of the approaching holidays for Xmas and the New Year.

With the speculative issues encountering good support, prices on the Calcutta Stock Exchange showed minor improvements over last levels.

Budia considerations on account of the settlement on Friday curbed fresh interest on the Bombay Stock Exchange where dealings were mostly of a squaring-up nature.

The Madras Stock Exchange witnessed steady conditions. There was, however, a tendency to wait and see, as the holiday mood seemed to slowly getting into stride.

CALCUTTA

Friday Evening. CAUTION was the key note of the week's trading on the local stock exchange where prices moved both ways within narrow limits. While scattered support was at all times in evidence at any setback, higher levels attracted profit-taking.

Fears were initially entertained that military action in Goa might lead to complications and that the operations of the Indian Army might not be completed in a short period. The apprehensions in this regard were, however, belied. The reports of the initial success of the Indian Army induced a cheerful sentiment on the opening day of the week and the recovery in prices was carried a stage further on Tuesday following the subsequent report of the Portuguese surrender.

But, the approaching settlement and a general disposition to book profits at higher levels caused a mild setback in values in mid-week. Offerings, however, decreased at the lower levels and prices recovered again towards the close due to short-covering and the revival of fresh buying in selected stocks.

Whatever transactions done, however, appeared to be of a squaring-up nature, as the operators were not inclined to enlarge commitments in view of the approaching holidays for Xmas and the New Year. Moreover, sentiment was upset, to some extent, by the hostile Western reaction to the Indian Government's action in Goa. Again, the uncertainty over future US collaboration schemes, following the reported decision made by an American firm not to start the proposed watch factory in India protesting against the Goa action, also appeared to have disturbed sentiment in the market.

There were also other factors contributing to the restricted activity in the market. Apart from the fixation of higher budia charges for the next settlement, there was a growing evidence of a credit shortage. It was also feared that, with the year approaching its end, money conditions might become more tight due to the possibility of the bank reducing their advances and increasing their liquidity for "window-dressing". For obvious reasons operators preferred to move very cautiously.

Conditions in the Giltedged section continued to rule quiet and the volume of business was small. There was virtually no support from the institutional investors in view of the advent of the busy season. State Loans also claimed sellers at the quoted rates. 3 per cent 1986 Conversion Loan, after opening at Rs 70.95, improved towards the close to Rs 71.20.

Bank shares showed considerable improvement over last levels. The main factor for the sudden change in sentiment in this section were the rumours of the possibility of some banks raising their capital by the issue of right shares or by calling further capital on their partly-paid shares. (The rise in UCO was more pronounced, the scrip being keenly sought after up to Rs 103 from a low level of Rs 94.25. Punjab National also firmed up to Rs 20.62 from Rs 20.25).

Jute shares, after a long time, came in for some buying enquiry at improved levels. Reports of better shipment of jute goods, firmer advances from the gunny market and the revival of rumours with regard to the possibility of a further unsealing of looms from the New Year were the main contributory factors. Birlas were enquired up to Rs 28.06 from Rs 27.12; Ganges up to Rs 13 from Rs 12.25; Nuddea up to Rs 64.50 from Rs 62.75 and New Central up to Rs 16.69 from Rs 16.44. Fort Williams were fancied up to Rs 29 from Rs 28.12 following the company's decision to raise further capital by the issue of right shares. Howrah met with business up to Rs 20.25 from Rs 19.94.

Coal shares remained dormant despite some progress about the World Bank Loan. This was mainly due to the reports of difficulties still experienced by the industry with regard to transport and power. Bengal were rather sticky at Rs 350 with Western Bengal hovering narrowly around Rs 9.31 and so also Central India around Rs 12. Burrakur fluctuated between Rs 18.12 and Rs 18.37, to close finally at Rs 18.25.

Tea shares came in for selective enquiry, thanks to a further improvement in the prices obtained at this week's auction. There was, however, no inclination to enlarge commitments in view of the bigger crop during the current year and the competition expected from other producing countries. Dhelakhat met with business at Rs 20.94 to Rs 21.12; Hantapara at Rs 117.50 to Rs 118.50; Jay Shree at Rs 18.69 to Rs 18.81 and Grob at Rs 9.44 to Rs 9.56.

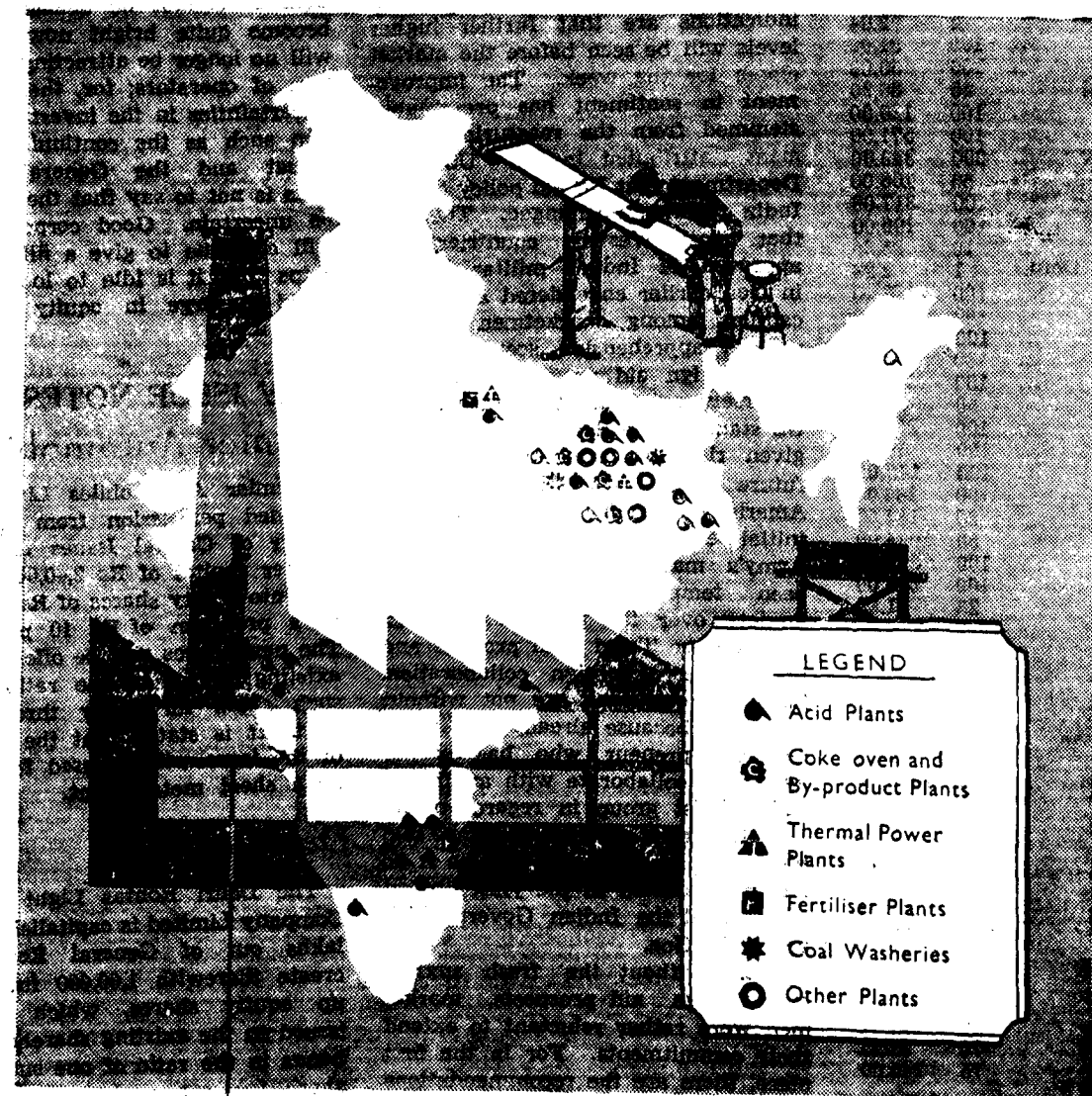
Sellers continued to predominate in the Sugar section. Operators seemed to be worried about the prospect of a further decline in the price of the commodity due to over-production. Carew ruled comparatively steady at Rs 13.25 against Rs 13.37, while SKG eased off further to Rs 10.31 from Rs 10.50. Balrampore were neglected around Rs 2.56. The only exceptional feature were Dyer Meakins which improved to Rs 41.25 from Rs 40.12, thanks to the support from special quarters.

Textile shares remained generally depressed on the fear that raw cotton supplies might not be adequate. There were also reports of difficulties experienced by the piecegoods trade in exporting their goods due to increased competition in foreign markets. Cawnpore were quiet at Rs 9.00 against Rs 9 and so also Kesoram at Rs 29.06 against Rs 29.25. Elgins were 'slightly better' at Rs 22.50 against Rs 22. An exception to the general trend were J. K. Rayon, which were pushed up gradually to Rs 20.12 from Rs 17.75, thanks to the reports of the company's proposal for further expansion.

In the Engineering section, price movements were rather irregular due to the speculative activity in Indian Irons. Against the previous week-end closing of Rs 24.10, Indian Irons opened better at Rs 24.32 and advanced further to Rs 24.82—the highest touched for the week. TEXMACO were, in sympathy, pushed up at one time to Rs 21.55 from Rs 21.30 and Guest, Keen, Williams to Rs 39.12 from Rs 38.87, to close finally at Rs 21.55 and Rs 39.12 respectively. Dalmia Iron changed hands at Rs 10.50 to Rs 10.69; Jessop at Rs 19.94 to Rs 20.31 and Kumardhubi at Rs 7.12 to Rs 7.50.

Miscellaneous issues moved in sympathy with the general trend of the market. Following were the price trends of a few selected shares:

	Week's Week's Week's		
	High	Low	Closing
	Rs	Rs	Rs
Orient Paper	40.90	39.80	40.60
Shree Gopal	26.40	26.00	26.37
Sirpur	16.62	16.44	16.62
Rohtas	17.31	16.50	17.31
Dunlop	39.06	38.19	38.62
H. Motor	20.94	20.16	20.94
Alkali Chemicals	43.37	42.25	43.37
I. Aluminium	16.00	15.75	15.81
J. K. Synthetics	14.75	14.00	14.31
Goodyear	41.12	40.50	41.12
British Paints	27.69	27.30	27.69
I. Cable	35.75	35.00	35.62
I. Aluminium	38.87	37.31	37.75
I. Steamship	7.37	7.31	7.37
I. Copper	4.83	4.78	4.81
BIC	10.66	10.37	10.50
General Tyres	7.12	6.87	7.12



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We are not only consultants but also constructors who have been associated with the step by step building of several of the plants shown in the above map right from design stage all the way to plant commissioning.

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MEMBER COMPANY



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INDEX NUMBERS OF SECURITY PRICES (1952-53=100)

Week ended	10-12-60	2-12-61	9-12-61
Government and semi-Government securities—All-India			
Total	100.6	100.8	100.8
Government of India	100.6	100.7	100.7
State Governments	101.4	101.9	101.9
Municipal, Port Trust, etc.	99.7	99.3	99.2
Debentures of Joint Stock Companies—All-India			
Total	100.6	101.2	101.2
Preference shares—All-India			
Total	85.4	82.3	82.1

Variable dividend industrial securities—All-India			
Total	168.1	184.6	182.0
Agriculture and Allied Activities	168.6	185.9	182.2
Total	155.9	158.5	157.7
Tea Plantation	203.2	165.2	163.3
Coffee Plantation	122.2	172.3	170.4
Rubber Plantations	122.2	159.2	158.4
Mining and Quarrying: Total	112.4	121.0	120.3
Coal	179.5	185.4	179.4
Other Mining	180.2	204.3	198.2
Processing and Manufacturing	181.0	215.8	210.0
Total	192.2	155.3	152.1
Sugar	145.2	189.0	185.1
Cotton Textiles	83.9	94.0	92.7
Jute Textiles	103.7	123.2	115.9
Silk & Woolen	149.7	204.6	197.1
Processing & Mfg. (Food stuffs, Textiles Etc. Total)	152.3	161.5	153.4
Transport Equipment	392.6	414.0	397.3
Electrical Machinery	136.6	163.7	158.5
Machinery Other than Transport and Electrical	204.3	220.0	213.9
Basic Industrial Chemicals	210.1	221.4	215.6
Processing and Mfg. (Others): Total	159.9	169.0	164.7
Cement	148.8	155.1	150.9
Paper	218.2	216.0	210.8
Other Industries: Total	108.8	112.4	111.4
Electricity Generation and Supply	91.5	85.9	85.1
Trading	118.5	125.6	123.4
Shipping and other Transport	104.2	93.5	92.1
Construction	127.7	82.9	82.4
Financial Total	178.0	208.9	208.7
Banks	199.9	237.0	237.2
Insurance	134.3	158.6	151.8
Investment Trusts	89.8	90.7	91.4

Variable dividend industrial securities—Regional			
Bombay	172.4	194.2	187.4
Calcutta	155.5	172.4	170.8
Madras	187.1	204.2	200.9
Dahli	222.3	250.1	246.2

*Including "Miscellaneous."
*Including "Edible and Vegetable oils."

SHORT-TERM MONEY RATES (Per cent per annum)

	9-12-60	1-12-61	8-12-61
Call Money—			
From Banks—			
Bombay	4.25	3.62	3.10
Calcutta	3.08	2.12	3.61
Madras	4.34	3.34	3.50
Deposits of notice of 7 days—			
Bombay	2.00	—	3.04
Calcutta	2.00	—	3.00
Madras	—	3.00	—
Fixed Deposits—			
1 Month	3.50	—	—
3 Months	3.60	—	—
6 Months	3.70	—	—
1 Year	3.80	—	—

BULLION PRICES

Week ended	16-12-60	8-12-61	15-12-61
	Rp. nP.	Rp. nP.	Rp. nP.
GOLD—			
Spot—			
Highest	114.90	121.80	121.45
Lowest	113.50	119.20	119.55
Average	114.08	120.57	120.10
1st Settlement—			
Highest	115.40	122.60	122.65
Lowest	114.70	121.20	119.80
Average	114.92	121.98	121.04
SOVEREIGN—			
Average	90.04	98.59	99.29
SILVER—			
Spot—			
Highest	194.90	212.90	210.90
Lowest	194.15	210.00	209.50
Average	194.40	211.67	210.22
1st Settlement—			
Highest	196.65	213.90	211.75
Lowest	195.80	211.70	210.10
Average	196.19	212.70	210.83

GOVERNMENT OF INDIA TREASURY BILLS

Week ended	9-12-60	1-12-61	8-12-61
Amount offered	2.00	2.00	2.00
Amount tendered	2.49	2.00	2.00
Amount sold by tender	2.00	2.00	2.00
Of which against maturing Treasury Bills	—	—	—
Bills sold	—	1.48	1.38
Total sales	2.00	3.48	3.38
Average rate of discount for auction sales	2.540	2.500	2.500
Sold in favour of Reserve Bank of India	17.28	36.65	18.37
Total amount outstanding	1,122.72	1,025.74	1,025.60

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From	To
France	Fcs. to Rs. 100	102.80	102.70
Switzerland	Sw. to Rs. 100	90.50	90.40
Italy	Lira to Rs. 100	12995	13000
Denmark	Kronor to Rs. 100	13000	12995
Sweden	Kronor to Rs. 100	12985	12980
Malaya	Mal. to Rs. 100	12985	12980
Japan	Yen to Rs. 100	144.30	144.20
U.S.A.	Dollars to Rs. 100	108.40	108.30
Canada	Dollars to Rs. 100	108.30	108.20

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week ended	9-12-60	1-12-61	8-12-61
Forward Contracts—			
Purchases	£ ('000)	550	985
Sales	£ ('000)	73	1,81
Deliveries—			
Spot Transactions—			
Purchases	£ ('000)	345	—
Sales	£ ('000)	—	420
Against forward contracts—			
Purchases	£ ('000)	690	1,015
Sales	£ ('000)	83	1,33

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	16.12.60		8.12.61		15.12.61	
	Price Rs. nP.	Yield %	Price Rs. nP.	Yield %	Price Rs. nP.	Yield %
3½% 1961	99 65	3'48	99 90	3'41	99 90	3'42
3½% 1962	99 30	3'67	99 80	3'56	99 80	3'56
3½% N.P.B.1967	98 85	3'70	98 45	3'71	98 44	3'71
3%Dev.1970-75	89 89	4'27	90 20	4'35	90 20	4'35
1½% 1974	99 11	3'83	99 50	3'80	99 50	3'80
1% (Con.) 1986 or later*	74 07	6'05	71 03	4'23	71 00	4'23

*Running Yield

*Running yield.

INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS (Base: 1952-53=100)

Group and Sub-Group	35.11.61	1-12-61	8-12-61	15-12-61
Food Articles				
Cereals	118.7	120.41	124.32	119.2
Pulses	120.0	120.2	101.61	102.4
Fruits & Vegetables	93.5	92.61	91.61	94.4
Milk & Ghee	146.3	154.91	144.4	145.9
Edible oils	117.8	117.1	113.6	118.1
Fish, Eggs & Meat	165.7	164.8	168.9	169.8
Sugar & Gur	135.1	133.7	133.4	124.7
Others	119.4	118.1	124.4	127.9
Drugs and Tobacco				
Tobacco	164.0	157.4	163.5	178.4
Alcohol	87.0	87.8	99.8	118.2
Mineral Oil	93.3	94.2	98.8	118.2
Coal, Power, Light & Lubricants				
Coal	122.4	122.4	122.3	119.7
Industrial Raw Materials				
Flax	136.6	138.0	136.3	146.6
Fibres	124.5	126.9	127.1	133.0
Others	154.9	156.2	151.8	151.4
Man-made Fibres	94.8	94.8	94.8	98.8
Man-made Textiles	127.9	127.7	127.7	128.6
Man-made Leather				
Man-made Leather	128.9	128.9	128.9	128.9
Man-made Paper				
Man-made Paper	128.9	128.9	128.9	128.9
Man-made Rubber				
Man-made Rubber	128.9	128.9	128.9	128.9
Man-made Plastics				
Man-made Plastics	128.9	128.9	128.9	128.9
Man-made Glass				
Man-made Glass	128.9	128.9	128.9	128.9
Man-made Cement				
Man-made Cement	128.9	128.9	128.9	128.9
Man-made Brick				
Man-made Brick	128.9	128.9	128.9	128.9
Man-made Stone				
Man-made Stone	128.9	128.9	128.9	128.9
Man-made Lime				
Man-made Lime	128.9	128.9	128.9	128.9
Man-made Sand				
Man-made Sand	128.9	128.9	128.9	128.9
Man-made Gravel				
Man-made Gravel	128.9	128.9	128.9	128.9
Man-made Clay				
Man-made Clay	128.9	128.9	128.9	128.9
Man-made Pottery				
Man-made Pottery	128.9	128.9	128.9	128.9
Man-made Glassware				
Man-made Glassware	128.9	128.9	128.9	128.9
Man-made Ceramics				
Man-made Ceramics	128.9	128.9	128.9	128.9
Man-made Enamel				
Man-made Enamel	128.9	128.9	128.9	128.9
Man-made Paint				
Man-made Paint	128.9	128.9	128.9	128.9
Man-made Varnish				
Man-made Varnish	128.9	128.9	128.9	128.9
Man-made Ink				
Man-made Ink	128.9	128.9	128.9	128.9
Man-made Paper				
Man-made Paper	128.9	128.9	128.9	128.9
Man-made Bookbinding				
Man-made Bookbinding	128.9	128.9	128.9	128.9
Man-made Stationery				
Man-made Stationery	128.9	128.9	128.9	128.9
Man-made Printing				
Man-made Printing	128.9	128.9	128.9	128.9
Man-made Publishing				
Man-made Publishing	128.9	128.9	128.9	128.9
Man-made Distribution				
Man-made Distribution	128.9	128.9	128.9	128.9
Man-made Retail				
Man-made Retail	128.9	128.9	128.9	128.9
Man-made Wholesale				
Man-made Wholesale	128.9	128.9	128.9	128.9
Man-made Import				
Man-made Import	128.9	128.9	128.9	128.9
Man-made Export				
Man-made Export	128.9	128.9	128.9	128.9
Man-made Trade				
Man-made Trade	128.9	128.9	128.9	128.9
Man-made Finance				
Man-made Finance	128.9	128.9	128.9	128.9
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Man-made Insurance	128.9	128.9	128.9	128.9
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Man-made Banking	128.9	128.9	128.9	128.9
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Man-made Money	128.9	128.9	128.9	128.9
Man-made Credit				
Man-made Credit	128.9	128.9	128.9	128.9
Man-made Debt				
Man-made Debt	128.9	128.9	128.9	128.9
Man-made Equity				
Man-made Equity	128.9	128.9	128.9	128.9
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Man-made Bond	128.9	128.9	128.9	128.9
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Man-made Share	128.9	128.9	128.9	128.9
Man-made Dividend				
Man-made Dividend	128.9	128.9	128.9	128.9
Man-made Interest				
Man-made Interest	128.9	128.9	128.9	128.9
Man-made Profit				
Man-made Profit	128.9	128.9	128.9	128.9
Man-made Loss				
Man-made Loss	128.9	128.9	128.9	128.9
Man-made Capital				
Man-made Capital	128.9	128.9	128.9	128.9
Man-made Revenue				
Man-made Revenue	128.9	128.9	128.9	128.9
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Man-made Tax	128.9	128.9	128.9	128.9
Man-made Duty				
Man-made Duty	128.9	128.9	128.9	128.9
Man-made Fee				
Man-made Fee	128.9	128.9	128.9	128.9
Man-made Charge				
Man-made Charge	128.9	128.9	128.9	128.9
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Man-made Cost	128.9	128.9	128.9	128.9
Man-made Price				
Man-made Price	128.9	128.9	128.9	128.9
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Man-made Value	128.9	128.9	128.9	128.9
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Man-made Worth	128.9	128.9	128.9	128.9
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Man-made Quantity				
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Man-made Measure	128.9	128.9	128.9	128.9
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Man-made Weight	128.9	128.9	128.9	128.9
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Man-made Length	128.9	128.9	128.9	128.9
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Man-made Volume	128.9	128.9	128.9	128.9
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Man-made Mass	128.9	128.9	128.9	128.9
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Man-made Force	128.9	128.9	128.9	128.9
Man-made Energy				
Man-made Energy	128.9	128.9	128.9	128.9
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Man-made Power	128.9	128.9	128.9	128.9
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Man-made Heat	128.9	128.9	128.9	128.9
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Man-made Light	128.9	128.9	128.9	128.9
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Man-made Sound	128.9	128.9	128.9	128.9
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Man-made Smell	128.9	128.9	128.9	128.9
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Man-made Taste	128.9	128.9	128.9	128.9
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Man-made Touch	128.9	128.9	128.9	128.9
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Man-made Feeling	128.9	128.9	128.9	128.9
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Man-made Thought	128.9	128.9	128.9	128.9
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Man-made Mind	128.9	128.9	128.9	128.9
Man-made Soul				
Man-made Soul	128.9	128.9	128.9	128.9
Man-made Spirit				
Man-made Spirit	128.9	128.9	128.9	128.9
Man-made Intellect				
Man-made Intellect	128.9	128.9	128.9	128.9
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Man-made Reason	128.9	128.9	128.9	128.9
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Man-made Will	128.9	128.9	128.9	128.9
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Man-made Desire	128.9	128.9	128.9	128.9
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Man-made Passion	128.9	128.9	128.9	128.9
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Man-made Emotion	128.9	128.9	128.9	128.9
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Man-made Affect	128.9	128.9	128.9	128.9
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Man-made Sentiment	128.9	128.9	128.9	128.9
Man-made Mood				
Man-made Mood	128.9	128.9	128.9	128.9
Man-made Temperament				
Man-made Temperament	128.9	128.9	128.9	128.9

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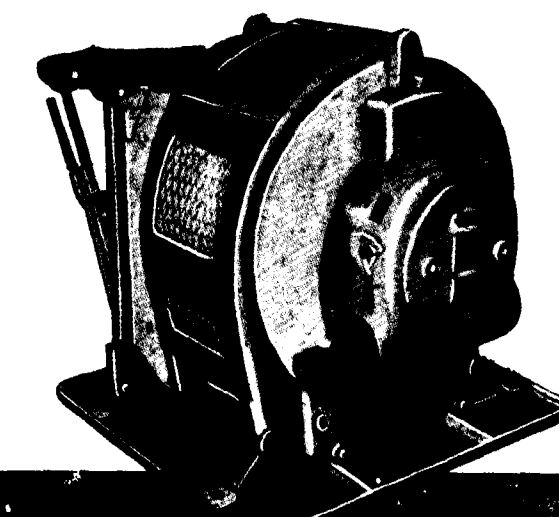
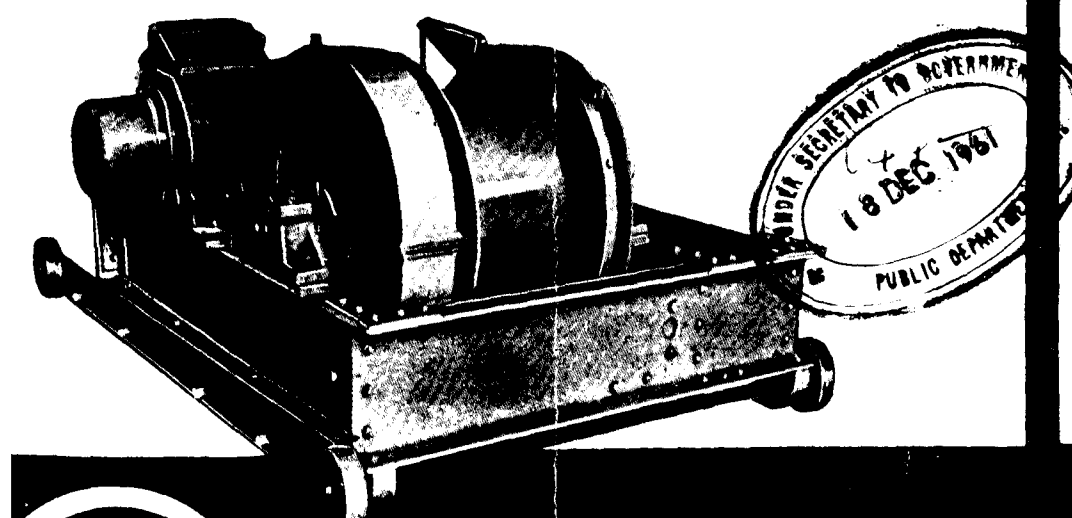
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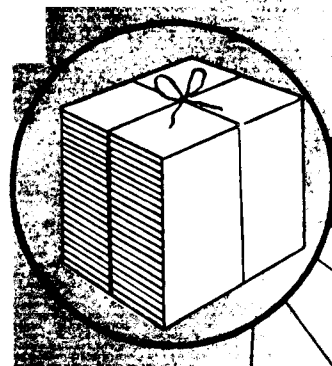
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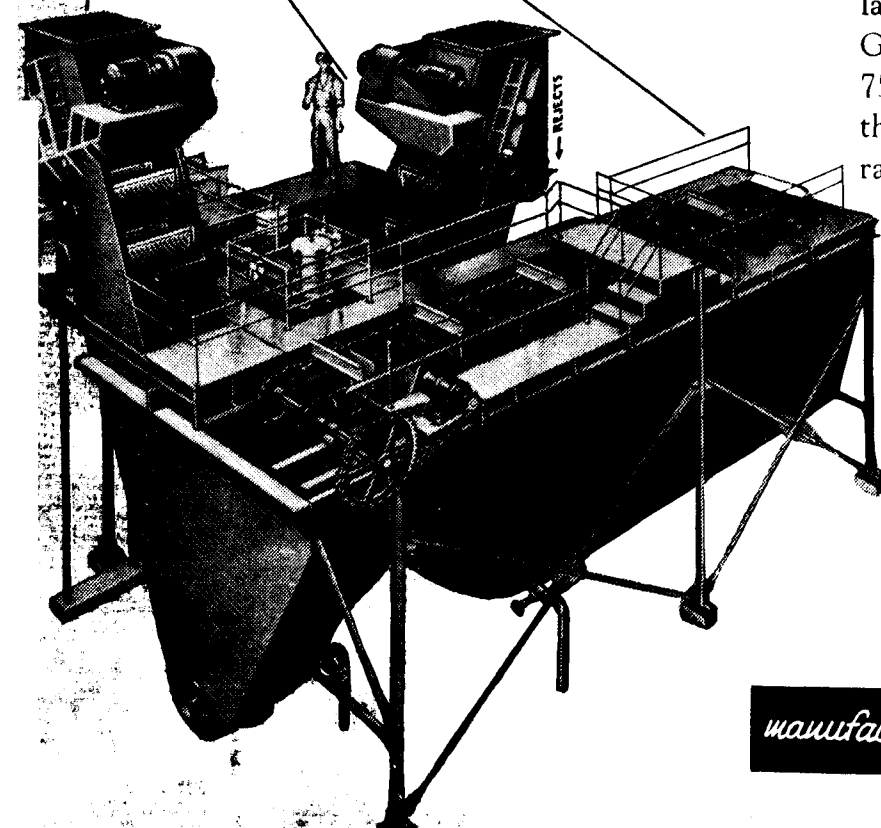
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COAL SUPPLEMENT 1961

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The Challenges Facing Coal

THE coal industry did not fail or falter in the Second Plan. Shortages there were, but none so serious that they greatly impeded the growth of industrial production. However, the Second Plan target of coal production was not hit, mainly owing to the inability of the public sector to develop new fields. As a result the field of operations of the private sector in coal, which had been restricted in terms of the revised industrial policy resolution, was at a late stage permitted to be enlarged. There is now reasonable hope that coal, so long in the doldrums, is now in sight of making good headway.

It is unfortunate that doctrinaire considerations at one time threatened industrial progress, in that the outlook for output of coal was very bleak indeed. And coal, together with power, transport and steel, constitute the basic raw materials for industrial advancement. Years had to elapse, and some of them direful in the prospect that they conjured up, before the authorities could bring themselves to relaxing restrictions imposed upon the private sector in coal.

But problems there still are. Transport is one of them. We have already had production affected because stocks at pitheads were too high; there have been accusations of discrimination in the allocation of railway wagons; and there are recurrent complaints about inadequacy of wagons.

Another is finance for the Third Plan projects in coal. Both rupee finance and foreign exchange are involved, though it would now appear that negotiations with the World Bank will bear fruit as to the latter. But nonetheless rupee finance may be hard to come by, and thought will have to be paid to the formation of a special agency for providing the necessary resources.

We ourselves favour an even larger contribution, in the form of additional production, from the private sector than is at present envisaged in the Third Plan. This is mainly because, necessarily, the public sector in coal will be tardy in achieving production targets; not, it may be emphasised, for the reason that State-owned enterprise is less efficient, but owing to the fact that the bulk of additional output by the public sector will be from fields newly opened up. Thus even before the Third Plan is well under way we need to apprehend a coal scarcity toward the end of it. It is better now to plan for higher output from the private sector, than belatedly, two or three years hence, to call upon existing collieries considerably to step up production.

For, the fact remains that gains in industrial production would have been even more dramatic and remarkable if only there had not been a shortfall in coal availability and difficulties in the distribution of such supplies as there were. Moreover, the added trouble has been that there has been a gradual deterioration in the quality of the coal allocated to non-priority industrial consumers. The waste involved is obvious. Firstly, there is the loss implicit in the carriage of inferior coals over long distances by the railways, with wagons already in all conscience scarce enough. Secondly, the per-unit cost of production of such industrial units naturally increases, and affects not merely the internal price level, but what is worse, renders such goods less competitive in the export markets. Thirdly, a consequence to the use of inferior coal has been that boilers and similar equipment have tended to be damaged, however slightly, and so enhancing maintenance costs.

The problems which coal still faces are manifold. But the most important ones bear repetition. Much more coal has to be raised by the end of the Third Plan than is envisaged in the Plan itself; and the finances therefor, internally and externally, have to be found. Coal movement has to be more expeditious than we have known it to be; and it is the railways which have to assume the responsibility, since the use of trucks is uneconomic. In the light of the known deterioration in the quality of coal, greater attention has to be paid to beneficiation; and work on washeries and the planning of more washeries have to be taken on hand urgently.

We trust that this Supplement will serve in some detail to focus the challenges ahead of the Coal Industry and also to indicate what the likely difficulties are, with suggestions for their speedy removal.

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COAL IN THE THIRD PLAN

By
M. DAS

COAL will undoubtedly retain its position of pre-eminence for many years to come in the rapidly expanding economy of the country owing to its importance as a basic source of power for the development of key industries like iron and steel and the variety of subsidiary industries. The Government has therefore quite appropriately laid strong emphasis on the stepping up of coal production to 97 million tons per year at the end of Third Plan period which is about 76% over the production achieved at the end of the Second Plan period.

The target of coal production in the Third Plan has been fixed at 97 million tons per annum by the end of 1965-1966 representing an additional production of 37 million tons over the target fixed for the Second Plan and of 45 million tons over the actual production of 52 million tons in the year 1960. The requirement of coal for the Third Plan has been assessed mainly on the basis of the target of 10.2 million tons of steel ingot, 1.5 million tons of pig iron, the additional production for Thermal Power and the requirements of the Railways, which are the largest consumers of coal. The existing steel plants in the public sector, namely, Bhilai, Rourkela and Durgapur will be expanded and a new steel plant will be established at Bokaro with a capacity of 2 million tons of steel ingot. Out of this additional production of 37 million tons, the production of 20 million tons has been allocated to the public sector and 17 million tons to the private sector. The additional production of 37 million tons comprises 11 million tons of coking coal, 2 million tons of blendable coal and 24 million tons of non-coking coal. The Third Coal Plan envisages a production of 20.90 million tons from the Bengal-Bihar fields, 10.93 million tons from Madhya Pradesh, 1.50 million tons from Kamptee in Maharashtra, 2.00 million tons from Talcher in Orissa and 3 million tons from the Singareni coalfields in Andhra Pradesh. Out of the additional production of 17 million tons in the private sector, 11 million tons will be from the existing mines and the balance from the new sinkings in existing lease-hold areas. Most of the additional production of 20 million tons in the public sector will come from new mines. It has, however, been made clear that the limits of production allocated between the public and private sectors are not meant to be rigid and that either sector might be called upon to undertake additional production whenever necessary.

It may be recalled that although coal production was to have reached the level of 60 million tons a year of which the shares of the public and private sectors were to be 15 million tons and 45 million tons respectively, the actual production for the year 1960 was only 51.78 million tons thus registering a shortfall of about 7 million tons from the target. If we take into account the production of the first half of the current

year, i.e. January to June, which is 29.2 million tonnes, the rate of annual production comes to 58.4 million tonnes, which means a shortfall of about 2 million tonnes. Considering the above shortfall in the Second Plan period, a target of 97 million tons at the end of the Third Plan sets a formidable task indeed. It may be of interest to note from the following table how far the two sectors have carried out their assignments upto June, 1961:

Year:	(In million tons)		
	Private Sector.	Public Sector N.C.D.C. Singareni.	Total
1955	33.83	2.86	38.21
1956	34.76	2.99	39.43
1957	38.20	3.38	43.50
1958	39.54	3.66	45.31
1959	40.33	4.48	47.03
1960	43.34	5.95	51.78
1961	15.68	3.88	20.42 (tonnes)
(Upto April) 1961	15.68	3.88	20.42 (tonnes)
(Upto June)	—	—	29.20 (tonnes)

The vast industrial expansion programme now in the process of implementation however rules out any controversy over the shares of the private and public sectors, for both of which there is sufficient scope to play their due roles in building up the country's economy. It has to be admitted that coal policy should not be influenced by doctrinaire considerations and it is encouraging to note that coal policy has recently been a realistic one to some extent.

It has been emphasized on several occasions by the Coal Industry that there will be no cause for anxiety for adequate production of coal by the private sector provided the basic requirements of the Industry for the attainment of the objective are fulfilled.

I should mention in this connexion an important factor amongst others that the Industry has been deprived of development finance urgently required for the expansion plans for additional production allocated to the private sector in the Third Plan in the absence of an economic price-structure of coal. The position of the coal shares in the Stock Market clearly indicates that the prospects of getting new investments are almost insignificant in view of the uneconomic price-structure of coal and small returns on investment. It will, therefore, be a difficult task for the private sector of the Coal Industry to raise additional capital from internal resources to meet its additional commitment of 17 million tons unless it is placed on a healthy financial footing and returns on investment in the Industry are made attractive enough to draw fresh capital. The effect of the expansion envisaged by the private sector of the Coal Industry during the Third Five Plan on the selling price of coal should be taken into account to make viable the expansion of the Industry. It

has therefore been emphasized by the Industry that the effect of a heavier capital outlay which will be required in the Third Plan should be carefully studied so as to enable the industry to earn a fair return on the capital invested in the industry.

It has been estimated that for an additional production of 17 million tons allocated for the private sector of the Coal Industry in the Third Plan, an additional investment of

be badly shaken. Coal being a wasting asset, the achievement of coal production target is almost wholly dependant on the availability of rail transport. It is a known fact that coal not moved is coal lost to the country.

I would like to mention herein some factual statement about the production and movement of coal during the year 1960. Out of the total production of coal of 51.78 million tons during the year 1960. Out of the total production of coal of 51.78 million tons during the year 1960, 2.59 million tons or 5% of the gross output was used for colliery consumption, 2.94 million tons moved by means other than rail, and about 0.93 million tons were lost in coke making at the collieries. The net production available for movement by rail at the pitheads of collieries was therefore 45.32 million tons. Out of this about 44.6 million tons were moved by rail and the balance of about 0.72 million tons added to the stocks.

The average daily movement from the various coalfields during the year 1960 against the demand for wagons is shown below:

Field.	(BG).	
	Average daily Loading	Demand for Wagons
Bengal & Bihar	4336	5167
Korea & Rewa	435	500
Pench & Chanda (includes MG movement)	373	420
Singareni	276	330
Talcher	40	42
Assam	55	55
Total	5515	6514

It will therefore be seen that the Railways did not provide all the transport required and demanded for as a result of which the pithead stock of 2.68 million tons on 1-1-60 increased to 3.40 million tons on 31-12-60.

The wagon supply position has further deteriorated to an alarming extent and this has been indicated by the stocks of coal which have been mounting year by year and which has now reached the figure of 5.34 million tonnes, the highest ever stock in the history of coal trade.

How the tempo of coal production which reached the figure of 5.52 million tonnes in March 1961 has received a serious set-back by a drastic fall in production from the month of April 1 onwards will be evident from the following figures:

January, 1961	5.13 m. tonnes
February, 1961	5.22 m. tonnes
March, 1961	5.52 m. tonnes
April, 1961	4.54 m. tonnes
May, 1961	4.80 m. tonnes
June, 1961	4.18 m. tonnes

The production for the month of June is as low as 4.18 million tonnes against 5.52 million tonnes in March. This shows how coal production is being seriously affected by the shortage of transport the situation is alarming indeed!

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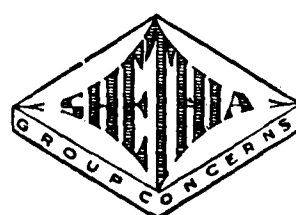
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CO-EXISTENCE IN COAL

By PRAN PRASHAD
Chairman
Indian Mining Association

IT will be recalled that when the principles for expansion of India's industrial potential were being finalized before the adoption of the Second Five Year Plan, a clamour was raised in certain circles for the nationalisation of the Coal Industry. The controversy then created was set at rest by Government's Industrial Policy Resolution of 1956. The Resolution provided that all new developments in certain specified industries including coal would from then onwards be undertaken by the State. It envisaged the expansion of privately-owned units within certain limits, and also joint participation of both the State and Private Enterprise where necessary or desirable in the national interest. It set the pattern for a mixed economy in which both Sectors have been given definite spheres of operation and targets of production.

Whilst in recent years the Public Sector of the Coal Industry has come into prominence and is now the largest single producer of coal in the country, it must be remembered that a nucleus of State-owned mines has been in existence for a considerable period. After the adoption of the Industrial Policy Resolution and with it the underlying principles laid down in the Second Five Year Plan, an autonomous and statutory body known as the National Coal Development Corporation was entrusted with expansion of mines in the Public Sector.

In 1955 on the eve of the Second Plan, the State-owned mines were producing 3.0 million tons out of the country's total production of 38 million tons of coal per annum. The Second Plan envisaged a production target of 60 million tons in which the Private and Public Sectors were required to produce 45 and 15 million tons respectively by 1960-61.

The Private Sector was confined to its existing workings and in theory to contiguous areas. The Public Sector was to attain its target by developing new mines and also by expanding output from the older State-owned collieries which in 1956 were taken over by the Corporation. At the end of the Second Plan all-India coal production reached the level of 55½ million tons, of which the Private Sector produced over 44 million.

According to the planners, the most important objective of the Third Plan is to ensure that the necessary quantities of coking and blendable coals are made available to the Steel Plants and merchant cokeries and of superior grades of non-coking coal to the Railways and other industries which require them. The additional raisings of

these classes of coal will have to come mainly from the Jharia and Ranigunge coalfields, with the Public Sector taking a more active part than hitherto. In drawing up the programme and more particularly in deciding how much of the additional production should come from the private sector and how much from the public sector, the following factors have been kept in view, viz:

- The capacity of the private sector to expand production from its existing mines and areas nearby; and
- Government's policy which reserves to the public sector the establishment of new mines.

When the draft outline of the Third Plan relative to the Coal Industry was considered by Parliament, concern was expressed, firstly, because the private sector had been given a share of 62 million tons out of the total production of 97 million envisaged and, secondly, because for achieving this target by the Private Sector certain new sinkings were to be permitted. The fears then expressed were to some extent allayed by the statement made in the House in November 1960 by the Hon'ble Minister for Steel, Mines and Fuel when it was affirmed that the basic policy in regard to coal production as adopted at the start of the Second Plan remained the same. In other words, the pattern laid down by the Industrial Policy Resolution of 1956 would continue to apply. Thus the Private Sector, with a few exceptions, is now in the main to be confined to vertical expansion and expansion within the limits of each colliery's confines, whereas horizontal expansion will mainly fall within the scope of the Public Sector.

In conforming to the pattern of expansion on this basis both Sectors have their problems. The private sector must employ greater technical skill to tackle the several mining problems which arise as a result of mainly vertical expansion. This involves the modernisation and revitalisation of its pits. Apart from technical "know-how", foreign exchange and finance are the first pre-requisites for such modernisation. In regard to foreign exchange the outlook is brighter. The World Bank has already granted a loan of Rs 17

crores to Government to provide for expansion from privately-owned units. The problem of finance, however, is not so easily solved. For years the Coal industry has had to operate on an uneconomic coal price structure, which does not allow a reasonable element for rehabilitation. It is appreciated that the problem here is one of maintaining a price structure, which will not give rise to a chain reaction of increased prices of the end-products of every coal-based industry. It must, nevertheless, be realised that no single industry should be called upon to subsidise others if its own economics justify an increase in selling prices. It should also be understood that merely keeping coal prices in check will not prevent inflation, for, in the result the effect will be that production of this vital commodity will fall short. This in turn will create inflationary trends in every industry which for want of coal may find it difficult to attain its own production targets. The Private Sector's financial stability must be ensured if it is to fulfil its task of delivering 63% of the coal output required by 1965/66.

The Public Sector also has its problems in these spheres. Independent arrangements have been made to ensure that their requirements of foreign exchange are met. They too require modern mining equipment though of a different type from those needed by the Private Sector. The Public Sector also requires large sums to finance their expansion. Being an integrated unit, costs of production in their comparatively easy and shallow pits and costs in the more difficult and expensive pits can be integrated so that in the net result their overall cost of production can be met from the existing price structure. Nevertheless, they still require Rs 132 crores for a production of 20 million tons. In this circumstance, the Public Sector would also welcome a price increase from which a part of their expansion cost could be met.

Shortages of Power and Transport are problems common to both Sectors. Much has been said in the past about transport availability not being able to keep pace with production and demand. Both the Public and Private Sec-

tors in the coal industry have been experiencing severe shortage of railway wagons, consequent on which production has had to be curtailed. Shortage of power, also presents a problem to both the sectors. To the Private Sector it becomes a matter of survival in the context of its vertical expansion. More power is required by the Private Sector for working the deeper pits, which involve longer hauls and winds, more pumping, increased ventilation, electrification and mechanisation.

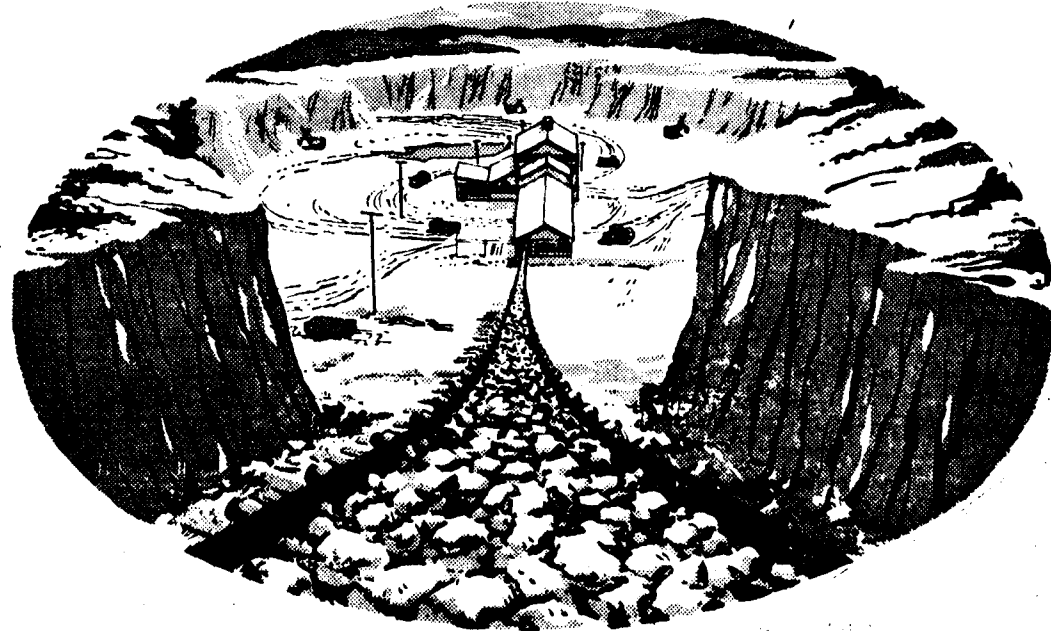
Basically there is no conflict of interests between the two Sectors in the coal industry. In all matters pertaining to labour relations, technical "know-how", and even their approach to Government and Quasi-Government bodies the two Sectors consult each other and act in close collaboration in meeting the problems facing the industry as a whole.

In the context of the gigantic increase in production capacity required, it seems futile to engage in controversies over the "Private" and "Public" Sectors. There is sufficient scope for both to expand and play their respective roles in building up the country's economy. There are vast new fields waiting to be developed—in Madhya Pradesh alone the speedy working of its coal deposits can bring into being a vital new coalfield which can eventually be as large as the Jharia or Ranigunge Field. These and many other enormous tracts of virgin lands in the Singrauli Field of U.P. and elsewhere are waiting for development. In the older fields where the Private Sector has been operating for many years, and where its units have reserve areas in the vicinity of the existing collieries, Private Sector should be allowed unrestricted scope for development. When production and more production is the vital need of the hour there should be room for expansion in both the sectors. Within the frame-work of the Industrial Policy Resolution a broad pragmatic approach should be found possible. The scope of that policy should not be whittled down by restrictionist interpretation. The country's coal target stands at an impressive altitude. It is essential to create a climate in which the production potential of both the Sectors can be employed to their optimum extent.

The principle of co-existence must be accepted as a way of life, especially in a key industry such as coal, for it is in the spirit of "get-togetherness", in the coparcenary endeavour towards the fruition of a common ideal that the private and public sectors of a resurgent India will discover the very essence of co-survival.



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COAL AND INDUSTRIAL PROGRESS

By
K. KHOSLA

Coal is one of those things one takes for granted. We never pause to reflect on the influence it exerts, and exerted, on the course of civilisation. To the modern world, there is hardly any other element in nature, except air, or soil, which is as important as coal. A lump of coal is a miniature potential dynamo, lying within its dark bosom, a store of energy drawn from the hundreds of millions of years. One pound of coal burnt in a modern engine can produce as much work as a man with bare hands can do during a whole day. Though there is dependable geological evidence to show that coal was used by mankind as early as three to four thousand years ago, it is only from the 18th century that it has become a major element in world's industries. Earlier, coal was mainly used for domestic purposes or by individual craftsmen or groups of craftsmen.

There are three factors which led to the increasing importance and widespread use of coal in human life. These are (1) the depletion of forest resources on which mankind were earlier dependent for fuel and charcoal; (2) the introduction of the use of coal in the production of iron and steel; and (3) the introduction of the steam engine in the year

1769, the second discovery which led to the industrial revolution. It was an epoch-making one, the first time that iron, which had been hitherto a rare and expensive metal, was brought into an article of common use in the western world.

It was, however, the invention of the steam engine that led to the phenomenal increase in the demand for mineral products, particularly coal. By cheapening steam, it opened energy and, consequently, anything manufactured with the help of mechanical energy. The engine revolutionised transport. Made of iron or steel, the steam engine depended both on coal for its manufacture and operation.

As early as 1824, Carnot in his "Motive Power of Heat" stated that iron and fire are recognised as the sustenance and support of all industrial activities. . . . if England were to be deprived of steam engines, she would also be deprived of her coal and iron; all sources of wealth would be lost and all her means of development would be destroyed.

What Carnot said in the beginning of the 19th century is true today when we are talking

about atomic energy and its development for peaceful uses and synthetic materials to replace iron. Indeed, our modern industrial civilisation is unthinkable without coal and iron. Without iron, there can be no modern machinery or steel rails. Without coal and iron, modern industries and transportation can hardly exist. No wonder, then, that coal has been called as one of the prime-movers of our civilisation.

It is true that coal no longer holds the almost exclusive position as a source of heat and power that it occupied in the 19th century, there being three other competitors, namely, gas, oil and hydro-electricity. Coal, however, still remains the most important source of power. After petroleum and natural gas, coal ranks second in the world in value and output, and first in the number of workers employed. For instance, in 1949, coal accounted for nearly one-third of the value of the total mineral production of the world, \$9.4 billion out of a total of \$30.2 billion, at the prevailing American prices, while coal mines the world over engaged 4.5 million workers before World War II—probably as many as all other branches of mining put together.

Turning from generalities to the concrete realities in India today, we find that coal is one of the most important factors in our bid for planned industrialisation. Without it, our transport would not move, factories would not work, and the blast furnaces would not produce the stream of molten iron which is converted into steel on which our industrial growth under the Five Year Plans must depend.

The great necessity, therefore, is to plan the production and distribution of coal so that it can be fully utilised in the national effort for speedy industrialisation of our under-developed economy. There must be coal in plenty, of the right qualities, and where they are needed.

There is, no doubt, that our planners are aware of the need to step up the production of coal to meet the increasing needs of our fast developing economy. In the Second Five Year Plan, the

objective was to raise the annual coal production to 60 million tons by 1961, of which 45 million tons were to come from the private sector, and 15 million from the public sector. In the Third Plan, the target fixed for the last year of the Plan is 97 million tons, on the basis of the targets for steel, thermal power and railways, which are the major consumers of coal.

"A target of this magnitude", says the Draft Outline of the Third Five Year Plan, "will require production to be stepped up by 37 million tons over the target of 60 million tons set for the last year of the Second Plan". In fact, the stepping-up will have to be more, as the actual performance of the coal industry in 1960 was of the order of 51 or 52 million tons—8 million to 9 million tons below the target. While the private sector produced 43.5 million tons or so, in 1960, a shortfall of about 1.5 million tons, the public sector attained a production of only about 8.5 million tons, which was 6.5 million tons below the set target. The production of coal, therefore, will have to be raised by nearly 45 million tons a year over the 1960 figure, and not 37 million tons, by the end of the Third Plan, to fulfil the target. This means that the private sector will have to raise its production from 43 million tons to 62 million tons and the public sector from 9 million tons to 35 million tons. While it is not unlikely that the private sector will be able to achieve its task provided that favourable measures enable it to mobilise its resources, it is not clear how the public sector will step up its production by 400% within a period of 5 to 6 years.

COAL AND STEEL INDUSTRY

In the mean time, the coal shortage has seriously affected industry in general, threatening the very base of our economy. Some public utility concerns and manufacturing industries have had to curtail production periodically to adjust themselves to the fuel shortage. The railways and the steel industry have also been hard hit. The steel industry has, over the past few years, been facing a

grave shortage of good quality coking coal, and has been forced to accept large quantities of poorer varieties of coal with a higher ash content, resulting in operational difficulties. While the ash content is generally over 20%, it was stated by Indian Iron that in some shipments of coal, in 1960, the ash content ran as high as 32%. The high ash coals are leading not only to a curtailment in production but also to an increase in costs which are estimated to go up by about Rs. 3 per ton with every one per cent increase in ash.

Needless to add, the shortage of good quality coking coal was not unforeseen, and the Second Plan very wisely made provision for the establishment of five new washeries to be set up in the public sector, three of which, unfortunately, have not yet materialised. It is now known that the two washeries at Bhojudih and Patherdih, which were earmarked for supplying washed coal to the two steel plants in the private sector—Tata Steel and Indian Iron—are not likely to go up in the immediate future. The problem of an adequate supply of suitable coking coal will have to be given serious attention and remedies immediately devised; otherwise, the country will not be able to reap the full fruits of the colossal investment in the steel industry under the Third Plan.

IDEOLOGY AND COAL CRISIS

It appears that ideological considerations have contributed not a little to the present coal crisis. For instance, coal production falls in the 'A' schedule of the Industrial Policy Resolution of 1948, which laid down that new undertakings in coal would be reserved for the public sector. This resolution failed to take note of the fact that coal is a wasting asset, and it is only natural that entrepreneurs should be chary of putting in capital and efforts in a field in which there was virtually no scope for expansion.

Despite representations, private collieries were not allowed to open new mines, although that would have led to a substantial increase in the production of high grade non-coking coal. However, there are indications that Government is now ready to tone down its doctrinaire policy and to permit, under special licence, private companies to work new mines which are contiguous to their existing mines. Indeed, in view of the compelling need to increase the coal production in the Third Plan, Government would do well to steer clear of doctrinaire considerations. The

primary object should be to raise more coal, a task to which the private sector by virtue of its experience, know-how and organisation can largely contribute.

TRANSPORT PROBLEM

Mr. R. H. Wright, in his speech as Chairman of the Indian Mining Association, last March, quoted a telegram sent by a coal-man in Raniganj, on 18th June 1857, reading "YOU SAY, SEND COAL, I SAY SEND MORE WAGONS". The position, if anything, has worsened today, 104 years since the telegram was sent. Railways still fail to provide the wagons on which the coal industry is almost entirely dependent for the movement and distribution of its output, as there are practically no alternative means of transport. There has been a good deal of bickering between the Railway Ministry and the Ministry of Steel, Mines and Fuel as to the responsibility for the present shortage in coal supplies. In his reply to a motion in February this year, the Minister of Steel, Mines and Fuel attributed the shortage to inadequacies of

movement rather than production. The Railway Minister has similarly claimed that the railways supply many more wagons than the collieries can load. While it is true that more coal could be carried by the railways if loading and unloading of wagons were speeded up and wagon-movement better planned, the Railway Minister's claim that "all demands of the Coal Controller who determined movement of coal to different areas, were being met" cannot be said to be factually valid.

On the basis of the current production, the daily wagon requirements for West Bengal and Bihar are estimated at around 7,000 wagons, while the actual supplies are around 4,700. Consequently, the coal stocks lying at pitheads were much larger in 1961 than in 1960. Collieries hold that the accumulation of stocks at pitheads forces them to cut down their output. The American Coal Mission after studying the working of collieries some time ago, came to the view that the coal output could be stepped up by at least 20 per cent if only the transport

position improved. Suggestions have been made to explore alternative means of transport such as a greater use of the road transport and the despatch of coal by steamer to South and West India. As a matter of fact, since March last, over three million tons of coal are stated to have been moved by sea to South and West India. To make the traffic permanent, it will be necessary to increase the handling facilities at the Calcutta Port and elsewhere, and the problem of finding cargo for the ships on their return voyage will have to be solved. In the mean time, it has been decided to move annually 2 million tons of coal by sea to Madras and other ports on the west coast.

Not only is it necessary to tackle immediately the transport problem that presses on us with the urgency of a fire alarm, it is also essential to plan ahead if our Third Plan is to succeed. The dimensions of the task facing the railways will be realised when it is noted that by the end of the Third Plan, the requirements of the Bihar and

Indian Finance

West Bengal collieries alone are estimated to rise to 10,000 wagons a day.

It would be fitting to end this section by quoting the warning of the World Bank experts who came to study our transport problems in 1960. "Insufficiency of railway resource", the experts stated, "is likely to cripple coal and other industries, and in order to meet the needs of India's advancing economy, the rate of development of rail transport should be many times greater than envisaged at present".

COAL PRICES

The coal industry differs from most other industries in that to maintain the same level of output it has to increase continually its expenditure. This is so, mainly because, as the work in a mine proceeds, the working face becomes deeper and deeper, calling for increasing quantities of rolling-stock, plant and equipment, thus adding to its costs. The problem concerns largely the working of the mines yielding better grade coals, and mostly affects the private sector. For, although the public sector's share in the total production has currently increased to about 17%, they produce only about 2% of the better grade coals while the private sector accounts for 98%.

To meet the increasing costs, the coal industry needs a greater inflow of capital, the condition precedent for which is a reasonable margin of profit. At the present level of prices, the return is said to be inadequate. In February 1959, the Bulletin of the Reserve Bank revealed that the paid-up capital in 39 coal companies increased by only about 1.9%, as compared with the year before, while the same figures for iron and steel and cement were 27.3% and 21.5%. This means that for whatever little expansion it can undertake, the coal industry has to rely mainly on its reserves, particularly as new capital is difficult to obtain in the present conditions of the industry. Fortunately, at this writing, a Rs 30/- crore World Bank loan for the private sector of the Indian coal industry is now almost assured. This money, which will be routed through Government, is to be used exclusively for the import of machinery and equipment needed by the coal industry to fulfil its expansion programme.

It would appear that the present price level needs to be reviewed. The quantum of price increase for coal sanctioned in 1959 was admittedly inadequate and has been more than offset by the increase in costs of production in the last two years. The pressing need, therefore, is for Government to see if the existing price of coal is fair and economic, and, if not, to make such revision as would enable the industry to earn a reasonable margin of profit and to rehabilitate and modernise itself.

Coal Supplement 1961

The general argument against any rise in the price of coal has been the danger of a cost-push inflationary pressure being generated by the increase as coal enters the cost of production of so many

industrial products. It should, however, be noted that the cost on account of coal is generally a small percentage of the cost of production of industrial goods, as will be evident from the table reproduced below:

DATA RELATING TO COST ON VARIOUS FUEL ITEMS AND ELECTRICITY CONSUMED BY DIFFERENT INDUSTRIES (1952) FIGURES.

Industries	Ex-factory value of products & by-products (Rs. crores)	Expenditure on coal and electricity (Rs. crores)	Expenditure on fuel and electricity (Rs. crores)	Cost expressed as percentage of the gross ex-factory value of products and by-products.	
				Coal & coke.	Fuel & electricity.
Cotton Textiles ...	412.8	4.75	13.06	1.15	3.16
Jute Textiles ...	169.3	1.19	2.36	0.70	1.04
Iron and Steel ...	69.9	7.86	8.87	11.25	12.70
Vegetable Oils ...	125.0	0.61	1.84	0.49	1.47
Cement ...	23.9	3.42	4.37	14.32	18.28
Chemicals ...	41.0	1.28	2.16	3.13	5.26
Aluminium, Copper and Brass ...	21.6	0.27	0.67	1.27	3.08
General Engineering and Elec. Engineering ...	67.9	0.69	1.66	1.02	2.45
Paper & Paper board ...	18.0	1.12	1.42	6.21	7.88
Sugar ...	84.5	0.31	0.99	0.37	1.18
Glass and Glass ware ...	4.5	0.37	0.96	8.17	21.20
Ceramics ...	3.9	0.49	0.62	12.56	15.98
Rice milling ...	45.2	0.15	0.35	0.34	0.77
Total ...	1180.0	23.12	40.81	1.96	3.45

Source: Census of the Indian Manufacturing Industries.

The danger of a cost-push inflationary pressure being initiated by the price-rise of coal is, therefore, a remote one. In support of

this contention, it may be stated that the reversal in November 1949 of the rise allowed in July 1947, a measure allegedly pur-

porting to initiate a downward trend in the general price level, did not produce any effect. Thus, between 1947 and 1957, the index of wholesale price went up from 287 to 427, i.e. by 48% whereas the price of coal rose by a mere 15% to 16%.

NATIONAL COAL COMMISSION

In the foregoing sections, attention has been focussed on some of the more important problems besetting the coal industry that are acting as brakes on our industrial progress. These problems, as has been shown, cry for immediate remedial action which raises the deeper question of the adequacy of the present administrative machinery.

Many responsible critics have, time and again, pointed out that although Government has been participating increasingly in every sphere of our economic life and our economy is on the threshold of the 'take-off' stage to become self-sustaining, our administrative machinery remains atavistic by western standards. There is no harmony between our 'economic ends' and the 'administrative means'.

This criticism, true of the entire economy, applies to the coal industry also. As early as 1946 the Coalfields Committee recommended the setting up of a national coal commission, with

adequate authority to tackle the problems of the coal industry with the assistance and expertise needed in the changed context of the economy. Unfortunately, Government has not yet seen its way to setting up the high-powered autonomous national coal commission. There is no doubt that many of the problems that afflict the coal industry, such as the lack of co-ordination between coal production and coal transport, would not have existed, at least not in their present aggravated form, if a suitable authority, armed with adequate power, had come to function earlier.

CONCLUSION

Time does not wait and life does not stand still. We are resolved to develop our economy to the fullest potential but the native hue of resolution is sicklied over with the pale cast of ideological thought. The lifeline of our economy is coal, and all is not well with it. Much care and attention is needed to bring the coal industry back to health. Considering the economic leeway that has to be made up, this is a task that brooks no delay. Let us hope that a realistic approach would help remove the ills of the industry and enable it to play its proper role in the furtherance of industrial progress of which we dream so much.



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The history of coal in India is lost in antiquity



The word 'Coal' is believed to have originated from the Sanskrit 'Kal' meaning black, and in ancient India, coal was known as the 'Burning Rock' and was believed to possess supernatural powers. However, it was not until 1774 that the first attempt was made to mine this mineral when John Sumner and Suetonius Grant Heatly discovered coal in Bengal and applied to Warren Hastings for permission to mine it. Enclosing a short but clear memorandum of their intentions and requests, the oldest document in history of the Coal Trade dated, Calcutta, 11th August 1774, may well be quoted as the initial impetus to the vital Coal Industry of today:

"Hon'ble Sir and Sirs,—I have the honour to present to you in the name of Mr. Suetonius Grant Heatly and myself, 'Proposals for working coal mines and selling coal in Bengal in consequence of our having discovered certain coal mines in Pachete and Birbhoom and I assure you, Gentlemen, that in case you will be pleased to grant us the indulgences we request that we will endeavour to prevent all disputes with the country people, and in general to render the execution of what we undertake, subservient to every good purpose the nature of work will admit.

I am, etc.
JOHN SUMNER
for Sumner and Heatly.

But it was only in 1814 that the Industry came to be established with the opening of the first mine at Renigunj in Bengal.

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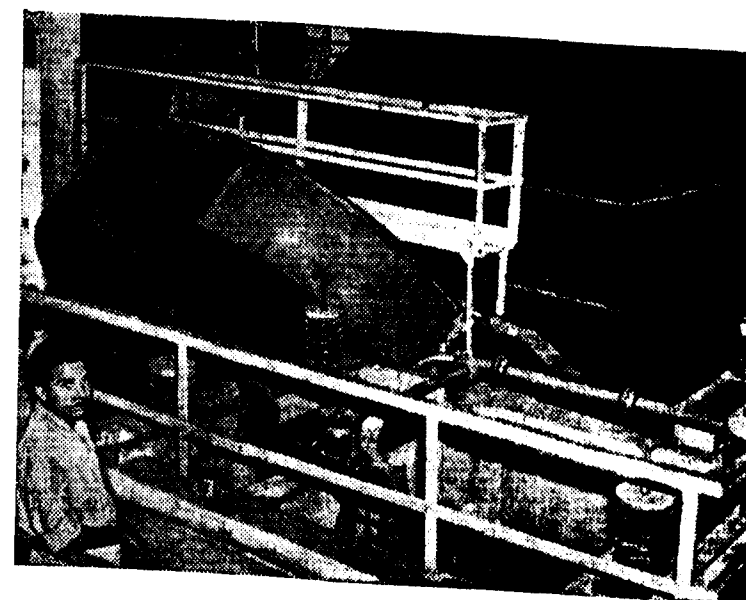
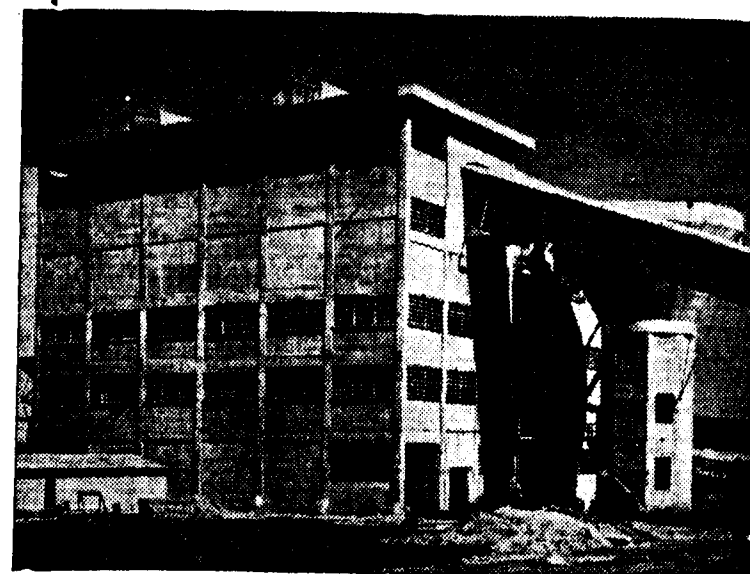
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AMALGAMATION OF SMALL COLLIERIES

By D. B. RAVEL

Dy. Secretary
Indian Collieries Association
Dhanbad

THE Scheme of Amalgamation of small and irregularly shaped collieries in the Jharia-Raniganj fields as recommended by the Balwant Rai Mehta Committee in 1956 has had a rather chequered career. It was as early as 1920 when the Coalfields Committee had taken serious notice of the "small dimensions and fantastic shapes" of many of the then existing leasehold-lands and suggested some appropriate remedies. The Coal Mining Committee of 1937 and later on the Indian Coalfields Committee of 1946 made further studies on the subject and evinced much more interest in it on a realisation of the urgent necessity for an orderly development of the coal areas, for extraction of the maximum amount of coal through an economic and systematic working on the basis of a planned programme and for—avoidance of waste by securing amalgamation and by adjustment of irregular and fantastically-shaped boundaries.

Whatever the reasons, these recommendations were not given effect to until 1955 when the said Mehta Committee was appointed to study and submit a report on the subject. But the mines and the coalfields had undergone many changes during the period of 35 years and the remedies suggested by the Coalfields Committee were no longer available for effective application. Even during the five years since the Mehta Committee's submission of recommendations, Government could not reach any definite conclusions and their present trend of thought is best reflected by the decisions of the Mineral Advisory Committee to the effect that "compulsion was not desirable for the amalgamation of uneconomic holdings but wherever lessees voluntarily agree to it, the State Governments should offer all possible facilities". The Board concluded its two-day meeting at Bombay on May 2 last. From the beginning the Coal Industry as represented by the three major producers' Associations/Federation has made its views known to the authorities on the Committee's proposals and in fact their representatives signed the Committee's report, subject to its acceptance of those views.

The Industry's views as submitted to Government through a memorandum in 1957 were inter alia that the scheme of compulsory amalgamation as recommended by the Mehta Committee and embodied in their report, if hastily carried out, would definitely delay and hamper coal production at a moment when such production was of utmost importance and a supreme necessity for the success of the Five Year Plans, that the economic and technical factors involving re-organisation of ownership and operation of Indian Collieries were extremely complicated

and were calculated to frustrate a maximum mobilisation of the coal resources and also to lead to a major upset or dislocation of the productive capacity of the industry and that these inherent difficulties made it imperative that the scheme of compulsory amalgamation should be abandoned for the present. It may be noted that these views were shared by the Indian Chamber of Commerce,

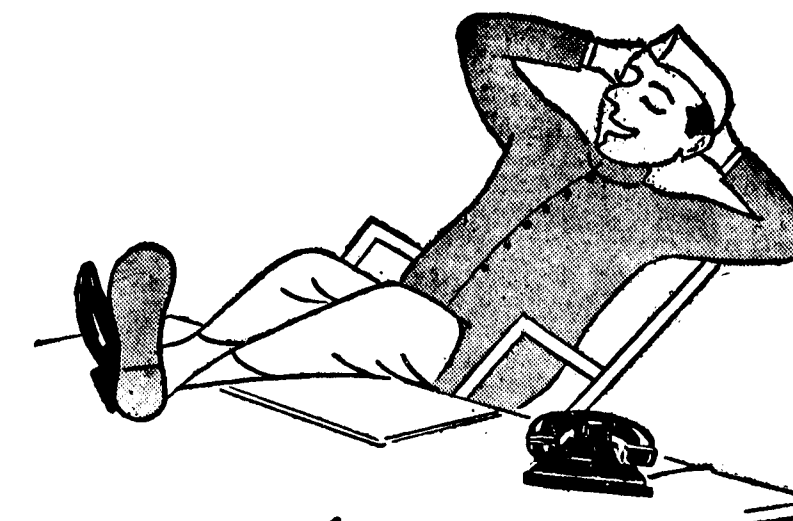
Calcutta as also by the Federation of Indian Chambers of Commerce and Industry, New Delhi, who addressed separate representations to the Government on the subject.

In July, 1958 when the Industry represented to the Ministry of Steel, Mines & Fuel and acquainted it with the Industry's views and the inherent difficulties of a compulsory amalgamation, the Officials of the Ministry were

convinced about the unwisdom of enforcing compulsory amalgamation and subsequently a Committee was constituted to promote voluntary amalgamation with specific terms of references. It was decided to invite and initiate proposals for voluntary amalgamation and adjustment of boundaries on the basis of the conditions laid down and official assistance as agreed to in the terms of reference. A proforma was prepared and sent out to all collieries wishing to amalgamate voluntarily.

The scheme of voluntary amalgamation has not received good response so far for variety of reasons, the main reason being that the Owners of the small collieries who have been carrying

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COAL PRICES IN RETROSPECT

By

B. M. VARMA

THE statutory price of coal was for the first time fixed under the Colliery Control Order in 1944 at a time when prices of coal rose as high as Rs 60/- per ton and when more production was needed to meet the exigencies of the demand arising out of the Second World War. The price of coal unlike other commodities is therefore not governed by the normal force of supply and demand. Before the control of coal prices came into existence for the first time in 1944, prices fluctuated widely over a number of years. In 1922, the price of coal stood on an average at Rs 8/- per ton; in 1935 the average coal price fell to the lowest level of Rs 2/8/- per ton. With the outbreak of war in 1939 the international demand for coal began to rise and prices gradually rose to Rs 4/7/- per ton in 1942, after which they registered a speedy increase to Rs 11/7/- per ton in 1943. With the steep rise in the demand for coal, the coal situation became critical in 1943. The necessity of keeping production costs at the lowest level during the war years began to be felt. But attractive wages and congenial surface work offered by large scale military and other works, better price for agricultural produce and other factors combined to take labour away from the coalfields. All these factors brought about a fall in raising in 1943. The requirements of the Railways and other consumers however rose very considerably. Prices as high as Rs 60/- per ton were demanded in many cases and paid.

In October 1946 the colliery owners in the Bengal and Bihar Coalfields voluntarily gave certain wage increase on the suggestion of the Government. In spite of all these increases the labour situation assumed an acute form and a Conciliation Board was set up by the Government under the Trade Disputes Act, 1929, for a revision in the wage-structure. The first labour award in the history of coal mining in India was given in May 1947, which considerably increased the wages and amenities to workers. The Government then increased coal prices by Rs 3/8/- per ton to compensate the cost of collieries in implementing the C. B. Award. In 1949, the Government reduced the controlled selling price of coal by -9/- per ton for steam coal and -10/- per ton of slack coal with the object of preventing inflation. The Industry was however assured at that time that the price-cut would be restored but it was never redeemed in any manner. As a result of labour agitation for further rise in wages and other emoluments, an All-

India Labour Tribunal known as "The Majumdar Tribunal" was set up in 1954 by the Government. In 1956, the Award of the All-India Industrial Tribunal (Colliery Disputes) was published, in 1957, the decision of the Labour Appellate Tribunal in India, both of which awarded a considerable increase in wages and other benefits to labour. Coal prices were increased to the extent of Rs 3/- per ton in July 1956 in Bengal and Bihar fields and a further increase of Rs 1.50 per ton in July 1957, so as to enable the collieries to implement the above award and decision. Further small increases in the coal prices were subsequently allowed only to compensate the cost of allowing variable dearness allowance as awarded by the Tribunal as a result of rise in the Consumers Price Index Numbers. It will thus be evident from the above facts that whatever increases in coal prices were given by the Government, they were all to cover the rising labour costs from the various Tribunal Awards and compensate the collieries against their costs. But the Coal Industry was never granted adequate increase in the prices of coal to the extent it required to implement labour awards. Since 1947, no account has been taken of the steady rise in operating costs due to increased prices of stores, plant and equipment, the introduction of additional mining legislation, new rates of electricity charges, cesses, increase in railway freight and passenger fares, additional stowing costs and the effect of rising costs on rehabilitation.

As a matter of fact the problem of an adequate price for the various grades of coal is lying heavily for a long time on the shoulders of the Industry. The question assumed an acute form in May, 1957, when the Coal Prices Revision Committee was constituted to make recommendations to the Government in this regard with a direction to submit their report within two months. These two months stretched into two years. Nineteen months after its appointment, the Coal Prices Revision Committee submitted its report towards the end of the year 1958. But instead of taking immediate action on the report, the Government appeared to put it in

cold storage. This was really too much for the Industry which had been moving heaven and earth since the appointment of the Committee to get the question promptly settled for reasons which require little explanation. After a good deal of agitations and repeated representations over this issue, the Government announced on 25 August 1959 a niggardly price increase of half a rupee per ton for different grades of coal above Grade III in the Bengal, Bihar and outlying fields only against an expected price increase of Rs 3/8/- per ton which was considered to be essential to cover the increased cost of production. This fact only shows that the Coal Industry, the most basic of all industries, has never been treated with consideration and sympathy it deserves.

It is needless to mention that in the absence of an economic price structure, the Industry is deprived of the development finance urgently required for the expansion plans for additional production allocated to it in the Third Plan. It is difficult to understand why the Government is so reluctant to apply the principle of auto-financing in the case of such an important industry as coal and it is time that the Government adopted a rational and realistic policy in this regard. The position of the coal shares in the Stock Market clearly indicates that the prospects of getting new investments are practically insignificant in view of the uneconomic price structure of coal. The production cost has been steadily going up as a result of larger amenities being given to labour owing to a gradually soaring price index and also owing to an increase in the cost of machinery, stores, iron and other materials as hereinbefore stated. It will, therefore, appear that the existing uneconomic price-structure of coal allows hardly any scope for further development work and even for maintaining the existing production of the collieries.

It is now a well accepted principle that in any price fixations particularly in industries of national importance a certain margin must be provided for rehabilitation. The Coal Industry is one of the oldest industries and most of its block is purchased either during or before

the war. The present prices are about three times higher than the prices during the war period and considerably higher than those ruling before the war. Depreciation reserves cannot exceed the purchase price of such assets and the Industry therefore is confronted with a very serious difficulty in having to meet the difference between the war or pre-war purchase prices and the present prices. Unless therefore a certain margin is provided in the price structure it may be difficult for the Industry to replace the existing block not to say of adding to it for increasing production or maintaining it. The steel, textile, cement and sugar industries are examples where a margin of such rehabilitation has been provided wherever price fixation has been done. The case of the Coal Industry is particularly important because of the huge investments in what are called "wasting assets". Unless therefore, reserves are created, which can only come from out of the profits, it will be impossible for the coal companies to meet or write off the wasting and other assets with consequent disencouragement to the investor.

Under the Third Five-Year Plan the private sector of the Coal Industry has been asked to increase output by 17 million tons which involves a very heavy capital outlay to the extent of about Rs 60 crores and that Rs 27.5 crores approximately will be met from plough-backs and new equity floatation and the balance of about Rs 30 crores will have to be raised by borrowing from banks, finance houses etc.

A fraction of this amount may be met from plough-backs and new equity floatations and the major portion will have to be raised by borrowing from banks, finance houses, etc. Because of the small returns on the investment of the coal companies, it will not be possible for the Industry to attract much fresh capital from the market to meet the expansion plans of the collieries.

The position of the Industry and the economy of the country being what it is, the price-structure should be such as to allow the small and medium-sized collieries to be able to function economically and that is possible only if a fair margin of profit is allowed to the capital employed and also if the price-structure is based on the cost of working of such collieries. If these collieries are forced to close down there will be a wide repercussion on the production of coal required under the Third and future Plans.

Public Sector in the Coal Industry

THE emergence of the public sector in the coal industry and the growth of production to its present level are recent developments. It has come as a result of two factors, namely, the Statement of Industrial Policy Resolution of 1956 and the Second Plan schemes for expansion of coal production. The Industrial Policy Statement reserved basic and strategic industries for development in the public sector. The application of this principle to the coal industry meant reservation to the public sector of coal mining in new and virgin areas, the scope for the private sector being restricted to existing collieries though this was subsequently enlarged to include contiguous areas also. While the Industrial Policy Statement provided the ideological rationale for the public sector, it was the Second Plan schemes for expansion of coal production which gave the impetus to development of coal production in the public sector. The Second Plan laid down a target of coal production at 60 million tons representing an increase of 22 million tons as compared with production at the end of the First Plan. This was distributed between the private and public sectors in the proportion of 10.0 million tons and 12.0 million tons respectively. At the beginning of the Second Plan the public sector in the coal industry hardly existed except in a skeletal form being represented by the 11 State collieries which had been taken over from the Railways during World War II, but production from these collieries was of an insignificant order being only 2.0 million tons. This circumstance, expansion of coal production in the public sector reached the target of 12.0 million tons was admittedly a task of stupendous magnitude which entailed a number of problems and difficulties. The manner in which these difficulties were faced and overcome and the target nearly realised, unfolds an enterprising chapter in the story of Second Plan achievements.

The first problem that had to be faced and tackled in planning production in the public sector was the creation of the organisational machinery that could deal with every aspect of coal production and development in a competent and adequate manner. This led to the creation of the National Development Corporation towards the end of 1956 with its registered office at Ranchi and an authorised capital of 50 crores solely contributed by the Government.

The 12 million tons of target for public sector comprised 1.5 million tons to be raised by the State collieries in the Andhra Pradesh and the balance of 10.5 million tons was left to be taken up by the NCDC. The task

of the NCDC was rendered formidable by the requirement that 10 million tons out of its total target of production was to be achieved by the opening of new mines in virgin areas. Only 0.5 million tons was to be raised by increasing production from existing collieries. Raising production of the order of 10 million tons from new mines was a problem that would have put under severe strain the resources and skill of any organisation. The difficulties were considerably magnified to the NCDC by the fact that it was a new organisation which had yet to acquire the necessary resources in men and money. The initial planning required in the development of new mines was itself beset with many difficulties and problems. To mention a few, careful and thorough prospecting of possible coal bearing areas has first to be undertaken. Then land and mining rights have to be acquired. Prospecting has to be followed by drilling to ascertain the commercial prospects for coal production. On the basis of all such data, a workable plan has to be prepared. In the early period of its life, the NCDC was concerned purely with work of such preparatory character.

The most difficult problems which the NCDC had to face in implementing its development programmes, however, related to its requirements of resources in machinery and technical personnel. Such requirements of the NCDC were of an order which called for enormous investment and prompt measures. Development of production from new areas being a difficult proposition in the course of a few years, mechanisation pointed to the only way out, but mechanisation was a new development in the Indian coal industry. The NCDC required machinery and equipments both for open cast mining and deep shaft mining in underground. The former included heavy earth moving machinery such as shovels, dumpers, dozers, blast hole drills etc, while equipments for deep shaft mining included coal cutting machines, loaders, conveyors etc. As an offshoot of such imports of equipments and machinery, the supply of spare parts had also to be provided and this entailed imports and drain on foreign exchange. Arranging for imports of these machinery and their spare parts in the midst of an acute shortage of foreign exchange was particularly a source of constant worry to the NCDC.

When the NCDC was set up, the resources in terms of technical personnel available to it was meagre. Existing facilities for training were also far from being adequate and satisfactory. This set the Corporation a two-fold problem. On the one hand, it had to make a fairly reliable and

approximate assessment of its needs of technical personnel according to different grades and categories. Then facilities had to be set up for the training of such personnel within the country. One of the results of the development of the public sector in the coal industry has been that it has provided the occasion and opportunity for creation of such technical institutions for raining of technical personnel in the coal industry. It is noteworthy that the NCDC has opened up five training schools at Talcher, Kargali, Kurasia, Giridih and Bhurkunda collieries, which are intended for meeting the Corporation's requirement of junior technical personnel. Besides, for meeting its requirements of personnel of superior grades, the NCDC instituted a scheme under which mining engineers were sent abroad for training.

The working plan drawn up by the NCDC for raising the 10 million tons of coal envisaged opening of 7 new mines in Bihar, 4 in Madhya Pradesh and 1 in Orissa. The collieries selected in Bihar for development were Kathara, Gidi 'A', Saunda, Bachra, New Bhurkunda 11, Gidi 'C', and Sayal. In Madhya Pradesh, the NCDC drew up plans for developing production at four places, namely, Korba, New Kurasia, Korea, and Bismampur. For each colliery, the NCDC fixed a target of production. Work relating to development of the mines was conditioned by the provision of facilities for transport and for meeting needs of power. Work in all the mines gained gradual momentum and before the end of 1958, commercial production had started in two collieries viz, Korba in Madhya Pradesh and New Bhurkunda 11 in Bihar. Three more mines were added to the list before the end of 1959, and before the end of the Second Plan all mines were in commercial operation with the exception of Bismampur in Madhya Pradesh and South Balanda in Orissa. Both these projects were originally included in the Second Plan but by reason of special difficulties encountered in their development during the Second Plan period, were shelved for implementation during the Third Plan period.

As a result of the implementation of the Second Plan schemes, the public sector in the coal industry has grown to great size. With the development of new mines production from which is of a substantial order, the NCDC also figures as one of the largest employers. The total strength of the workers employed by the Corporation is placed at nearly 40,000. Apart from the provision of employment opportunities to such large number of workers, the benefits that have flown from

the growth of the public sector in the coal industry are the development of new and virgin areas and the institution of pioneering work in mechanisation.

The Third Plan envisages a more rapid development of coal production than witnessed under the Second Plan and lays a target of production for coal at 97 million tons, representing an increase in production of the order of 37 million tons as compared with the targeted production under the Second Plan. The shares of the public sector and private sector in this target are 20 million tons and 17 million tons respectively. The public sector programmes are of greater magnitude than those involved in its Second Plan target and consequently the demands in terms of technical personnel and other things are likely to be higher. The main problem will be finance. While it has been estimated that the public sector programmes will entail an expenditure of Rs 107 crores, the provision made in the Plan is only Rs 57.0 crores.

Long in advance, the NCDC has started work on schemes connected with coal production in the Third Plan. It has already undertaken a programme of drilling in the coalfields which it proposes to exploit during the Third Plan and has also earmarked areas for intensive prospecting and drilling. On the organisational side, the Corporation is seeking to set up a full-fledged planning and production departments. The production department is expected to co-ordinate the work of the chief mining engineers while the planning department is designed to make a thorough survey of all mines and chart out a definite programme of production week by week. The main emphasis in the programmes of the NCDC during the Third Plan will be on the development of coal mines in the Ramgarh and Jaramdih area of Bihar. These mines are credited with considerable deposits of high grade metallurgical coal and the needs of Bokaro have imparted an element of urgency to the question of their development. For the major portion of its production target, the NCDC will have to depend on its own resources, but foreign collaboration and help are expected to be available in significant measures. Both the US and the USSR are expected to develop one mine each in the public sector and Polish help is expected to be available for the development of the Jharia mines. Help from the UK and the USA is also being sought for the development of the high grade deposits of Ramgarh. The implementation of the Third Plan schemes for coal production in the public sector would provide a further

(Continued on page 34)

SUPPLY AND MOVEMENT OF COAL

By
B. P. AGARWALLA
Chairman,
Indian Mining Federation

There is a large gap between the demand and availability of rail transport for movement of coal. On the assumption that the availability of wagons in Bengal and Bihar coalfields is 4,750 wagons on an average per day, the surplus of production over wagon availability will be about 6 million tons per year as detailed below:—

	Wagons
Wagon Availability:	
Assume daily supply ...	4,750
	Millions
4750 wagons ...	38.0
Less: NCDC Movement ex-Karanpura ...	4.0
Balance for Private Sector ...	34.0
Production:	
Assume production ...	45.0
Less outlying fields ...	2.5
	42.5
Less Road Movement ...	2.5
	40.0
Balance to be moved by rail ...	40.0
Surplus of production over wagon availability ...	6.0

The following statistical information provides an interesting study:—

COAL PRODUCTION (in Tonnes)

1960 (January to December) ...	52,613,312
1961 January ...	5,136,761
February ...	5,225,493
March ...	5,524,018
April ...	4,540,237
May ...	4,211,212
June ...	4,182,192

DESPATCHES (in Tonnes)

1960 (January to December) ...	46,326,840
1961 January ...	4,190,909
February ...	3,186,408
March ...	4,308,190
April ...	4,172,832
May ...	4,636,553
June ...	3,997,546

STOCKS (in Tonnes)

1960 As on 31 December ...	3,458,255
1961 January ...	3,885,710
February ...	4,808,146
March ...	5,567,000
April ...	5,423,000
May ...	5,374,989

AVERAGE DAILY LOADING (Bengal & Bihar Coalfields)

1960 ...	4335
1961 January ...	4370
February ...	4735
March ...	4679
April ...	4809
May ...	4625
June ...	4507
July ...	4757

About half a million ton of coal is being added to Pithead stocks in each month and the present stocks have been the highest ever known in the history of coal industry. It will also be evident from the above that as a result of the widening gap between production and despatch, the coal production from April, 1961, has considerably gone down. It may also be added in this connection that in the middle of 1960, the Railway Board gave an assurance that 5030 wagons would be made available daily in the West Bengal and Bihar Coalfields for movement of coal but even in the month of July, 1961, the actual daily wagon supply in the Bengal and Bihar Coalfields has been only 4757 wagons. How unsatisfactory the wagon supply position has been during the current year will be evident from the above figures of wagon supply and the gradually mounting stocks of coal lying at the pitheads which are deteriorating in value day by day. The increase in stock from January to May 1961 over 1960 is to the extent of about 55.3%.

Having regard to the acute shortage of adequate rail transport for movement of coal to meet the rising demands, the question automatically arises how to make best use of the available transport with a view to secure equitable distribution thereof. The authorities have been experimenting with various possibilities of improving the utilisation of available transport but unfortunately

West Bengal and Bihar fields.

	E. Rly.	S. E. Rly.	Total
Wagons Drawn out empty ...	33	—	33
Wagons not D/Noted ...	191	87	278
			311

If these wagons would have been supplied to Dhanbad area, as also a further lot, they could have been easily utilised.

The Collieries in their own interest indent for wagons for their consumers and they always endeavour to indent up to the highest loading capacity of the Collieries, because unless the indents are submitted, wagons cannot be expected. This procedure, they have been following, at least for the last 50 years.

On the basis of the consent letters, issued by the Collieries, sanctions are issued by the Dy. Coal Controller (D). He maintains records of the produc-

tion and despatch of each Colliery and therefore, it should not be difficult for him to refuse to issue a sanction on a Colliery, which is already overbooked in relation to its output. The remedy, therefore, in such cases lies with the Coal Controller's organisation.

A colliery has to submit indent for its requirement of wagons in relation to its output and the orders held. If the indenting procedure is abolished, as suggested in some quarters, it is not possible for the Railways or the Coal Controller to assess the daily requirement of each individual Colliery in relation to its

consumers and the procedure of indenting is applicable in respect of other industries also in the country. A scheme of Central Marketing of Coal as suggested by the Coal Controller is not without its difficulties, because such a Central Organisation will have to undertake distribution of about 5,000 wagons a day with attending financial responsibilities.

With regard to a proposal for rationing the supply to every consumer in accordance with the availability of coal or coke and the availability of rail transport, it is already being done by the Coal Controller by placing restriction on the grade-wise consumption of coal as also by issuing sanction for every single ton of coal required by a consumer, but if the issue of the sanctions are limited to the availability of rail transport after earmarking a minimum share of wagons for the producers of lower grade coal (Gr. II and Gr. III), much of the present crisis can be solved. The producers of high grade coal (Selected and Gr. I) can take 80 to 85% of the available rail transport, which in turn can go to higher priority consumers. The producers of lower grade coal (Gr. II and Gr. III) may be satisfied for the present with the balance 15 or 20% of the available transport to cater to the requirements of low priority consumers viz. brick, soft coke, small scale industries, and small factories. Although there was no hard and fast division on percentage basis on the above lines, the pre-October 1960 system of allotment was functioning more or less as such and thereby although the average daily availability of wagons in 1960 was 4335, the consumers as also the producers were more happy than at present, because most of them were getting some share. Therefore, at the discussions held at Dhanbad with the Hon'ble Shri Jagjivan Ram, Minister for Railways, Government of India, New Delhi, by the Joint Working Committee of the Indian Mining Association, the Indian Mining Federation, the Indian Colliery Owners' Association and Madhya Pradesh Mining Association on 20th July, 1961, representatives of the Industry pointed out to the Hon'ble Minister the defects of the present bulk allotment system and asked for reversion to the pre-October 1960 system of wagon allotment.

The creation of coal dumps is not likely to solve the transport inadequacy, rather it may lead to increased cost to the consumer, mixing of different grades of coal at the Coal Dumps, and subsequent difficulty in transport thereof to the consuming points. If on the other hand, the consumers including Railway and Govt. a/c. situated within a short distance of the producing centres of coal are asked to take at least a portion of their requirements by road, the resultant release of Rly. wagons will add to the availability of wagons for longer distance consumers.

The target of 97 million tons for Third Five-Year Plan is a big target over the present figures and therefore, the Railways in order to move the coal will have to make special efforts in time to be able to cope with the traffic.

The Grade-wise consumption of coal should be reviewed from time to time in the light of availability of coal, by the Fuel Efficiency Committee on which there should be some representatives of the Producers as also of the consumers. At present it is more or less a Departmental Committee.

At present most of the available transport is utilised for high priority consumers from higher grade Collieries with inequitable distribution of wagons as pointed out above. The Producers of lower grade coal and low priority consumers are generally suffering more, but if the suffering is allowed to continue much longer, it will affect the country as a whole with resultant repercussions on the economy not only of the Coal Industry but other industries as well.

We are already receiving reports of shortage of bricks even in places like Bombay, where the price of brick has gone to Rs. 90 per 1000 bricks. Most of the small scale industrial workshops are suffering for want of supply of coal and coke and there is often complaint of shortage of Soft Coke in big Cities. Therefore, a method should be evolved which is more rational to reduce the hardships. In an expanding economy with a rising demand, we should keep our mind open and apply proper correctives instead of trying to shift the responsibility or to endeavour to find a scape-goat. Rather the efforts should be directed to find a solution because if the coal production drops, the entire expansion plan of the country may be in jeopardy.

The Railways should also be advised to consider the following points:—

(1) Loaded wagons remain stalled at Marshalling Yards for considerable periods. The period can be reduced.

(2) On an average, a goods wagon moves only for a few hours a day and remains stationary for rest of the day. Its movement should be prolonged.

(3) The average speed of a goods train which was 10.8 miles per hour during 1950-51 is said to have gone down to 10 miles per hour during 1959-60. The total number of wagons on lines which was 146,713 during 1950-51, has only increased to 194,339. The Railways have not added significantly to the number of wagons on lines in relation to increase in demand. The Railways have been able to add 51,720 wagons only in the course of the last ten years in so far as broad gauge wagons are concerned. If these figures are correct, they call for improvement.

(4) The total number of locomotives had increased from 5256 in 1950-51 to 6240 in 1959-60. Further increase in the number of locomotives should therefore be arranged.

The target of 97 million tons for Third Five-Year Plan is a big target over the present figures and therefore, the Railways in order to move the coal will have to make special efforts in time to be able to cope with the traffic.

COAL MINING INDUSTRY—

Requirement of Mining Personnel

RASIKLAL WORAH

President

Indian Colliery Owners Association

It is indeed a difficult task to assess precisely the requirement of trained personnel in the Coal Mining Industry unless the phased programme of its development is determined well in advance. During the period of Second Five-Year Plan, this aspect of correlation was not considered very seriously as a result of which the Coal Mining Industry have had to experience an acute shortage of trained personnel, particularly in lower categories of mining staff. The shortage still exists with resultant effects on efficiency.

A Committee was set up by Government to assess the requirement of trained personnel in the Coal Mining Industry during the Third Plan period. Its findings are as follows:

Mine Managers ...	3,750
Electrical Engineers ...	2,000
Mechanical Engineers ...	2,000
Mine Surveyors ...	1,000
Overmen ...	7,000
Sirdars ...	12,000
Shot-firers ...	17,500

Assuming that this assessment will more or less meet the requirements of the Coal Industry, the question arises how this vast number of qualified mining personnel can be trained and absorbed in consonance with phased development to be undertaken by the Coal Industry during the Plan period.

The problem of training adequate number of mining personnel has assumed much importance to-day for two main reasons—(1) Safety and (2) Production. The tragic accidents in some of our big mines during recent years have focussed attention once again on the dangers of coal mining. Some people have naturally begun to wonder if all is well with the State of Safety in our coal mines. It is not surprising, therefore, that the news of a big colliery explosion should evoke a great deal of public sympathy and anxiety. As the explosions take place in the mysterious underground workings of a coal mine which is beyond the knowledge and experience of ordinary people, they lead to all sorts of speculations. To add to the confusing knowledge, explosion comes like a bolt from the blue. When all seems safe and sound one moment, there is utter tragedy and turmoil at the next. In an instant, a number of lives are lost. It is not surprising that such tragedies get great publicity and attract public notice though actually explosions account for far

less number of fatal accidents than by other causes, such as, subsidence, roof fall, etc.

Yet the fact remains that the accident risk in coal mines is high and that mining is a perpetual battle against great natural forces. Unlike other industries, mining has to contend with a series of natural phenomena, such as, the occurrence of harmful and explosive gasses, falls of the roof and sides of the pits, inrushes of water, occurrences that spring from a variety of sources and are difficult to guard against.

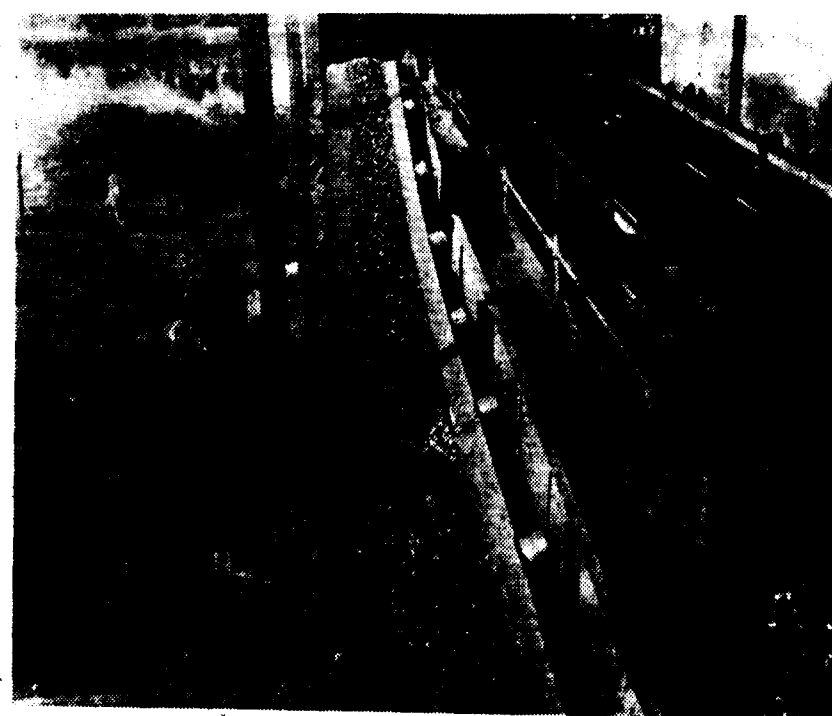
It is well to remember that no coal mine can be made one hundred per cent safe. But the accident rates can be minimised and our Government have not only set high standards of safety in mining practice through a voluminous code of safety rules but also are convinced that if success is to be assured in reducing the accident rates to the minimum, then the workmen, officials and managers should all be adequately trained and must play an active part in the promotion of safety. It is agreed, therefore, that in our drive for greater safety, all categories of workers must be given proper training and education without which no man can become a safe miner or mine worker. An unskilled and untrained worker is a danger not only to himself but to his fellow workers too. It is also realised to-day that apart from the research, constant vigilance and strict enforcement and observance of safety rules, in the long run, whether a pit is as safe as it ought to be, depends very largely upon the extent to which the individuals in it, workers and engineers, want it to be safe and are prepared to see that it is safe. In this unfortunate country of ours where most of the mine workers are illiterate, it is a very difficult task to properly educate and adequately train up individual workers to make them responsible and safety conscious. And yet this must be done at any cost because, after all, the accidents in mines do not just happen, they are caused. However, incredible it may seem, some people are so utterly irresponsible as to risk their own and other men's lives by smoking in a place where dangerous and inflammable gasses may suddenly appear.

As regards training of higher categories of mining personnel the managers and other mine officials, the Government seem to be conscious of the need to create expanded facilities and to make a new orientation in the existing system for the purpose of such training through expansion of the present institutions and establishment of an adequate number of new ones. Thus the two mining institutions in the country, the Banaras Hindu University and the Indian School of Mines at Dhanbad which, prior to the Second Plan had a total outturn of about 40 mining graduates annually have progressively expanded their scope to produce about 70 graduates by the middle of 1959 and are now producing about 150. At the same time, six new institutions have opened mining engineering courses at the degree level, the Indian Institute of Technology, Kharagpur, the Bengal Engineering College at Sibpore, the Osmania University at Hyderabad, the Madras University, the College of Mining at Raipur, the Engineering College of Jodhpur and the Higher Technological Institute at Bombay. With the opening of these new courses, the total number of graduates in mining are perhaps over 200 annually to-day. As for training of other categories of mining personnel, several institutions have recently been established all over India where regular theoretical and practical training courses are provided. The Coal Industry also affords full co-operation by extending training facilities at the collieries. A number of apprentices work in the collieries where they get practical training and such training will be conducive to fulfilling the requirements of the mining personnel in the Coal Mining Industry.

From the production point of view, training of a larger number of mining personnel has become an imperative need. From annual output of about 32 million tons in 1950 to a production of 60 million tons by the end of the Second Plan period and to about 97 million tons by the end of the Third Plan period, the programme represented ambitious targets to be reached. The successful attainment of these targets was inevitably preconditioned by large-scale or partial mechanisation, skilled workmen, trained technicians, technologists and specialists for manning the various services. Anyway, it is a tremendous task to train as large an army of technical personnel of such quality and variety as is required for the production of the planned mineral wealth under the development schemes. This task has got to be faced and overcome with more radical and dynamic approach in the larger interest of our country.



Girimint Colliery—a photograph taken some years ago when the colliery was developing.

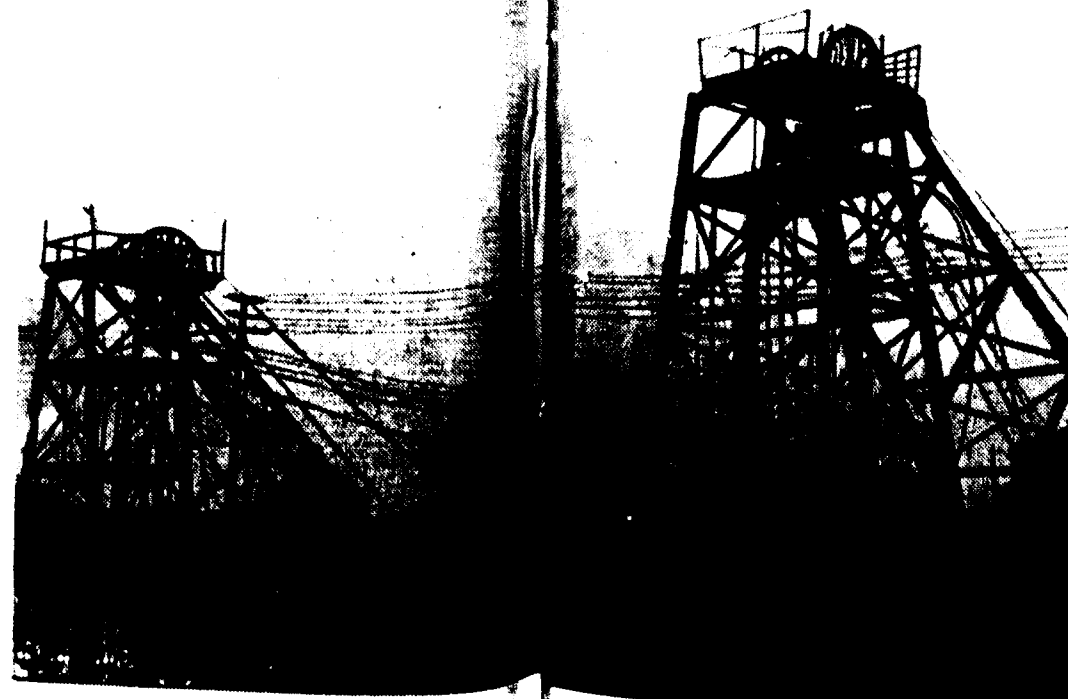


Part view of a screening plant showing a slack coal conveyor.



Sanctoria Hospital.

Indian Coal Industry in Pictures



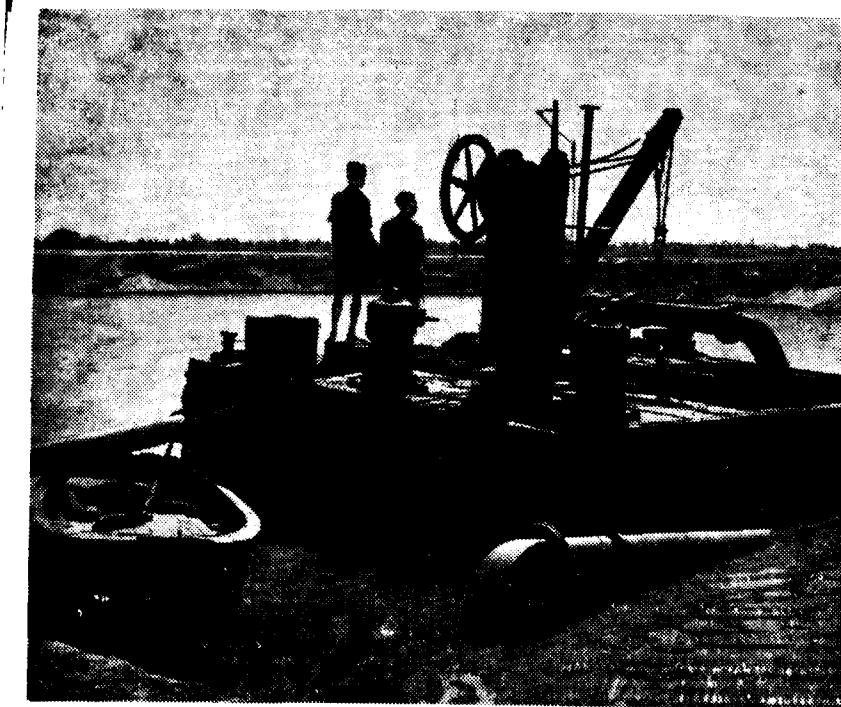
A Coal Mine in Jharia (Photo Courtesy—I.C.O.A.)



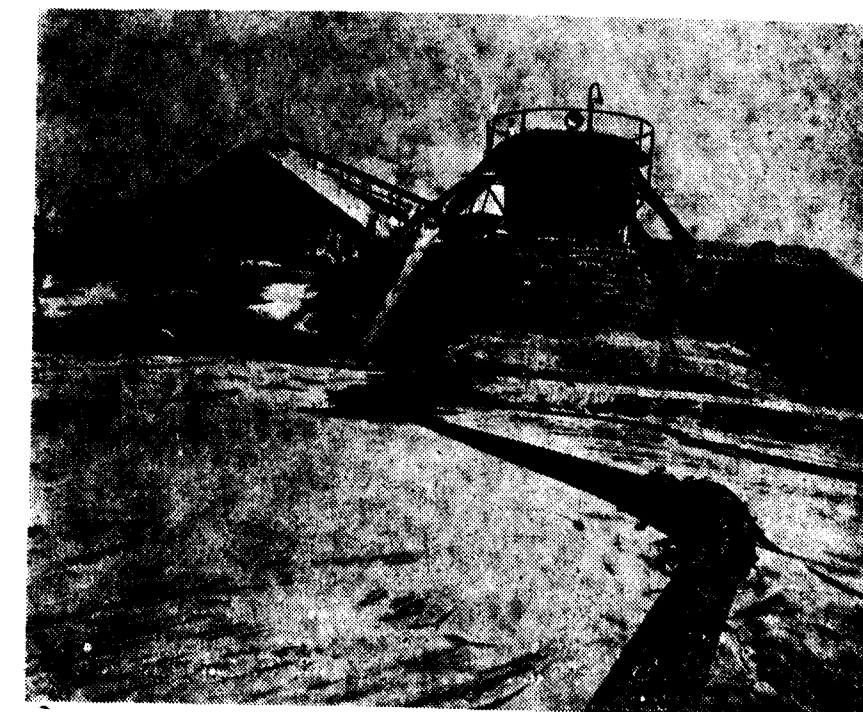
Workmen loading coal on a conveyor on a longwall face. The seam is 16 ft. thick and is worked at a depth of over 1500 ft. Longwall faces are laid out and solid sandstowing is employed in the bottom 7 ft. of the seam. The upper portion of the seam is recovered by Bord and Pillar methods. This system of working is adopted in order to avoid Bumping.



Chinakuri Incline. A good quality seam crops out on the surface here and work was being done in this area in 1817. Close to this Incline deep shafts are sunk to the Disergarh seam 1900 ft. below.



Disergarh seam collieries at depths exceeding 1000 ft. are gassy and owing to the thickness of the seam and the quality of the strata there is danger of Bumping. The areas from which the coal has been removed are solidly stowed with sand by hydraulic methods. The sand is obtained from the bed of the River Damodar by various methods. This, and the following photograph show some aspects.



Representatives of labour.

CENTRAL RAILWAY MOVES COAL

IN the general pattern of movement of coal in India, the part played by the Central Railway is indeed notable. It moves its own originating traffic in coal besides the traffic which it has to carry from other Railway systems. The Pench and Chanda valley collieries on the Nagpur Division and the Singareni group of collieries at Bhadrachalam, Yellandu and Kothagudem on the Secunderabad Division are two important clusters of collieries situated on and served by the Central Railway. It will be interesting to note that out of the total loading of originating traffic on the Central Railway (including coal intended for consumption on the Railway) coal constitutes a little over 20 per cent of the traffic. The number of wagons utilised for loading of coal for the public is a little more than that utilised for loading coal for the Railways. During the year 1960-61, we loaded on the Central Railway, on an average nearly 342 wagons per day under the category of Revenue—Earning and 283 wagons for departmental consumption. The following figures will show that the despatches of coal at the originating points on the Central Railway—from the Singareni group and the Pench and Chanda valley—have shown a progressive increase during the last few years:

	Singareni.	Pench & Chanda valley.
1955-56 ...	65384	88158
1956-57 ...	72101	99708
1957-58 ...	81385	111460
1958-59 ...	88694	115012
1959-60 ...	96184	115163
1960-61 ...	104143	122346

(In No. of wagons).

The Central Railway moves substantial quantities of coal from the Central India coal fields which are situated on the neighbouring Railway system viz. the South Eastern Railway. This traffic is made over to this Railway for movement mainly at Katni, with a small proportion at Ajni (Nagpur). Coal moves into the Central Railway from the Bengal and Bihar coal fields also and we take over this traffic at Chheoki (Allahabad), Kanpur and Agra for onward movement across the Central Railway system to the consuming points in the areas served both by the Central and Western Railways. 50 per cent of the total number of loaded wagons received from the Northern Railway at these three junctions is coal traffic. The percentage of the number of wagons of coal received at Katni and Chheoki (Allahabad) in comparison with the total number of wagons

By
D. R. KHANNA
General Manager, Central Railway

received at these two interchange junctions is as high as 80 per cent. The following figures will bear impressive testimony to the steady increase in the quantum of coal traffic flowing into this Railway both from the Central India coal fields and the Bengal and Bihar group of collieries.

Year.	Average daily receipts (No. of wagons)	Chheoki	Katni. (Allahabad-Kanpur bad).
1955-56 ...	305	230	120
1956-57 ...	326	235	129
1957-58 ...	321	284	141
1958-59 ...	342	304	128
1959-60 ...	341	305	134
1960-61 ...	408	341	154
1961-62 ... (upto June)	428	340	178

It will be readily appreciated that this heavy increase in coal traffic is correspondingly reflected in the traffic density of the important traffic channels radiating from Katni, Chheoki and Kanpur.

As is well known, the entire movement of coal traffic from the Bengal and Bihar and the Central India coal fields to the highly

industrial areas in Western India and the substantial portion of the coal requirements of the Western Railway, has to take place across the Chheoki-Katni and the Bina-Bhopal sections of the Central Railway. This important stream of coal traffic from the East merges at Bina with the other heavy stream of traffic—in grains and pulses from the North to the South and adds to the pressure of movement on the Bina-Bhopal section, which till recently was a single line section and whose capacity for movement had been tapped to the saturation point. The coal emanating from the Pench valley has to move over the Amla-Itarsi, Itarsi-Bhopal and Itarsi-Bhusaval sections of the Central Railway.

As for the traffic from Belampalli and Yellandu and Kothagudem group of collieries, the pressure of this traffic is felt mostly on the Balharshah-Kazipet, Kazipet-Secunderabad and the Kazipet-Vijayawada sections of the Central Railway. The most important stream of coal traffic from the Singareni group of collieries is towards South India via Vijayawada.



Marshalling Yard at KATNI (C. Rly.).

There then is the general pattern of coal movement on the Central Railway. Faced with this progressive increase in the demand of coal movement, the question arises:—How did the Central Railway set about the task of moving this additional coal traffic? The various steps the Central Railway took to move this increased traffic in coal could be placed under two heads:—

- (1) steps for resolving the physical bottlenecks;
- (2) measures of improving operational efficiency.

So far as coal movement is concerned, by far the most important development in the Second Plan period was the completion of the project of the partial doubling of Bina-Bhopal section, which as already mentioned, carries the heavy streams of traffic from North to South as well as the coal traffic from East to West. A distance of 39.12 miles on this heavily worked single line section was doubled and 18 station yards were remodelled on this section; extensive remodelling of the marshalling yard at Bina was also undertaken at a cost of Rs 25 lakhs during this period. The entire project of doubling of Bina-Bhopal costs approximately Rs 3.47 crores. In order to carry the pressure of additional traffic both from the Chheoki end and the Katni end, a number of additional operational facilities had to be programmed over the Itarsi-Jabalpur, Jabalpur-Chheoki and the Bina-Katni sections of the Jabalpur Division. This programme included extension of loop lines, provision of additional crossing stations and additional loop lines. The loops on the Jabalpur-Katni and Satna-Chheoki sections limited the number of wagons per train. By increasing the loop lengths to 2250 ft., it was possible to derive a greater advantage from the operating capacity of the engines and thereby effect a substantial increase in the number of wagons taken over from the Northern Railway at Chheoki without a corresponding increase in the number of trains. On the Itarsi-Jabalpur section, additional crossing stations were opened in order to break the long block sections and thereby increase the capacity for movement.

In respect of the Bina-Katni section, on which the impact of the heavy coal traffic from the Central Indian coal fields across Katni is felt most, a number of measures had to be taken to increase the capacity. This is a heavily graded section with limitations on the load and five addi-

Coal Supplement 1961

tional crossing stations had to be provided for increased capacity.

This, however, was not a complete remedy. The pressure on the Katni marshalling yard, the gateway for the coal traffic from the Central India coal fields, was fast increasing and it was therefore decided to build a new yard at Katni at a cost of nearly Rs 90 lakhs. The new marshalling yard at Katni was declared open on 17th April 1961 by Dr. Kailashnath Katju, Chief Minister of Madhya Pradesh. The substantial increase in the traffic passing over the Chheoki-Katni and Jabalpur-Itarsi sections also created serious terminal troubles at Jabalpur. It was therefore decided to construct a new "through yard" near Madan Mahal—2 miles away from Jabalpur where block trains could be handled without having to touch the Jabalpur yard. This is calculated to give considerable relief to the Jabalpur yard.

Itarsi yard has assumed considerable importance. With the increasing tempo of traffic from the four channels—from the Pench valley coal fields, from the Jabalpur Division, from the Jhansi Division and the Bhusaval Division, the remodelling of the Itarsi yard became inescapably urgent. A new marshalling yard is being constructed at a cost of Rs 65.5 lakhs. Extensive remodelling of the Central Railway's No. 1 marshalling yard at Bhusaval has also been undertaken—as all these increasing movements over the various traffic channels have been added to the pressure on the Bhusaval yard.

The improvements to signal and interlocking arrangements on the important traffic routes have also been an important aspect of the work done by the Central Railway to increase the line capacity on those traffic channels. The Itarsi-Nagpur section which carries the bulk of the coal from the Pench valley the Wardha-Balharshah section which besides general merchandise carries the coal traffic of the Chanda valley and the Balharshah-Kazipet-Vijayawada sections which carry coal traffic from Belampalli and the Kothagudem group of collieries—all these important sections on the grand trunk route have been improved with the installation of the multiple upper quadrant signalling which helps fast movement.

In respect of the Balharshah-Kazipet-Vijayawada section, which has been bearing the brunt of the increased coal movement from the Singareni group of collieries, particularly towards the South, a number of line capacity works were undertaken during the Second Plan period—introduction of new block stations, additional loop lines etc.

The future is being duly taken care of for increasing the capacity



The Box Wagon which is now used extensively in the Indian Railways for haulage of Coal.

for movement, particularly in respect of coal. The partial doubling of Itarsi-Jabalpur, Itarsi-Bhusaval and Dornakal-Vijayawada sections is already in an active stage of execution. By virtue of its central geographical location, the Central Railway will feel much more than ever the full impact of the increase in coal traffic in the

Third Five Year Plan. The acceptance of loaded coal wagons from the Northern Railway at Chheoki (Allahabad) and from the South Eastern Railway at Katni, would be stepped up to 650 wagons and 800 wagons per day at the end of the Third Plan period. The coal production in the Pench valley collieries is also likely to increase from the present level of 2.50 million tons to 6.4 million tons and the Singareni Collieries are expected to step up their coal production from the present level of 3 million tons to 6 million tons. Apart from the doubling of tracks over certain important sections already mentioned, the Central Railway hope to raise the standard of interlocking at 83 stations, apart from other works to increase the line capacity. The electrification of the Igatpuri-Bhusaval sec-

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tion, which is now a double line section under steam traction and which has been worked to saturation, is one of the major projects in the Third Five Year Plan of the Central Railway. This would help the Central Railway to haul long and heavier trains on this important traffic channel.

So much for measures to break the physical bottlenecks. Operation, too has had to be streamlined. Now a word about measures to improve operational efficiency particularly in the context of coal movement. On some important sections which are worked to saturation capacity, Crack Specials have been introduced and the working is particularly watched so that the utilisation of rolling stock is kept at optimum conditions. On the Bina-Katni section, which carries heavy coal traffic from the Central India coal fields to Western India, WG class engines have been introduced with a view to carrying heavier loads per train and the double heading of trains has also been resorted to in order to increase the throughput of wagons.

BOX WAGONS

In the context of intensive utilisation of movement capacity, the introduction of Box wagons for coal movement is one of the important developments in recent years.

COAL DUMPS

In order to help in the bulk movement of coal in block rakes and creation of buffer stocks at convenient points to ward off possible pockets of shortages, proposals are being developed in consultation with the State Governments, the trade and industry to establish coal dumps at convenient points. For many years now, this Railway has maintained a dump at Hotgi (a transshipment station from Broad Gauge to Metre Gauge with the Southern Railway) where the number of wagon loads dumped at a time has been as high as 140. The other dumps that are now proposed will be: In Bombay (Byculla and the Stores Depot on Bombay Port Trust), Bombay (Sion), Poona, Nagpur and Akola in the State of Maharashtra; in the Madhya Pradesh region at Satna or Jabalpur, Gwalior, Bhopal, Saugor and Khandwa; and in the Uttar Pradesh region, the coal dumps will be located, possibly, at Orai and Mathura.

SUNDAY LOADING

In order to ensure intensive utilisation of wagons, collieries have been persuaded, in the national interest, to resort to loading of wagons on Sundays also so that the loading could be evenly distributed on all the seven days of the week as against the present concentration on six days. This

would help in the elimination of idling of wagons on one day in a week as has been happening so far. It is heartening to see that the collieries in the Central Railway zone have responded well to this idea.

BETTER UTILISATION OF WAGONS

As readers are aware, coal is now allowed to be loaded upto 2 tons in excess of carrying capacity of the wagons. This step has been taken to ensure the maximum utilisation of wagons at a time of scarcity. The average starting load of a coal wagon has remained quite high on the Central Railway. It used to be 22.8 tonnes per wagon in 1957-58 and this figure has improved to 23.2 in 1960-61. Coal load per wagon obtained on the Central Railway is said to be the best in India.

COAL ALLOTMENT

As is well known, the day-to-day allotment of wagons for coal is now being managed by the Railways. For many years now, we have had a coal allotment unit functioning in Nagpur in respect of Pench and Chanda valley coal fields; and in January 1960 the allotment work in respect of the Singareni group of collieries was taken over by the Central Railway. The Coal Allotment Officer

(who is attached to the railway management) makes day-to-day allotment of wagons for loading to individual industries or parties within the frame-work of the total sanctions for coal issued by the Coal Controller in their favour and follows the order of priority laid down. The merit of this arrangement is that the Railways, with their intimate knowledge of the ever fluid operating conditions, are in the best position to allot wagons and secure the best utilisation of the available transport capacity.

The Railways have an intimate role to play in the context of coal movement in India, where the sources of coal are concentrated in compact areas and the consuming industries are located at distant points involving long hauls. The assistance that the Railway could render in the matter of moving coal is of the greatest possible significance to the national economy. In recent months, public attention has been considerably focussed on the Railway's capacity for coal movement. In framing its immediate and long term requirements, the Railways have taken into their calculations the requirements of coal which is so vital to industry and I am confident that the Railways would discharge their duty adequately and well in the matter of moving coal.

INDIGENOUS MANUFACTURE OF MINING MACHINERY

S. H. PLATT

THE indigenous manufacture of mining machinery probably started, seriously, when due to the initiative of Mr V. B. Turner the factory known as Meameco was founded in the early 1950's.

In the year 1950 the author joined a big commercial house in Calcutta with the intention of founding an indigenous manufacture of coal mining machinery as it was even then quite evident that the increased demand for coal which would result from India's industrial expansion would require large quantities of mining machinery.

Alas, the path of the pioneer is always somewhat stony and it cannot be said that the progress made in nearly 15 years of effort was fully satisfactory. It may be said at once that there is sufficient engineering skill in this country to manufacture practically all the equipment which is needed but there has been some very serious difficulties standing in the way and it may be helpful if these difficulties be considered in detail as ways and means to overcome them must and will be found.

Most of the so-called 'advanced' countries of the world have got factories producing mining machinery and most of them have been formed 50 to 75 years ago and have therefore 'grown up' with the industry. Thus, in a modern coal cutting machine, for example, there have been many years of development, and improvements have been made due to past failures. This development work is quite costly and a large part of the cost of any coal mining machine is due to the 'overhead' cost of the design and development programme. A perfect example of this is the Mecmo longwall cutter loader. Matthew Moore, the inventor, struggled for years to make his brain child a success but it was not until the well-known coal cutting machine firm of Anderson Boyes Ltd. took over the development work that the machine, now called the A. R. Mecmo, became really a success. This is an example of what we call 'know-how', a most essential ingredient for success, and yet one which is very costly indeed to acquire and with which the owner parts very reluctantly.

The Indian Government recognises this and for that reason grants royalty payments or lumpsum payments to manufacturers for the right to make their equipment in India with the principal's collaboration and technical help. Unfortunately most foreign manufacturers feel that a royalty payment of 5 per cent less Indian income tax making a nett 3 per cent approx. is not sufficient compensation. However, this is the first hurdle to get over because to design new and untried indigenous equipment would be too slow and risky a process. Indian mining industry is expanding very rapidly and a sense of urgency must prevail!

The next difficulty is the fear that indigenous products may be lacking in quality either of manufacture or raw material or both. To some extent the fear is well-founded and colliery owners cannot be blamed if they want to 'play safe' and buy imported machinery of well-proved

design made by first class manufacturers.

To some extent, the Development Wing can be helpful in this respect. It is very necessary that an experienced colliery engineer should be in the Development Wing. Perhaps some old retired engineer might be

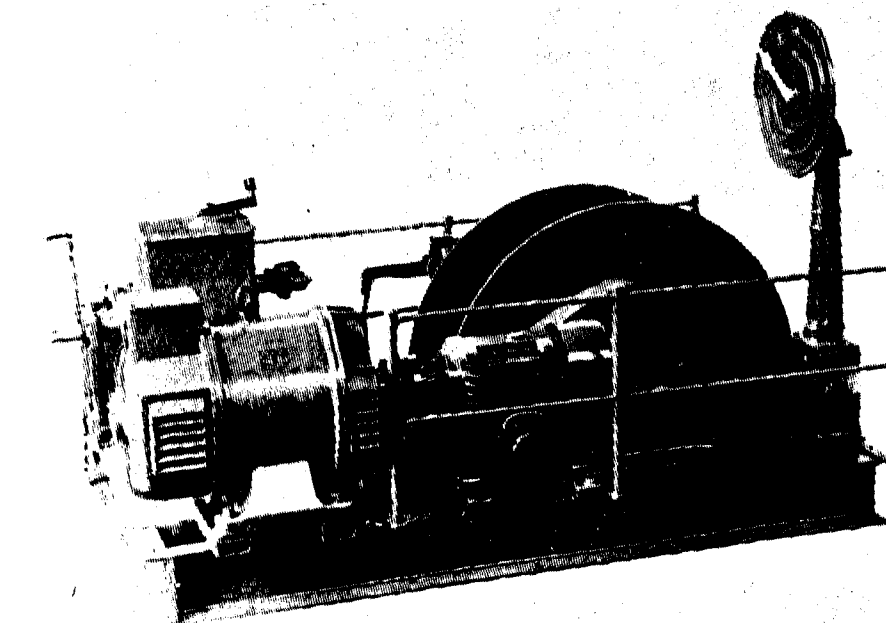
available, who can advise on the difference between industrial and mining machinery. Normally a Government officer is not allowed discretion. He 'goes by the book.' Thus, for instance, if a firm makes conveyors to handle raw material in a so factory or gravity rollers conveyors to handle boxes in a large shoe factory, that firm may be registered as conveyor manufacturers. It might be that the conveyors are totally unsuitable for use in a coal mine but, under the present import licence policy, it may be very difficult to get a licence and import a purpose mining conveyor.

Many instances could be quoted from firms in India producing equipment which was totally unsuited for underground use and it would be very helpful if the Development Wing distinguishes between industrial and mining equipment.

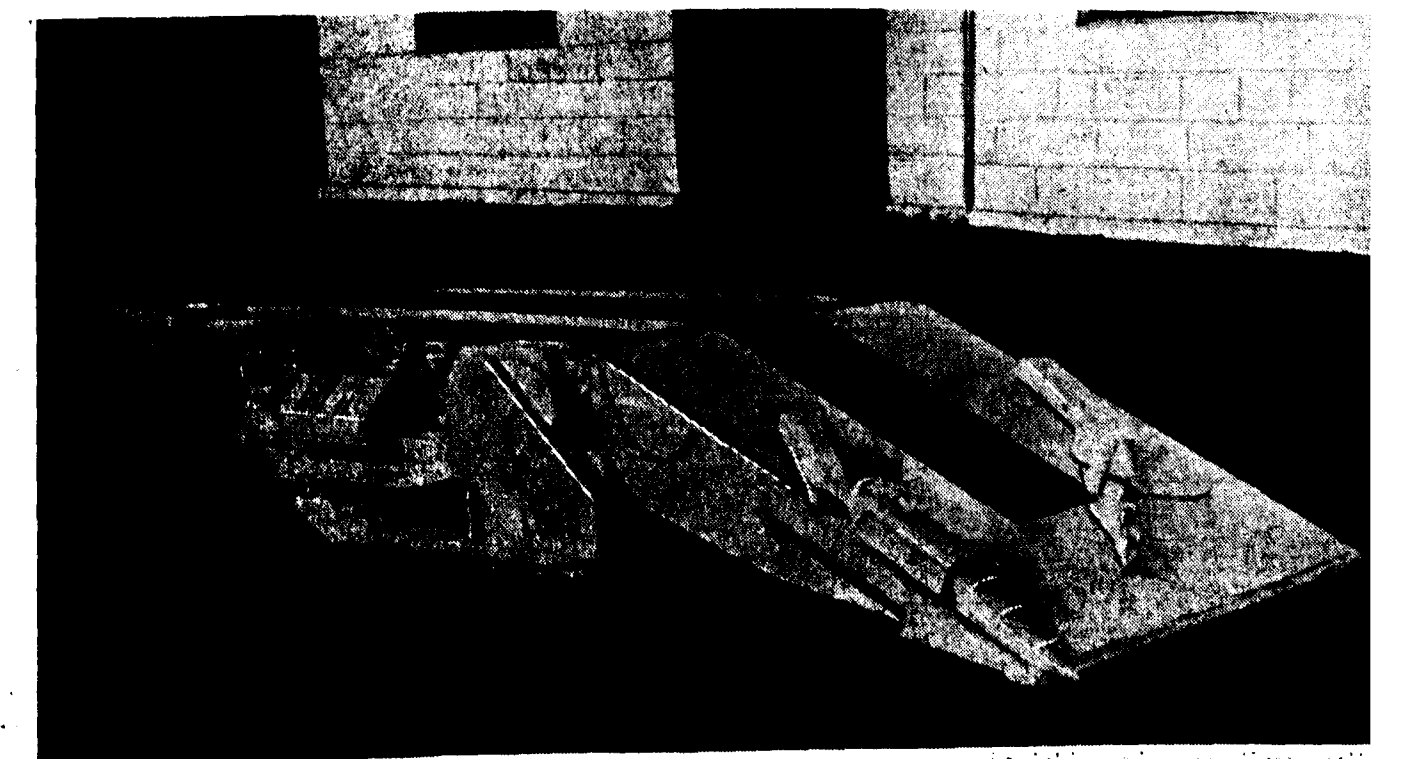
Another difficulty is that so far it has not been possible to produce equipment in India at the same cost as it can be produced in Europe. This is due to several reasons. Indian labour, though paid considerably less per hour than his counterpart in Europe, does not produce the equivalent production and therefore, the direct labour cost is higher in India. When the European factories have a large production, and more efficient methods of manufacture are adopted, this labour cost differential is exaggerated. Thus the combination of an inferior article costing more than the equivalent imported article makes it very difficult to sell the indigenous product unless the imported product is not available.

Here lies a danger. Once the import of an article is stopped, the manufacturer of the indigenous article may enjoy nearly a monopoly. In fact, there are one or two items in India where the indigenous manufacturer enjoys a monopoly. What

(Continued on page 33)



Morley's Main Rope Haulage.



"Long-Airdox Loader" to be partly manufactured by a Calcutta firm.

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MECHANISATION

IN

COAL MINING

By
I. ROBERTS

THE main elements in mechanisation in India's underground Coal Mines are the electric drill, the coal-cutter, the conveyor and the rope haulage. In many mines the capacity of the face equipment is not utilised because of inadequate transport from the face of the shaft bottom or incline mouth, as the case may be. In addition, output is also restricted because the age-old method of loading by baskets is still employed. It is safe to say that the output from most collieries is governed entirely by lack of transport and inefficient methods of loading—in many cases the coal has to be carried in baskets for a considerable distance. Productivity can, therefore, only be increased if—

- Transport of coal from the face is improved, and
- The task of loading is made easier and a serious effort made to discard the symbol of old fashioned mining—the cane basket.

The most practical and efficient way of effecting this improvement is to use chain conveyors for transporting the coal from the face. These can in turn deliver to a belt conveyor system or a well designed mine car haulage system. In addition to providing efficient face transport, chain conveyors also make loading easier as the coal is lifted only a matter of inches and this provides a higher O.M.S. than could be obtained where tubs are loaded by hand.

The chain conveyor can be laid right to the face thereby eliminating "lead" and "lift" and the difficulties associated therewith. It provides continuous and therefore efficient transport. Any other form of face transport cannot possibly be more than 50% efficient by comparison and creates intermittent loading with obvious consequences. These remarks apply of course to hand loading in bord and pillar mining—the predominant method of coal getting in this country.

Better results can be obtained by the adoption of mechanical

loading on to chain conveyors but it is first of all necessary to improve transport from the face before considering loading by machines. With machine loading, as with hand loading, face chain conveyors have many advantages over other forms of face or gathering transport because they provide continuous transport and thus eliminate peaks. Also they enable the loaders to operate without waiting for the tub or shuttle car to be replaced. There are instances where chain conveyors are the only practical form of face transport and where they have replaced unsuccessful attempts to use other forms of transport generally considered to be more "modern."

Chain conveyors are being

progressively manufactured in India and there is no doubt that this indigenous manufacture has been, and is, of considerable assistance to the Coal Industry in achieving the Production Targets set for it.

The percentage of coal transported by belt conveyors in gates in U.K. Mines increased from 73% in 1948 to 92% in 1956. During the same period the amount of coal handled by trunk conveyors increased from 7% to 25%. This indicates the importance attached to belt conveyors for underground transport and points to the need for the use of this form of transport to be extended in India's Mines. During the Second Plan,

the Public Sector commenced several incline mines with belt conveyors for main coal transport and there is no doubt that these trunk conveyor systems delivering to the surface have contributed to the success of these mines. They have provided capacity which could not have been available with track haulage.

Longwall Method of Working

Attempts at Longwall Mining have been made by several Colliery Companies and most of these have been successful. To achieve its Target of 97 millions tons per annum by 1966, the Coal Industry will need to develop this method of mining. The first essential for longwalling is good roof support and this is best achieved by the use of friction type steel supports with link bars also of steel. The friction type of mine support is economical and efficient and trials conducted with 40 Ton capacity supports of the Twin Clamp Ring design on a longwall face at an Indian Colliery have proved most successful. The hydraulic stowing of the goaf is well established in many Collieries.

Having established good roof support, the next stage consists of installing a heavy-duty flexible armoured type chain conveyor. These armoured conveyors are designed to carry a coal cutter or cutter-loader and can be "snaked" so that

as a slice of coal is removed the conveyor can be jacked forward to hug the Coalface. Even without a cutter-loaded the armoured conveyor operating on a "prop-free" front can be used to advantage—the conveyor is right at the face and does not need to be dismantled for advancing as with other types of face conveyors. Statistics published by the British National Coal Board for the year ending 31st December 1960 show that the production from 53 Armoured Flexible Conveyors working on a prop-free front without power loading was 3.77 million tons. This provides an average output from each of these armoured conveyor installations of approx. 6,000 Tons per month from seams much thinner than those of this country.

A face O.M.S. of 25 Tons has been achieved on a longwall face in Britain using Twin Clamp Ring friction props and steel bars to provide a prop-free front, a "Python" armoured conveyor and a pneumatic pick for each coal-getter. This is proof that good results can be achieved where the task of loading is reduced to a minimum and continuous transport by conveyor is used to remove the coal from the face—even with hand-getting. In this case, most of the coal fell on to the conveyor

as it was ripped off the face with the pneumatic pick leaving only the bottom 12" of coal to be loaded by hand. It is noteworthy that cutting, drilling and blasting were not used to achieve this O.M.S. figure.

The percentage of Indian Coal output obtained by longwall mining is very small but there is no doubt that longwalling is successful and that the time has arrived when this system is necessary to increase the Nation's Coal Output. The requisite face equipment already tried and proved is available from Britain where 93% of the Coal output is obtained from longwall working. One might argue that physical conditions in Britain are most suitable for longwall working than those in India but it must be remembered that there was considerable objection to longwalling when it was first started in British Mines. The main obstacle was one of tradition and is not this the reason why longwall mining is used to such a small extent in this country?

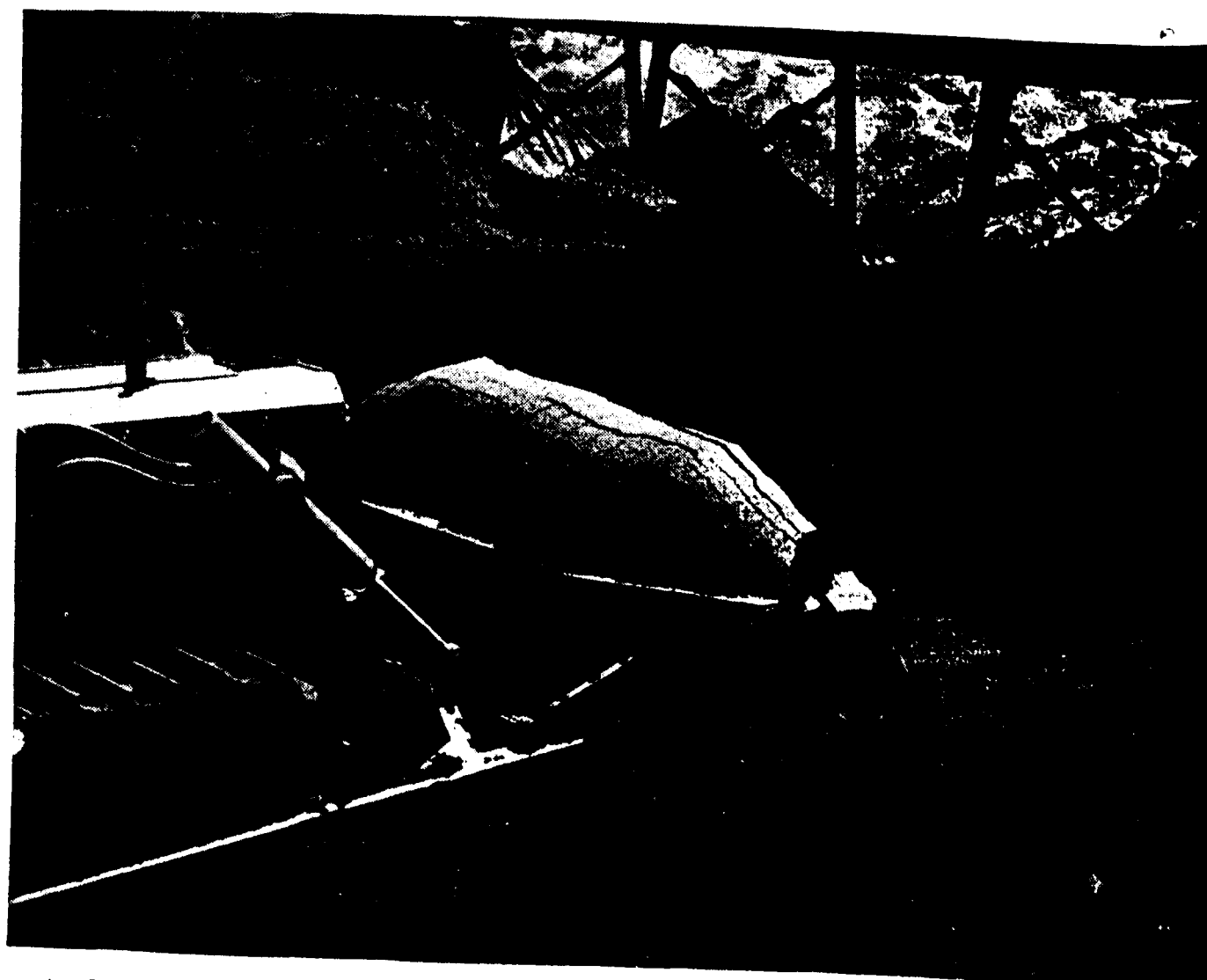
In the past, mine operators have been content with the bord and pillar system and if one is prepared to forget the loss in coal reserves due to poor extraction and consequent roof falls and

fires, the system could (with much imagination) be called economical because it saved the cost of stowing. For the purpose of conservation stowing has been made compulsory and this has improved safety and efficiency. For the development of new mines or seams or even new districts there is no advantage to be gained by adhering to bord and pillar working where stowing cannot in any case be avoided. Briefly—if stowing is necessary then why not adopt the longwall method which makes supervision, ventilation, transport and roof control easier?

In the matters of safety and health the most interesting and profitable of recent developments are water infusion and pulsed firing. Infusion has proved most effective in allaying dust at source and the benefits of this to both safety and health are obvious. In addition, water infusion has brought about a considerable saving in explosives cost—a saving of 50% on longwall faces being quite common. With pulsed-firing, the exploding of charges under water pressure marks a tremendous advance over the old method of solid stemming with the accompanied risk of ignition via an undetected break along the length of the shothole. Certain Coal Mines in the Raniganj Coal-

fields are operating units for infusion and pulsed-firing with encouraging results. There is much scope for infusion not only in the interests of safety and health but also for economy reasons. Its application is of course simpler and more effective with longwall working than with the bord and pillar system.

To achieve its Target of 97 million tons the Industry must revolutionise its transport systems right from the face to the railway siding. It must also adopt face methods which will make the cane basket obsolete. The most practical of these is to use Armoured Flexible Conveyors on logwall faces. Where this is not possible and bord and pillar working has to be adopted, the use of the room type of chain conveyor will achieve the purpose. In both methods of working productivity can be improved by installing face chain conveyors and only when this has been done can mechanical loading be introduced. With these improved methods further safety measures need to be taken the chief of which is dust suppression by infusion of water under pressure into the seam. The infusion equipment can also be utilised for pulsed-firing—an essential measure for reducing the hazard of short-firing.



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Digging Earth for Coal

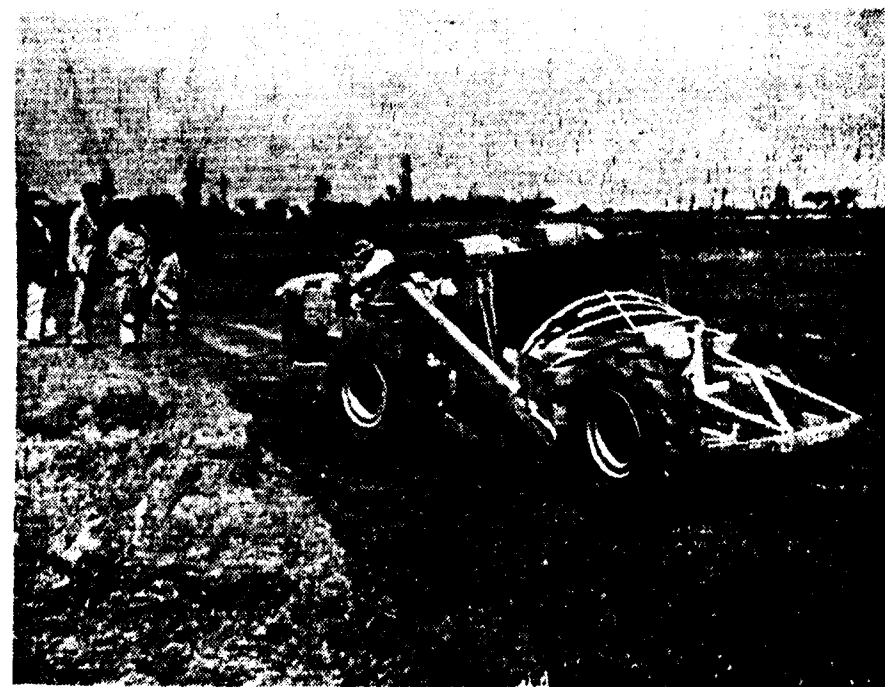
Coal is taken out from the belly of the earth, generally by one of the following two methods:

- (a) Underground mining
- (b) Open-pit mining.

As open-pit mining has been given more and more attention lately in India and abroad, this article deals briefly with various types of machines used for the purpose and their relative economics.

Open-pit mining can be considered as an earthmoving operation in mass scale. However, in open-pit coal mining the purpose of moving earth is to uncover and reclaim coal. Excavating and moving earth is only a necessary evil. As the quantity of earth to be moved from the top of the coal is a factor on which open-pit miners have no control, the only other factor governing the economics would be distance of haul. The more you can cut the distance of hauling overburden, the cheaper you can recover the coal. The same factor will also govern the economical coal and overburden ratio to which open-pit mining methods can be applied.

Filling back the pit from which the coal has been recovered is essential by Law in some countries. Some countries like England seriously object to open-pit mining simply because it ruins the landscape. The operators of open-pit mining are required to fill back all holes in the ground made by them more or less level the area and plant vegetation on it. This may not be required in India as most of the sites which lend to open-pit mining system are either hills and jungles, or unproductive land.



Tournapull Scraper in action, at Sindri fertilizers

By
R. SINGH

The process of moving earth (overburden) in open-pit mining generally involves the following operations:—

- (a) to excavate
- (b) to elevate
- (c) to haul
- (d) to dump and spread.

There is a variety of machines or combination of machines which can be used for the purpose but with varying degrees of economy. Type of material in overburden and thickness of overburden will largely decide the type of machines to be used.

Knowing that 4 major operations are involved for moving every yard of overburden, it is logical to believe that if a single piece of machinery could be applied, it will move overburden at lowest net cost per yard. This is regardless of the type of material involved. Briefly discussed hereunder is the commonly used equipment for removing overburden. Each one or combination has its own field of application and could be found most economical under those conditions.

Scrapers

(a) Tractor-drawn type:

There is hardly any justification for using this combination in open-

pit mining—whether it is Crawler-tractor drawn or Rubber-tyred tractor drawn Scrapers. The Crawler-tractor Scraper would be much too slow for any mass movement of material. Travelling longer distances in high gear ruins the track system which is one of the most expensive items to replace. The Rubber-tyred tractor (all-wheel drive) Scraper combi-



Rubber Tyre Tractor in Action in one of the NCDC Mines

nation would do a better job at lower cost; the availability of self-propelled Scraper in a variety of sizes makes that combination also look out of date. Perhaps some very small operation may lend itself to Tractor-Scraper combination; but, such cases will be few and far between.

(b) Self-propelled Scraper:

If the material is suitable for Scraper application and overburden must be hauled and dumped beyond 200 to 300 feet, the self-propelled Scraper can move earth at a very low cost as compared to any other combination of machine discussed in this article. This statement is based on the reason given earlier, i.e. single machine performing all four operations involved. Although self-propelled Scraper needs the assistance of a pusher-tractor for a very brief period, in the cycle of operation, it does not add very much to the cost per yard of material moved.

In the self-propelled Scraper class, there are again two types available in the market:—

- (a) Four-wheeled Scraper, and
- (b) Six-wheeled Scraper.

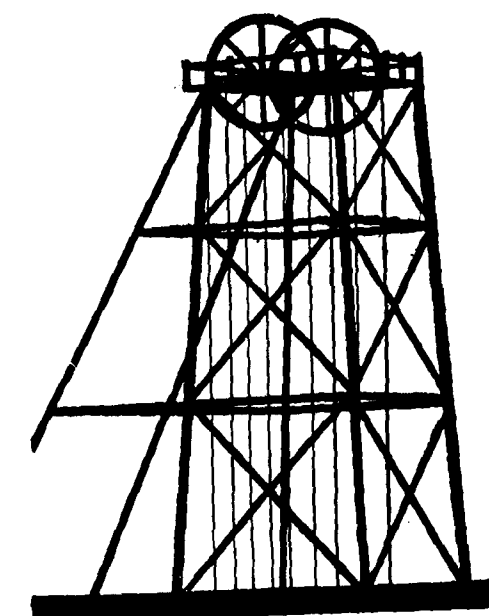
In open-pit mining operation, the distance of haul would be the major single factor which would govern the selection of a particular type out of the two mentioned above. The four-wheeler (Tournapull type) covers a much wider field and is a very economical machine to own and operate. If, however, the haul distance extends beyond one to one-and-a-half miles, the six-wheeler will appear on the scene.

Both types of self-propelled Scrapers are available in capacity

ranges from 7 to 40 cubic yards. This capacity per machine can be doubled or trebled by attaching Scraper units in tandem behind the same power unit (Tournapull). Tandem hooking is very easy and economical if the Scrapers are electric-controlled, as it merely means stretching a piece of electric wire across for power transmission. The outstanding advantages of increasing Scraper capacity by tandem hooking is that no increase in the size of pusher-tractor becomes necessary. A tractor which will successfully push-load any size of single Scraper will do for two or three of them in tandem.

Shovel and Dumpers

The authorities claim that this is the most expensive method of moving overburden. Here again, the basic reasoning applies to the statement. It will be appreciated that using a combination of 2 or 3



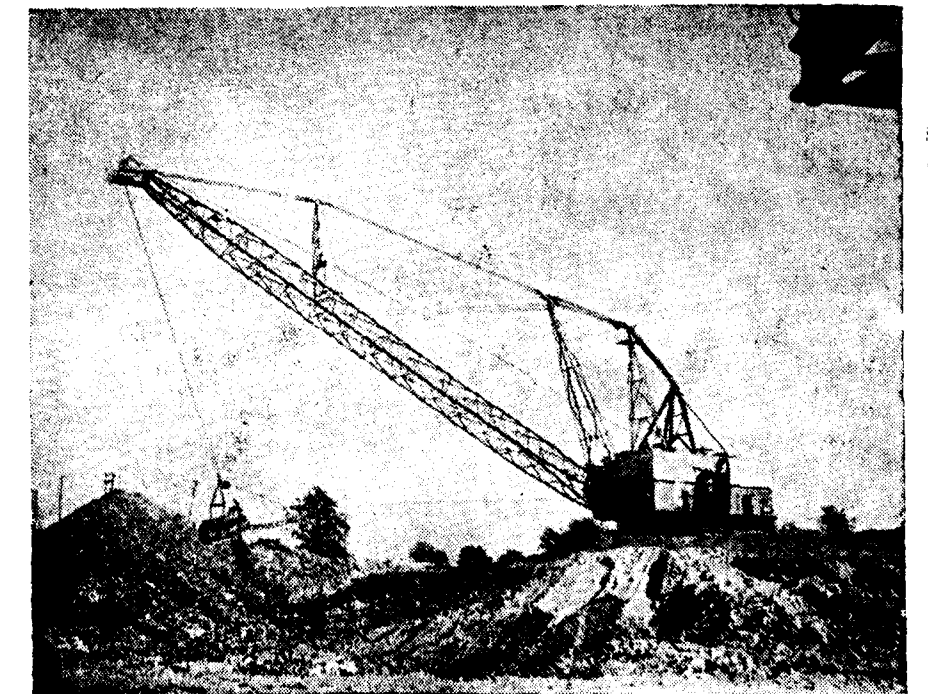
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costs

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Page Walking Dragline in action, at KURASIA MINES of NCDC

type of machines to move a yard of overburden is bound to add up to the cost. However, materials like rock, sandstone and shale will necessitate the use of Excavators. As there is a definite limit to the distance material can be moved by the Excavator alone—no matter how big the size—hauling units, Dumpers, come into the picture. In addition to that, Bulldozers are required to push the overburden over the edge of the dumping site and keep the place reasonably dressed for the dumpers to move on. Graders and water-sprinkling trucks will be required to keep the haul road in a shape to allow the dumpers to travel at some economical speed. In the U.S.A. Shovels of 60 to 75 cubic yard capacity are being used for stripping overburden. But, even these monsters can move the material to a maximum distance of 150 feet approximately from the digging point. To use a large Shovel for stripping overburden, the coal seam must be more or less flat so that Shovel can sit level for satisfactory operation. Most coal seams in India now being worked are found dipping at very steep angle, and if this be the case with future discoveries also, application of large stripping Shovel on Indian open-pit mining will be rather difficult. A Shovel sitting 100 feet or more below the ground level in the pit is subject to unforeseen mine disasters. A sudden fire to the coal or sliding of overburden can result in a dead loss of equipment worth crores of rupees. This single factor has to be carefully considered before deciding on the use of large stripping Shovel.

Dragline

Whether big or small, if a Dragline could be applied to any earth-moving job, it is the most economical tool for the purpose built so far. There are many

simple reasons to believe in its economy, such as:

1. Single machine will excavate, elevate, haul and dump the material.
2. Dragline sits on the ground level and digs down below. It is, therefore, comparatively less vulnerable to mining disasters.
3. Whether the coal seam is flat or inclining, the Dragline can be applied to the job of stripping overburden.
4. Dragline can also be used for reclaiming coal from the pit and loading into suitable hauling units on the surface.
5. No haul roads are to be constructed and maintained simply because they are not required.
6. Minimum amount of labour required.
7. All machinery works inside a cabin, away from dust and rain. Less wear and tear, less maintenance, longer life.

Subject to the fact that material and job conditions will permit the use of Dragline, it can be purchased at a much lower initial cost than a Shovel of comparable capacity and reach. A suitable size and type of Dragline bucket will excavate any material which other type of machines will handle. Although job conditions largely govern the size of bucket and boom, it is generally accepted that the shorter the boom within reason, the better would be results all round.

It would appear from the foregoing that digging earth for Coal is a Science in itself, and proper application of equipment will spell the difference between profit and loss. It can, however, be said that

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Coal and Washeries

By J. VAIDYANATHAN,
M.Sc. Tech. AMIAM INSF.

THE need for washing inferior coal so as to reduce their ash content and make it more suitable for coking and metallurgical purposes is going to be greater in the Third Plan period. This is so because of the absolutely larger quantity of coal to be produced in the years ahead and of the expected higher proportion of inferior coal. The Government and consumers therefore anticipate the establishment of additional washery capacity to extent of 13 million tons in terms of raw coal in the Third Plan period. There was already a shortage of about 6 million tons in creation of washery capacity envisaged in the Second Plan which laid down a target of about 12 million tons. Therefore the additional capacity that will have to be actually established during the Third Plan period will come to about 19 million tons.

With the exhaustion of good quality of coal and with the increased industrial and domestic demand for clean coal, the washing of coal by mechanical means has to be adopted. A cautious approach is necessary not only in the utilisation of coking coal, but also in the utilisation of non-coking coal.

Ash content in the coal reduces coal's calorific value, but this itself would not reduce the thermal efficiency of the boiler had it not been for the fact that in removing this ash from the furnace sensible heat and a certain percentage of un-burnt carbon are lost. Further, the ash particularly if formed clinker, may lead to irregular fuel-bed and inefficient combustion. In addition, there is the loss in economic terms involved in the extra freight and handling charges and in the cost of disposal of ash. For example, a Boiler of 100,000 lbs/hour evaporation capacity will consume in one hour nearly 5½ tons of coal and produce about a ton of ash, if the coal has an ash content of about 20 per cent. Apart from the possible effect of the ash on the combustion process, handling and disposal of such a large quantity of ash is a big problem. Moreover, under the present price structure of coke, not only freight is to be paid for this additional coal as well as dust necessarily taken, but also the fixed cesses and other charges have to be taken into account on the quantity nominally consumed.

80 per cent or more of India's coal is used as fuel for fire combustion for generation of heat and power for one purpose or the other. It is possible to have a minimum percentage of ash for most types of combustion appliances and it has been found that there is a decrease in the efficiency of the boiler with increase in ash beyond 15 per cent and this loss in efficiency becomes disproportionately high as the ash in the coal increases over 20 per cent. In the case of railway locomotive which consume about 40 per cent of India's output,

ash penalty can be taken as 2 to 2.5 times actual ash for every one per cent increase and in most of the other plants this penalty is not less than 1½ times. In the metallurgical industry the penalty for ash above 15 per cent is even higher and there is a high premium for consistency in quality supplied to this class of consumers. Unfortunately the total reserves of coal are localised in occurrence and large quantities of coal are therefore required to be transported over long distance to a large section of consumers and the cost of coal delivered has less relation to the pit-head price of coal than to the transport cost. It is an admitted fact that Indian coal is difficult to wash but much of it can without doubt be up-graded by cleaning in different types of plant at some cost towards capital equipment, power and technical skill. The product thus improved can be transported at less cost and in less wagons. Considering the overall situation, it would be wiser for the nation to invest capital and skill in adopting modern technical methods of coal preparation on the basis of the present production of coal as mined, rather than providing the extra transport necessary to carry inferior coal and to invest in costly equipment to utilise inferior quality of coal produced and transport them at high cost.

Based on the data available it is estimated that the average ash in the coal produced in India has increased by about six to eight percentages in the last two/three decades. Coal production has reached by the end of the Second Plan an annual rate of 52 million tons. On the basis of one and a half penalty for each one percentage increase in the ash, the average increase in ash is equivalent to 9-12 per cent extra consumption of coal by the industry; i.e., industries are consuming about five to six million tons more than they would if the average ash content remained constant. The rejects and dirt of coal by washing will be of the same order if the average reduction of 5 per cent in ash. In addition to the extra cost for the increased coal consumption, some five to six million tons of extra coal are to be transported over long distance; locking up over 12,000 wagons valued at about fifteen crores of rupees, not to mention the extra loco-power required. The transport cost of this unnecessary load is also to be paid for by the consumer

in addition to the pit-head price of coal. The inferior coal can be washed at least at the same capital cost, as capital expenditure for new wagons. The clear savings effected in obviating the need for new wagons alone will justify cleaning of major part of production of Indian coal. On the consumers' side there will be an average saving of atleast four to five rupees a ton of coal consumed considering the average cost of coal delivered from the pit-head.

As against cost reduction to the consumers, the cost increase owing to the up-grading (consequent on a reduction of about five percentage in the average ash content of coal) is likely to be about three to four rupees a ton more for coal with the ash content ranging from 15 to 20 per cent. The majority of the consumers will gain by this increase in price of the washed coal with reduced ash content. This gain will be in addition to the gain that is likely to accrue due to consistency in the supply of guaranteed quality and size, plant performance and maintenance and lower investment because of generation unit of heat or power. The gain will be even more if consumers are located at long distances from the pit-head.

It is to be emphasised that the prepared coal will not only be consistent in quality and in ash, but also consistent in size. To many consumers size is as important as ash. We therefore feel that there is a good case for making an attempt to lower the average ash content of coal even if this means an increase in price for higher grades of washed coal. We feel that the country will ultimately gain by such a step by better utilisation of capital investment and reduction in recurring cost. Of course, this problem is to be tackled by the installation of multi-plant and improved performance washeries of large tonnages near the existing railway marshalling yards operating under a central marketing agency having a monopoly over the sale of all coal produced in India. Practically all the coal produced in India, pass through 8/10 major railway marshalling yards where an equal number of coal washeries of efficient tonnages can be located to treat major part of coal produced in the country. Nearly all the cases the feeding collieries will not be at a distance greater than 10 miles from the central washeries and there will not be any need for providing new transport facilities if the

coal even now has to pass through this base loading stations. But in many cases the disposal of middlings to existing large thermal power stations is not economically feasible but in the few cases additional facilities for such disposal will have to be followed in conjunction with electrification scheme or with the installation of low temperature carbonisation. The rejects in the washeries can be returned to the collieries for stoving. With such central washeries, the transport situation will be fully improved in addition to the savings; for transport turn-round of wagons will also be improved by loading in rake loads and the employment of uneconomical wagons as shuttles between washeries and the railheads.

Blast Furnace operations have to be carried out under difficult conditions due to extremely high and varying ash content of the coke consequent on the poor quality and erratic supplies of metallurgical coke. This affect not only the quantity and also the quality of iron produced, this latter position in turn imposes difficult production conditions on the steel melting shops.

Good coking coal suitable for the production of metallurgical coke is distributed over different regions and it has to be transported to different coke plants. The whole country today is running short of better quality coal. The working of the steel plants, and Railways and of many important industries has been seriously affected.

Based on the target for steel, Thermal power and Railways, the major consumers of coal, it is estimated that about 97 million tons of coal will be the demand during the Third Five-Year plan. It is most important that adequate supplies of coking coal for steel industry and non-coking coal for railways and other industries are ensured.

Production of inferior grades of coal can be stepped up comparatively cheaply and quickly from open cast quarries, but the transport is likely to be a timing factor. As the competition in the fuel market increases and the demand of coal shifts from one consumer to the other there are many fresh economic and technical problems which are to be solved by Coal Preparation Engineer. When there is scarcity of coal everything has to be used whether middlings or wet fines. Today the economy of mixing crushed middlings with untreated smalls or the mixing of wet fines with washed smalls have to be examined.

In the coal washing practice, every effort is made to obtain maximum yield of clean coal. The introduction of wet cleaning and the increase in fines are leading to an increased moisture in coal supplies. This additional moisture is causing concern particularly with regard to coal for carbonisation, because it makes them

more difficult to handle and the resulting lower bulk density decreases throughout.

Although the methods used in coal preparation have been modernised the object is still to deal with R.O.M. and prepare coal of the right type ash content, moisture content and size to suit the consumers requirements. The changes which have occurred in the size analysis of raw coals and the increased quantities of shale have combined with the present extensive use of water underground (to meet statutory requirements on the content of the air borne dust) to make the problem more difficult and some of the older methods less efficient.

On a modern plant there are no major difficulties for obtaining clean coal, middlings and shale and the middlings can be crushed or re-treated or disposed of as a separate product. As a consequence, there is no real problem in obtaining the desired ash content in the saleable product so that the chief difficulty with modern method is to control moisture content of clean coal.

It is known that the moisture content of a washed coal mixture depends on the size, grading of the material and the methods of removal. With graded coals, most of the moisture can be removed by drainage either on screens or in bunkers and a reasonably low free moisture content produced. For smalls not containing too much fines, centrifuge methods are reasonably successful. The main difficulties lie in the removing of moisture from the very fine portion ($-\frac{1}{2}$ mm) which contains about 30 per cent of moisture after being filtered in vacuum filters.

In order to meet the increasing demand of superior grade coal for steel industry and railways there is need for conserving such coals and also for finding alternative ways of meeting the requirements. Upgrading of lower rank coal by washing them to reduce the ash content is one of the methods successfully employed for the purpose and a large number of washeries are being set up in this country. Since the establishment of a washery involves considerable expenditure the following main factors will have to be taken into consideration while designing washeries:—

- (1) Mining method, mode of transport and handling of both at collieries and inside the washery and the effect on the size of coal fed to the washeries.
- (2) Requirements of consumers with regard to size, quality and moisture of washed products.
- (3) Washability of the coal to be treated.
- (4) Efficiency of washing units.
- (5) Capital and recurring expenses.

Throughout the world a growing interest is being taken in the preparation of slack size of coal since owing to the mechanisation of mines, the percentage of slack is increasing.

The use of dense medium process for the preparation of coal above 1" is broadly known. Many processes have been developed and a great

number of them are in operation in many countries.

(The use of dust medium process for the preparation of slack size coal is used only occasionally and the preparation is a little more difficult.

Cleaning of coal and mechanised mining will lead to deterioration in size of coal and therefore utilisation must aim either at the direct use of such fine coal or up-grading it by briquetting and/or carbonisation for production of lump fuels to be used more conveniently. With the increase in demand of coal in other section, shortage in resources of high quality coals will obviously result and it will be progressively difficult to supply the fuels necessary for rail transport for, conventional steam locos. It will pay the nation to plan well ahead for more effective utilisation of fuel in the transport section. This can be done by the production of liquid fuels from coal. Electrification of railways based on the generation of power from by-products of coal preparation is another approach. Thus an integrated approach is necessary even for maintaining energy supply for the vital transport section.

The cleaning of the Indian Coals in general is not a simple deshalting process. Owing to the comparatively difficult washing characteristic of Indian coals their economic cleaning cannot be often achieved in a single unit or plant. Due also to the varying output of coal even from the same coalfield and in view of the small production from individual mines, the problem of cleaning Indian Coals is rather different than in the U.K. or U.S.A. Therefore, production of 30 to 40% of middlings and rejects are unavoidable in washing these types of coal. Due to the fact that the requirements of washed coal for the steel industry will increase greatly during the third five year plan, it is imperative that planning of power stations and washeries should be taken up as a single integrated scheme.

The first step in the economy of transport is of course washing of the raw coal in site which leads to substantial rejection of high ash fuels as middlings and refuse.

Coal preparation is now recognised as a combination of science, art and engineering recognised in its own right as a vital link between the production and the marketing of coal. It is no longer some obscure and piece of work intended merely to remove dirt from coal to a degree that will avoid complaints from consumer. A modern installation is a carefully designed assembly of machines for handling, screening, cleaning, de-watering and blending of coal and for water clarification.

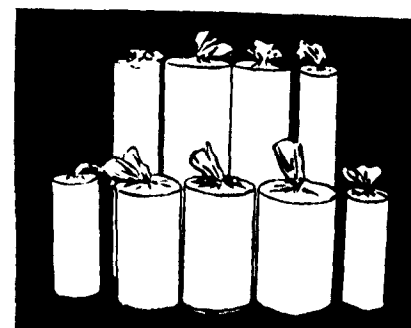
The function of the modern plant is to produce the maximum yield of clean coal of suitable quality for the consumer and at the most economic cost. The modern plant can very well run into a capital cost of anything upto two crores dependent, of course, on size. It necessarily follows that operating costs and the revenue value of the end products must receive careful consideration in the design and relation of a new installation.



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Belt Conveyor—Evolution, Application and Maintenance

By
P. K. SEN

Handling of material plays a very important role in industrial industry. There have been some developments in methods of material handling machines of material handling in years that have passed since. The improvements in the construction of conveyor belts have lately been the most important. This is proved by the extended application of this type of conveyors far beyond what was formerly thought to be hardly possible. In plants producing cement, paper, chemicals etc. will function if there are no conveyors. In any industry bulk material is entirely dependent on the conveying system and there to be gradual improvements in methods of handling the material involved, when that industry is for any expansion.

Conveying by endless belts goes many years. It was in 1868 when Lyster, an English engineer, developed the idea of conveying bulk materials by endless belts made from two plies of canvas with a facing of rubber and had described his work to the Society of British Engineers. In Lyster seems to have invented many of the features of the belt conveyors of today. In America, Lyster carried on extended experiments with belt conveyors for handling grains in 1890's. Years later, Thomas Robins, apparently independently of Lyster, followed similar lines of investigation. Besides the structural part, Robins did considerable pioneering in the first belts developed by him, had two or more plies with rubber covers. Then he had increased the thickness of rubber on the underside and increased it on the carrying side to secure longer life. Gradually came the conveyor of today through varied amorphosis.

For conveying practically all granular, lumpy and pulverised materials—belt conveyors may be used, provided the capacity is large enough to warrant the investment. There are of course obvious limitations that the gradient of the conveyor should not be so steep that the material will slip. For example, belt conveyors will carry coal and ore upto a maximum inclination of 18° to 20° without the material rolling on the belt. For transporting material down a slope steeper than 6%, some form of bracing device is needed to prevent the conveyor from running away. Belt conveyors have a large capacity and can move mountains of material. Hot material must not be high speed, material can be handled by any other ways; namely, serial ways, flight and apron conveyors, screw conveyors pneumatic and hydraulic conveyors, chain conveyors. The superior-

ity of belt conveyors over all these other systems is an accepted fact today. However, at the same time it is more vulnerable to neglect and misuse than almost all the other conveyors, and therefore demands the best maintenance possible.

The belt of a conveyor is the nucleus of an expensive installation. Naturally, very much is expected of it. If a belt is worth Rs 10,000 and can be made to last ten years instead of two, the savings vindicate considerable

maintenance expenses. On many installations it has been found that such a saving is practicable at a very little extra cost in equipment alterations and maintenance time. Damage and injuries are of far greater importance to determine how long a belt is going to last, than the number of tons carried. Some injuries and damages are serious enough to bring an abrupt termination of the belt's career even though it is a fresh installation. We can understand better how to care for a

rubber belt if we bear in mind the following characteristics of the two component parts—cotton fabric and rubber. All the structural strength is supplied by the fabric. The function of the fabric is to do all the work in supporting the load and transmitting the power. The rubber supplies no structural strength. The cotton however is almost worthless to resist abrasive wear, cutting blows and atmospheric attack. The rubber with which the cotton is covered and impregnated is many times more resistant to all these damaging conditions. The two in combination—one supplying strength, the other protection—have made possible the modern belt conveyor with all its savings to industry in the economic handling of materials. Rubber can stand up in-

(Continued on page 34)



TABLE I
TRENDS IN STATE-WISE PRODUCTION OF COAL
(Figures in million tonnes)

Period	West Bengal	Bihar	Assam	Andhra	Maharashtra	Madhya Pradesh	Orissa	Rajasthan	Grand Total	Grand Total Long Ton
1950	9.115	17.771	0.399	1.182	0.411	3.534	0.382	0.020	32.814	32,297
1951	9.800	18.885	0.474	1.226	0.423	3.650	0.490	0.034	34.982	34,431
1952	10.504	19.594	0.502	1.397	0.375	3.998	0.467	0.046	36.883	36,302
1953	10.398	19.316	0.491	1.293	0.314	4.291	0.498	0.035	36.555	35,979
1954	10.773	19.462	0.504	1.455	0.318	4.393	0.534	0.031	37.470	36,880
1955	11.520	9.734	0.552	1.495	0.352	4.594	0.562	0.029	38.838	38,226
1956	11.472	20.410	0.576	1.644	0.417	4.905	0.613	0.025	40.062	39,431
1957	13.893	21.443	0.589	1.951	0.634	5.132	0.540	0.018	44.200	43,504
1958	14.474	22.163	0.573	2.150	0.672	5.479	0.542	0.012	46.065	45,340
1959	15.198	22.730	0.650	2.266	0.685	5.639	0.620	0.024	47.812	47,059
1960	16.408	25.051	0.663	2.517	0.788	6.307	0.776	0.042	52.612	51,783
1961—										
January	1.485	2.561	0.061	0.221	0.074	0.647	0.083	0.004	5.136	5,056
February	1.478	2.670	0.063	0.216	0.069	0.633	0.090	0.006	5.225	5,142
March	1.531	2.821	0.066	0.216	0.076	0.684	0.123	0.007	5.524	5,437
April	1.453	2.150	0.065	0.205	0.074	0.513	0.074	0.006	4.540	4,612

TABLE II
TRENDS IN GRADEWISE PRODUCTION AND DESPATCHES OF COAL IN INDIA
(Figures in million tonnes)

		PRODUCTION								
		Sel. A	Sel. B	Gr. I	Gr. II	Gr. III	Others	Total		
10	...	7.577	10.389	16.713	9.047	5.177	3.700	52.612		
January	...	0.661	0.834	1.828	0.899	0.509	0.406	5.137		
February	...	0.648	0.859	1.806	0.979	0.506	0.427	5.225		
March	...	0.670	0.895	2.077	0.871	0.552	0.459	5.524		
April	...	0.629	0.761	1.636	0.710	0.488	0.316	4.540		
		DESPATCHES.								
		Sel. A	Sel. B	Gr. I	Gr. II	Gr. III	Others	Total		
10	...	7.304	9.782	13.702	6.994	3.237	3.307	46.326		
January	...	0.654	0.785	1.439	0.683	0.323	0.307	4.191		
February	...	0.643	0.747	1.335	0.568	0.285	0.320	3.896		
March	...	0.666	0.881	1.508	0.596	0.330	0.327	4.308		
April	...	0.611	0.788	1.634	0.515	0.317	0.308	4.173		

TABLE III
TRENDS IN PRODUCTION AND EMPLOYMENT

Period	Average monthly output in tonnes	Daily Average No. of persons employed	Output per man per year employed	Overall output per manshift employed
January	219,432	29,790	87	...
February	254,145	28,265	106	...
March	277,621	27,434	119	...
April	265,800	26,531	118	...
May	252,689	26,564	112	0.37
June	242,012	27,600	106	0.35
July	253,229	28,444	105	0.34
August	287,008	31,544	107	0.35
September	311,156	...	...	...
October	380,211	...	...	...
November	500,747	...	...	...
December	979,229	...	...	...
January	1,110,109	...	...	...
February	1,300,871	...	...	...
March	488,303	...	...	...

TABLE IV
STATE-WISE QUOTA AND DESPATCHES DURING 1960 IN WAGONS

Sl. No.	States	Total quota for the year 1960 (in wagons)	Total despatches during 1960 (in wagons)
1.	Andhra	64,426	46,321
2.	Assam	933	710
3.	Bihar	370,450	227,511
4.	Delhi	50,886	38,951
5.	Gujarat	157,765	69,859
6.	Himachal Pradesh	840	41
7.	Kerala	1,820	612
8.	Kashmir	868	19
9.	Madras (Including Pondicherry)	51,704	31,151
10.	Maharashtra	99,863	44,615
11.	Madhya Pradesh	174,428	101,803
12.	Mysore	33,393	17,154
13.	Orissa	70,268	44,700
14.	Punjab	93,135	52,155
15.	Rajasthan	48,686	27,748
16.	Tripura	432	469
17.	Uttar Pradesh	166,090	106,702
18.	West Bengal	373,387	339,987
19.	Bombay	...	54,091
Total		1,781,174	1,204,599

TABLE V
Statement showing industry-wise despatches of coal by rail (in tons) during the year 1960 against the Accepted Demand from all coalfields in India except Assam.

Class	Name of Industries	Total despatches.	Accepted demand for despatches by rail during 1960.
A.	Export Bunker	1,342,205	1,659,689
	XX/Industries	131,328	212,850
	Dumps	91,148	...
	Navel Stores	2,788	...
B.	Steel Works	7,740,151	9,484,721
	Coke Ovens	453,528	594,300
C.	Coal Washeries	298,865	178,544
D.	Ordnance Factories	129,102	165,916
	Defence Services	77,031	46,287
E.	Railways	16,060,596	17,864,169
	Port and Dock Railways	146,431	198,574
	Steamer Services (Central)	224,767	333,434
	Steamer Services (States)	13,575	28,818
F.	Public Utilities (Power)	5,073,498	6,618,455
	Public Services (Gas Works)	199,698	223,465
	Public Utilities (Water Works)	79,027	129,398
G.	Cement Factories	2,419,486	3,252,817
	Copper Works	35,487	58,101
	Refractories	85,409	157,847
	Paper Mills	749,715	900,996
H.	Tea Gardens	121,844	99,408
I.	Engineering and Foundries (Central)	142,717	287,925
	Engineering and Foundries (States)	359,486	732,584
	Rolling Mills	200,188	387,757
	Tramways Workshops	337	526
	Smallscale Industries	266,857	497,615
J.	Iron Ores	11,302	17,100
	Mica Works	789	5,521
	Lime Works	205,384	366,482
K.	Other Chemicals (Including heavy chemicals)	948,152	1,134,443
	Distilleries	96,215	167,504
	Glass Works	278,131	427,227
	Potteries	173,994	260,160
	Rubber Works	56,944	73,166
	Enamel Works	12,302	27,512
	Leather Works	9,993	16,171
	Soap Works	12,771	15,079
	Match Factories	2,964	4,206
L.	Cotton Mills	1,799,206	2,270,007
	Jute Mills	307,757	485,443
	Woolen Mills	68,320	99,998
	Ginning and Pressing Factories	111,990	237,164
	Starch Factories	30,885	41,825
	Silk Mills	304,000	3,64,409
M.	Domestic soft coke	1,697,359	2,230,795
	Hospitals	3,792	8,508
	Jails	3,923	11,307
	Educations	8,902	17,684
	Ice Factories	10,657	37,005
N.	Sugar Mills	153,767	214,881
	Food Processing Factories	134,037	204,722
	Edible Oil Mills	268,391	433,136
	Dairies	4,575	6,560
	Tobacco Manufacturing	23,731	31,446
	Tobacco Curing	178,711	283,143
O.	Brick Works (Civil)	915,813	1,134,443
	Government Requirements	181,671	2,729,848
	Community Development Project	81,434	...
	Grow More Food	167,429	626,460
	Brick (Railways)	119,262	119,500
P.	Miscellaneous	153,534	331,448
Total		44,870,467	57,366,516

TABLE VI
A Comparative Statement showing the Trends both yearly and Monthly in the Daily Loadings from West Bengal and Bihar Coalfields during the last six years.
(Figures in wagons)

Period	Average daily loadings during					
	1955	1956	1957	1958	1959	1960
January	3,169	3,581	3,533	3,716	3,883	4,064
February	3,208	3,230	3,586	3,713	3,882	4,143
March	3,215	3,204	3,726	3,805	4,052	4,184
April	3,191	3,403	3,786	4,018	4,114	4,262
May	3,145	3,246	3,587	3,843	3,842	4,625
June	3,130	3,416	3,354	3,685	3,966	4,316
July	3,234	3,590	3,576	3,901	4,225	3,797
August	3,475	3,824	3,794	4,101	4,241	4,444
September	3,393	3,280	3,847	4,176	4,344	4,627
October	3,478	3,437	3,982	4,060	3,835	4,782
November	3,361	3,568	3,889	3,984	3,980	4,897
December	3,141	3,384	3,556	3,916	3,778	4,629
Average for the year	3,262	3,405	3,668	3,910	4,004	4,336

TABLE VIII
WASHERY.

Period	Rated capacity (in metric tons per month)	Raw Coal input (in metric tons)	Throughput of Washed Coal (in metric tons)	Despatches of Washed Coal (in metric tons)
West Bokaro	137	38,361	30,656	6,458
Jamshedpur	305	100,978	74,294	21,162
Lodna	61	28,326	22,849	5,477
Kargali	470	95,028	72,549	14,084
Nowrazaabad	122	14,048	8,483	3,850
Durgapur	366	20,928	14,809	3,604
Total	1,461	297,669	223,640	54,635

TABLE IX
BY-PRODUCTS PRODUCED AND DESPATCHED FROM COKE PLANTS

By-product	Unit	Produced	Despatched	Closing Stock
Gas Coke	Tonnes	10,549	7,522	502
Pitch	"	2,342	783	3,169
Coal Tar (Road Tar included)	"	21,749	5,617	18,786
Sulphate of Ammonia	"	4,780	4,767	1,046
Sulphuric Acid	"	5,343	717	2,877
Naphthalene	"	127	124	11
Solvent Naptha (Light and Heavy)	Litres	42,895	34,249	112,045
Benzene	"	809,975	649,614	660,817
Benzol	"	850,007	61,156	1,246,765
Xylene	"	7,000	...	7,000
Toluene	"	143,186	85,261	116,193
Toulol	"	46,241	17,697	59,391
Tar Acid	"	2,665	185	14,513
Light Oil	"	576,754	571,486	81,097
Middle Oil or Carbolic Oil	"	65,339	58,156	281,922
Creosote Oil (Boiling point 230 deg. to 270 deg.)	"	62,120	27,085	187,357
Heavy Oil or Anthracene Oil	"	7,849	5,614	207,607

INDIGENOUS MANUFACTURE OF MINING MACHINERY

(Continued from page 23)

indigenous machines makers may need some kind of protection to establish themselves, it is also very necessary, in the consumers' interest, that healthy competition be established. This poses a tricky problem as to where to draw the line in the Government policy of 'not licensing too much capacity'. The author's opinion (and he certainly has "an axe to grind") is that it is better to license a little bit excess capacity than insufficient. A seller's market encourages inefficiency and if there is a little excess capacity then, by the action of normal economic laws, the inefficient units will soon 'fold up' and go out of business.

For some years the very fine factory known as Garden Reach Workshops have been turning out considerable quantities of tugger haulages and have practically been able to meet the country's requirement of the specialised piece of equipment. They have also met a good deal of the requirements of pans and chains

for chain conveyors. The recent acquisition of this fine factory by the Government of India opens up possibilities of expanding their activities in mining machinery.

Although good progress is being made with the Government Mining Machinery project at Durgapur, it would appear that it will be a few years yet before any substantial quantity of machinery is available from the factory.

Therefore, the author would like to take the opportunity to make a plea to the "Powers that be" to take a liberal attitude towards any foreign manufacturer who will collaborate with an indigenous workshop. A half loaf is indeed better than no bread!

Whenever an application is made for a substantial quantity of equipment, the foreign maker might be asked "cannot some part of the equipment be made in India?" In

this way very substantial savings in foreign exchange could be effected without in any way affecting the quality of the finished product.

Many foreign manufacturers are interested in collaborating with Indian factories and only need a little official encouragement. It is most discouraging when masses of red-tape causes months of delay in a project during which time the interest of the foreign collaborator may have waned.

The author knows of several instances when foreign firms have spent a great deal of time and money investigating possibilities of setting up factories in India and finally given up the proposal because of delays and difficulties.

The need to increase the production of coal in India is paramount. The need to save foreign exchange and establish an indigenous manufacture of mining machinery is also urgent.

Care must be taken that the first objective is not hindered in helping the latter. On the other hand, the indigenous industry, like any other tender plant, needs to be carefully nurtured. To repeat the theme of the argument: mining machinery is essentially different even though basically similar to industrial equipment of the same type. With the setting up of the Central Mining Research Institute at Dhanbad and perhaps with the help of the Indian Standards Institute it should be possible to get the Development Wing to differentiate between one type of equipment and the other and thus encourage 'new manufacturers of mining machinery without in any way acting to the detriment of established manufacturers of similar industrial machines.

Statutory Price of Coal from 1944 to 1961

WEST BENGAL AND BIHAR
Price per Ton of 2240 Pounds.

RUN OF MINE, DUST COAL AND SLACK COAL														STEAM COAL, RUBBLE AND SMITHY NUTS.													
Date of Notification.	Selected 'A'		Selected 'B'		Grade I		Grade II		Grade IIIA		Grade IIIB		Selected 'A'		Selected 'B'		Grade I		Grade II		Grade IIIA		Grade IIIB		Soft Coke		
	Rs	As	Rs	As	Rs	As	Rs	As	Rs	As	Rs	As	Rs	As	Rs	As	Rs	As	Rs	As	Rs	As	Rs	As	Rs	As	
14-7-44	12	8	11	8	10	10	10	4	9	14	9	8	13	4	12	4	11	6	11	0	10	10	10	4	19	0	
1-2-45	12	5	11	5	10	7	10	1	9	11	9	5	13	5	12	5	11	7	11	1	10	11	10	5	19	0	
9-7-47	15	13	14	13	13	15	13	9	13	3	12	13	16	13	15	13	14	15	14	9	14	3	13	13	22	11	
3-4-49	15	13	14	13	13	15	13	9	11	12	10	9	16	13	15	13	14	15	14	9	12	12	11	9	22	11	
23-11-49	15	3	14	3	13	5	12	15	11	12	10	9	16	4	15	4	14	6	14	0	12	12	11	9	21	12	
18-2-54	15	3	14	3	13	5	12	6	11	12	10	9	16	4	15	4	14	6	13	7	12	12	11	9	21	12	
18-7-55	15	6	14	6	13	8	12	6	11	12	10	9	16	7	15	7	14	9	13	7	12	12	11	9	21	12	
Coking coal 12-11-55	15	9	14	9	13	11	12	9	11	12	10	9	16	10	15	10	14	12	13	10	12	12	11	9	21	12	
Non-coking coal 5-7-56	18	6	17	6	16	8	15	6	14	12	13	9	19	7	18	7	17	9	16	7	15	12	14	9	26	12	
Coking coal 5-7-56	18	9	17	9	16	11	15	9	14	12	13	9	19	10	18	10	17	12	16	10	15	12	14	9			
Non-coking coal 8-7-57	19	87	18	87	18	00	16	87	16	25	15	06	20	94	19	94	19	06	17	94	17	25	16	06	26	75	
Coking coal 8-7-57	20	06	19	06	18	19	17	06	16	25	15	06	21	12	20	12	19	25	18	12	17	25	16	06			
Non-coking coal 17-5-58	20	62	19	62	18	75	17	62	17	00	15	81	21	69	20	69	19	81	18	69	18	00	16	81	27	75	
Coking coal 17-5-58	20	81	19	81	18	94	17	81	17	00	15	81	21	87	20	87	20	00	18	87	18	00	16	81			
Non-coking coal 17-10-58	20	28	19	28	18	41	18	28	16	69	15	47	21	35	20	35	19	47	18	35	17	66	16	47	27	30	
Coking coal 17-10-58	20	47	19	47	18	60	18	47	16	69	15	47	21	53	20	53	19	66	18	53	17	66	16	47			
Non-coking coal 2-4-59	20	37	19	37	18	50	17	37	16	75	15	56	21	44	20	44	19	56	18	44	17	75	16	56	27	42	
Coking coal 2-4-59	20	56	19	56	18	69	17	56					16	75	15	56	21	62	20	62							19
Non-coking coal 25-8-59	20	87	19	87	19	00	17	87	16	75	15	56	21	94	20	94	20	06	18	94	17	75	16	56	28	09	
Coking coal 25-8-59	21	06	20	06	19	19	18	06					17	56	16	37	22	12	20	12							20
Non-coking coal 1-4-60	21	68	20	68	19	81	18	68	17	56	16	37	22	75	21	75	20	87	19	75	18	56	17	37	29	17	
Coking coal 1-4-60	21	87	20	87	20	00	18	87					17	56	16	37	22	93	21	93							21
Non-coking coal 24-8-60	21	74	20	74	19	87	18	74	17	62	16	43	22	81	21	81	20	87	19	81	18	62	17	43	29	25	
Coking coal 24-8-60	21	93	20	93	20	06	18	93					17	62	16	43	22	99	21	99							21
Non-coking coal 1-6-61	21	80	20	80	19	93	18	80	17	68	16	49	22	87	21	87	20	87	19	87	18	68	17	49	29	33	
Coking coal 1-6-61	21	99	20	99	20	12	18	99					17	68	16	49	22	05	21	05							21
Non-coking coal 1-4-60	21	34	20	35	19	50	18	38	17	28	16	11	22	39	21	41	20	54	19	44	18	27	17	10	28	71	
Coking coal 1-4-60	21	52	20	54	19	68	18	57					17	28	16	11	22	57	21	58							20
Non-coking coal 24-8-60	21	40	20	41	19	56	18	44	17	34	16	17	22	46	21	47	20	60	19	50	18	33	17	15	28	79	
Coking coal 24-8-60	21	58	20	60	19	74	18	63					17	34	16	17	22	63	21	64							20
Non-coking coal 1-6-61	21	46	20	47	19	62	18	50	17	40	16	23	22	55	21	52	20	66	19	56	18	38	17	21	28	87	
Coking coal 1-6-61	21	64	20	66	19	80	18	69					17	40	16	23	22	69	21	70							20

PUBLIC SECTOR IN THE COAL INDUSTRY

(Continued from page 15)

impetus to mechanisation and such mechanisation will be marked in the realm of transport. It has been learnt that to handle the transport problem in mining, the NCDC has plans for introducing ropeways and hydraulic pipelines to haul coal over distances of less than 25 miles.

Mention must be made of the assistance already rendered by the Soviet Government in connection with the preparation of the project reports for the schemes forming part of the Korba project. These are the development of a quarry to produce 1 million tons per annum from the Jatraj seam, underground workings to produce 1½ million tons per annum from the Ghordewa coal seam, setting up of a central workshop and setting up of a coal washing and dressing plant. Action on the report prepared and submitted by the Techno-export of the Soviet Union seems to be delayed in view of the alterations being sought by the NCDC to certain aspects of the reports.

Significant among the Third Plan schemes of the Corporation are its schemes for development of coal washeries at Karanpur, Kathara, Ramgarh and Korba. Already it has set up one at Kargali in order to supply high

grade coking coal to the Bhilai and Rourkela steel plants. Built at a cost of Rs 2.48 crores, the washery has been steadily increasing its output of washed coal which during 1960 amounted to 852,427 tons against the targeted optimum of 1.6 million tons. Equally important is the Corporation's plan for the establishment of a central workshop in Madhya

Pradesh for the repair of stores with the help of the Soviet Union. The central workshop at Barkakhana has been progressing satisfactorily, and five out of the twelve sheds are known to have been completed. The central workshop when completed will not only handle major repairs and overhauls but will manufacture spare parts of the order of Rs 35 lakhs a year apart from fabricating steel and structural of an annual value of Rs 23 lakhs.

AMALGAMATION OF SMALL COLLIERIES

(Continued from page 13)

on their business for decades past do not favour the idea of merger. Even in some cases when they came forward, it was found that actual implementation of amalgamation was difficult in as much as Royalty Receivers, sometimes many in number, did not approve of the amalgamation. The Railways also do not easily accept the amalgamated unit as one for the purpose of loading before the completion of the legal documents. If separate Trade Unions are working in the two units proposed to be amalgamated, they object to the amalgamation even if the two units are under the same organisation. The adjustment of assets and liabilities of the two units also presents accounting difficulties, for both of them have worked the units in different ways.

From the mining point of view, amalgamation is easy so far as the virgin seams in two units are concerned but difficulties are manifold in respect of existing workings.

Unless these difficulties are removed, it will be very difficult to make the scheme of amalgamation a success. Most probably, due to these reasons, the Government did not intend to compel the units to amalgamate.

The Collieries Voluntary Amalgamation Committee approves simply the proposals of amalgamation and a case is yet to be known when it has helped the collieries to remove these difficulties. If Government is really anxious to make the scheme a success, this Committee should be asked to work more vigorously.

BELT CONVEYOR

(Continued from page 31)

definitely against the abrasive wear and even impact of sharp materials so long as the force involved does not distort the rubber beyond the elastic limit. The impact force is simply the weight of the material in pounds multiplied by the distance it falls in inches. For instance, a 40-pound stone falling 6 feet or 72 inches delivers 40 pounds times 72 inches or 2880 inch-pounds. Over a steel idler it takes only about 350 inch pounds to cut a grade 'A' quality conveyor cover. Thus it can be readily seen that under such conditions more damage can be done in a few days than in years of normal operation.

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